

**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY**

**NOTICE OF SECOND EXTENSION REGARDING CURRENT
ADMINISTRATION AND ENFORCEMENT OF
THE ESSENTIAL AIR SERVICE PROGRAM**

I. SUMMARY

By this Notice of Second Extension, the U.S. Department of Transportation (the Department) is extending the Notice Regarding Current Administration and Enforcement of the Essential Air Service Program (the Notice) through December 31, 2020. The Notice,¹ issued on April 29, 2020, was effective March 1, 2020, through June 30, 2020 and outlined conditions under which air carriers providing Essential Air Service (EAS) may receive compensation for certain non-completed flights as a result of the impact of the coronavirus disease 2019 (COVID-19) public health emergency. The Notice was extended previously, on June 5, 2020, through September 30, 2020. This Notice of Second Extension extends the Notice through December 31, 2020. The Department will provide notice if it determines that a further extension of the Notice is appropriate.

II. BACKGROUND

In the Notice, the Department's Office of Aviation and International Affairs authorized subsidy payments for certain non-completed flights under the EAS Program given the significant reduction in passenger demand caused by the COVID-19 public health emergency and the resulting financial impact on air carriers. The Office of Aviation and International Affairs authorized payments of 50 percent of the contracted per-flight subsidy for flights that were not completed due to the COVID-19 public health emergency, as long as an EAS air carrier serving a community in the continental United States, Hawaii, and Puerto Rico completed at least one round trip flight a day, six days a week, for that EAS community, and an EAS air carrier serving a community in Alaska completed at least 50 percent of its weekly schedule for that EAS community.

In addition, as part of the Notice, the Department's Office of Aviation Consumer Protection (formerly the Office of Aviation Enforcement and Proceedings), a unit within the Department's Office of the General Counsel, apprised EAS air carriers and eligible communities of its intention not to initiate enforcement actions against EAS air carriers for failure to comply with the level-of-service requirements in 49 U.S.C. §§ 41732 and 41733 in situations in which the noncompliance took place during the effective period of the Notice, the significant reduction in passenger demand due to the COVID-19 public health emergency was the cause of the noncompliance, the EAS air carrier complied with the level-of-service requirements provided in the Notice, and the eligible communities did not object to the change in service levels.

¹ A full copy of the Notice may be found at: <https://www.regulations.gov/document?D=DOT-OST-2000-8012-0168>

Since the issuance of the Notice, which was initially effective through June 30, 2020, and extended once, through September 30, 2020, several air carriers providing EAS have inquired whether the Department will further extend the effective period in light of the ongoing challenges they are experiencing due to the COVID-19 public health emergency. The Department observes that air carriers participating in the EAS Program continue to encounter record-low demand. As of the week of August 17, 2020, U.S. airlines carried approximately 25 to 30 percent of the passenger volume that they carried during the same period last year, a trend that is reflected across the system, including at communities receiving EAS.²

III. DECISION

The Department recognizes that the documented effects of the COVID-19 public health emergency on air travel demand are ongoing. Therefore, the Department is acting now to extend, for a second time, the effective period of the Notice through December 31, 2020. The Notice is extended without modification. The Department will provide notice if it determines that further extension of the Notice is appropriate.

By:

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² See Transportation Security Administration checkpoint data, *available at* <https://www.tsa.gov/coronavirus/passenger-throughput>.