



WASHINGTON AVIATION SUMMARY OCTOBER 2023 EDITION

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The Kirstein & Young law firm specializes in representing U.S. and foreign airlines, airports, leasing companies, financial institutions and aviation-related companies before U.S. Government agencies, Congress, the courts and in commercial and financing matters.

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I. REGULATORY NEWS

1. Michael Whitaker Nominated as FAA Administrator.

President Joe Biden nominated Michael Whitaker to serve as Administrator of the Federal Aviation Administration (FAA). He was Deputy Administrator from 2013–2016. Whitaker serves on the board of Flight Safety Foundation and is COO of Supernal, a Hyundai company designing an electric advanced air mobility vehicle. He earlier held executive positions at United and TWA and is a private pilot. The nomination was endorsed by several industry groups. “He has a deep understanding of and appreciation for the collaborative partnership between industry and government,” said Airlines for America (A4A), urging “expeditious consideration” by the Senate.

2. Gov’t Shutdown Risks to Aviation Narrowly Averted.

As bills to reauthorize FAA and fund the federal government by September 30 deadlines fell prey to Congressional partisan politics, the White House warned that a government shutdown would have a significant impact on aviation. Air traffic controllers and other FAA and Transportation Security Administration personnel “would have to show up to do their critical jobs without getting paid until funding becomes available.” A shutdown would also “halt air traffic controller training—potentially leading to long-term disruptions to the industry at a moment when we’ve seen critical progress filling a backlog of controllers.” U.S. Travel Association said a federal government shutdown could cost the U.S. travel economy as much as \$140 million a day, and six in 10 Americans would cancel or avoid trips by air. On September 30, 2023, Congress passed a 45-day Continuing Resolution. This could become an issue again if long term spending legislation is not passed before November 14, 2023.

3. FAA Returns Mexico to Highest Aviation Safety Status.

FAA returned Mexico’s aviation safety rating to Category 1 status, meaning Mexican authorities can add new service and routes to the U.S., and U.S. airlines can resume marketing and selling tickets with their names and designator codes on Mexican-operated flights. FAA downgraded Mexico’s International Aviation Safety Assessment (IASA) rating to Category 2 in 2021, after finding the country did not meet International Civil Aviation Organization (ICAO) safety standards. The International Air Transport Association (IATA) said the restrictions affected Mexican airlines’ post-pandemic recovery and ability to grow their service in the important Mexico - U.S. market.

4. IOSA Evolving to Risk-Based Model.

Since 2005, the all-accident rate for airlines on the IOSA registry is 1.40 per million sectors, compared with 3.49 per million for non-IOSA airlines, said IATA, at the World Safety and Operations Conference (WSOC) in Hanoi. Launched in 2003, IOSA has been a requirement for IATA membership since 2006, is a condition of membership in the three global airline alliances and many regional airline associations and is used by regulators in numerous countries to complement their safety regulatory oversight programs, and as the primary means to verify operational safety for many airline codeshare arrangements. Currently, 417 operators are on the IOSA registry. Last year, IATA began evolving IOSA to a risk-based model, under which audits are tailored to the operator's profile and focus on high-risk areas. The approach introduces a maturity assessment of the airline's safety-critical systems and programs. . . . The IATA Safety Leadership Charter was launched at the WSOC to help executives build a positive safety culture in their organizations. Safety leaders from more than 20 airlines are the first signatories.

5. ALPA Air Safety Forum News.

The two greatest challenges for airline safety are the impact of extreme weather events on flight operations, and the development of new technologies and unanticipated problems they can introduce, said Kathy Fox, Chair of the Transportation Safety Board of Canada, at the Air Line Pilots Association, Int'l (ALPA) Air Safety Forum in Chicago. During flight deck design, special attention must be given to how the flight crew understands and interfaces with new systems and features. Problems such as loss of aircraft control have sometimes led to automation confusion; two well-trained, qualified crew on the flight deck are better than one. . . . Unruly passenger events were also discussed. "Before the pandemic hit its peak, we prosecuted about 100 cases every month nationwide," said an FAA attorney. "Then in March of 2021, we had 720 cases in one month." Although the numbers have decreased considerably, as of January this year, FAA was still seeing about 300 cases every month.

6. Former FAA Administrators Urge Increased Collaboration.

Former FAA Administrators and pilots Steve Dickson and Randy Babbitt urged the federal government to work collaboratively with the aviation industry to improve the travel experience, in a Fortune magazine essay. After years of successfully working together, the Department of Transportation (DOT) "has upset the balance of this collaboration by taking an outsized role. Instead of using enforcement as a tool of last resort when collaboration does not work, the DOT is creating an unnecessarily antagonistic working relationship . . . While making headlines, DOT actions by no means guarantee material, long-term

improvements to passengers' experiences. Carriers hold themselves to a higher standard than the government ever could."

II. AIRPORTS

1. FAA Extends Slot Use Flexibility at New York City Area Airports.

FAA will allow airlines flexibility on slot usage at airports in the New York City area through October 27, 2024, as “the number of certified controllers at the New York Terminal Radar Approach Control (N90) is still not sufficient to allow handling of normal traffic levels.” FAA is working with National Air Traffic Controllers Association “on a long-term solution to solve the chronic low levels of fully certified controllers at N90.” The agency continues to expect airlines to operate larger aircraft to transport more passengers, have sufficient ground crews to service the larger aircraft and make sure passengers are fully informed about possible disruptions. For Newark Liberty, where on-time performance “is among the worst in the nation,” FAA is reducing the targeted scheduling limit for March-October 2024.

2. JetBlue to Divest More Spirit Gates in Merger Quest.

JetBlue agreed to transfer to Allegiant all Spirit Airlines holdings in Boston and Newark, principally consisting of two gates each in Boston and Newark, and 43 takeoff and landing authorizations in Newark. JetBlue also agreed to relinquish up to five gates at Fort Lauderdale to the Broward County Aviation Department. In June, JetBlue announced it will divest all Spirit holdings at New York LaGuardia to Frontier. Meant to ease antitrust concerns over the proposed JetBlue acquisition of Spirit, the divestitures are subject to approval by local airport authorities and FAA and DOT. The divestitures are conditioned upon and will occur after merger closing, which JetBlue hopes will occur in first half 2024. “We are committed to long-term growth, especially in areas such as New York, Boston and Florida,” said Allegiant; this agreement “will allow us to expand our service in these cities and ensure that customers have even more access to affordable, nonstop flights for their travel needs.”

3. Administration Provides \$26 Million to Improve Runway Safety.

The Biden Administration announced a \$26 million investment that includes 1) Surface Awareness Initiative: to improve controller situational awareness and reduce close-calls on the runway, FAA will deploy surface surveillance systems to airports that do not already have this technology. 2) Approach Runway Verification: to prevent runway landings that can result in close-calls, FAA will expand its terminal automation system, which will alert controllers about aircraft alignments, to 84 airports. 3) Runway Incursion Device: FAA will deploy a memory aid device used by controllers for occupied and closed runways to 72 additional airports; this device provides a visual and audible alert to remind controllers to check the runway before issuing clearances.

4. **Denver International Completes \$50.9 Million Taxiway Project.**

Denver International completed a \$50.9 million taxiway project that eliminates a “Hot Spot” designated by FAA as a location on an airport movement area with a history or potential risk of collision or runway incursion.

5. **Delta Sky Way at LAX Project Completed.**

Delta and Los Angeles World Airports completed the final major phase of the \$2.3 billion Delta Sky Way at LAX project, with Terminal 3 now directly connected to Tom Bradley International Terminal via moving airside walkways, eliminating the need for busing between terminals.

6. **Nashville Opens International Terminal.**

A new International Arrivals Facility at Nashville includes six new gates designated for international flights with apron space to accommodate larger planes. A new Customs and Border Protection zone can accommodate 800 passengers per hour using biometric technology. A \$1.5 billion plan for two concourses, a new air freight building, terminal roadway improvements and additional upgrades is scheduled for completion in late 2028.

7. **Houston Hobby Expansion Plans Approved.**

Houston City Council approved the first installment of \$470 million in funding to expand the West Concourse at William P. Hobby Airport. Scheduled to begin in early 2024 and span two years, the project anticipates increased demand for Southwest and will include seven additional gates that can accommodate domestic and international flights; an expanded and renovated baggage handling system and baggage claim area; and an overhead canopy along the departures curb to protect against inclement weather and connect a garage to the terminal. Southwest employs 5,000 people in Houston, with most based at Hobby, which is also served by Allegiant, American, Delta and Frontier.

8. **Raleigh-Durham to Replace Primary Runway.**

FAA authorized Raleigh-Durham Airport Authority to seek final permits and begin construction on replacement of the primary runway. The \$500 million, 10,639 foot runway is expected to be completed by 2028. The relocated runway will make room for future additional gates at Terminal 2.

9. **FAA Proposes \$477K Penalty Against Virgin Islands Port Authority**

FAA proposed a \$477,000 civil penalty against Virgin Islands Port Authority for improper airfield maintenance at Cyril E. King International. During inspections in 2021 and 2022, FAA found violations including but not limited to cracked runway and taxiway pavement; an improperly graded and drained runway safety

area; obstructions in the runway safety area; faded, missing or incorrect runway and taxiway markings; inaccurate signs; damaged or missing runway edge lights; and failure to properly store, dispense and handle fuel. In addition, the Port Authority failed to issue a Notice to Air Missions informing carriers of a runway issue, FAA alleges. . . . FAA proposed to revoke the Airport Operating Certificate for Hickory Regional Airport, which is owned and operated by the City of Hickory, in Western North Carolina. During inspections between 2021 and 2023, FAA found safety violations that included failure to provide sufficient and qualified personnel; maintain runway pavements; maintain airfield markings, signs and lighting; handling and storing fuel; training personnel; and mitigating wildlife hazards.

10. IATA Rejects Decision to Reduce Mexico City Slots.

Slots at Mexico City International (AICM) will be cut from 52 per hour to 43 in January, said President Andres Manuel Lopez Obrador, as the airport is operating at 150% of its capacity. IATA “rejects and challenges” the decision and called on authorities “to seek alternative measures to this unilateral action, which if not withdrawn or modified, will have negative impacts on passengers, air operations, connectivity, tourism and competitiveness. It will also place Mexico in non-compliance with its international aviation commitments. . . .The main problem at AICM is not the operating capacity but the aging and deteriorating infrastructure. Terminals 1 and 2 require immediate modernization.” AICM is served by 24 national and international airlines and is the primary hub connecting all Mexican states and most international destinations.

11. Dutch Government Sends Schiphol Noise Reduction Plan to EC.

The Dutch government submitted a plan for reducing noise at Amsterdam Schiphol to the European Commission (EC), which includes night closure, banning the noisiest aircraft and banning private planes. “We are in favor of a new system with clear noise and environmental limits,” said the airport. ACI Europe said decisions to temporarily reduce capacity as of Summer 2024 was taken without conducting the Balanced Approach process “are being made for electoral purposes as the caretaker Dutch government is heading towards national elections.” KLM and other airlines opposed to the measures are appealing to the Dutch Supreme Court after losing an appeal in July. They are supported by IATA, which said the Dutch caretaker government will not be accountable after a national election in November “for the severe consequences that may follow from the Schiphol decision, particularly with respect to relations with the Netherlands’ trading partners, and lost jobs and prosperity at home.” IATA and other airline groups noted that “a forced cut to Schiphol’s annual flight numbers to 460,000 under an ‘Experimental Regulation’ was initially blocked by

the Dutch court, which found it to be contrary to Dutch obligations under EU law and bilateral air services agreements connected with the Balanced Approach to noise.”

12. Heathrow Loses Appeal, Will Cut Passenger Fees by 20%.

London Heathrow lost an appeal to the UK Competition and Markets Authority (CMA), which provisionally ruled it would have to cut passenger fees by 20% in 2024. The airport had wanted an increase to more than £40 per passenger, but in March the Civil Aviation Authority (CAA) said travel would return to pre-pandemic levels from 2024 and should benefit passengers in terms of lower costs. Average maximum per-passenger fee would drop from £31.57 this year to £25.43 in 2024 and remain stable until end of 2026. CMA will publish its final decision on appeals from Heathrow and airlines in October.

13. CAA Reviewing August ATC Failure.

The UK CAA is conducting a review of an air traffic control failure on August 28 that caused, according to IATA, “close to 2,000 flights to be cancelled, and many thousands more delayed, affecting hundreds of thousands of passengers.” ATC provider NATS said “the incident occurred due to an anomaly that forced the system to stop processing flight plans. The system was closed to maintain safety and required manual operation to continue service.” CAA said the disruption “was significant and meant some passengers faced long delays, in some cases, waiting several days for alternative flights,” noting that “airlines worked around the clock, putting on extra capacity to resolve the issue [and] have obligations to look after their passengers in these circumstances and bring them home as soon as possible.” IATA Director General Willie Walsh said the system breakdown will cost airlines more than GBP100 million, for passenger care and assistance, crews out of position and extra flights to clear the backlog. And NATS, said Walsh, “who were responsible for the entire fiasco, don’t have to pay a penny.” He called for UK and EU passenger rights regimes to “provide an incentive to improve the performance of the system [and] ensure that those responsible for poor service take a financial hit with payments to those affected.”

III. SECURITY AND DATA PRIVACY

1. **Holly Canevari Named TSA Deputy Administrator.**

Holly Canevari was named Deputy Administrator of the Transportation Security Administration (TSA). She most recently served as TSA Chief of Staff, overseeing offices of Legislative Affairs; Strategy, Policy, and Innovation; and Strategic Communications and Public Affairs. From 2012 - 2017, she was Chief of Staff in the Office of Policy at the Department of Homeland Security (DHS). She was a senior staff member on the House Committee on Homeland Security, and a senior staff member for Congresswoman Jane Harman, where she focused on port security, information sharing and aviation security.

2. **OIG Reveals Risks to Sensitive Information at TSA.**

The DHS Office of Inspector General (OIG) found that TSA did not implement controls to protect sensitive information that is processed by a selected High Value Asset (HVA) system. The OIG made 12 recommendations to improve TSA's protection of such information and TSA agreed to meet 11 of these by August 30, 2024, and one by August 29, 2025.

3. **TSA to Allow Continued Use of Mobile Driver's Licenses.**

TSA published a Notice of Proposed Rulemaking that would allow continued use of mobile driver's licenses (mDL) at airport security checkpoints after the May 7, 2025 implementation deadline, when passengers currently will be required to show REAL ID-compliant identification. An mDL is a digital representation of a state-issued physical driver's license that is typically installed through an application on the user's smartphone and stored in a digital wallet. TSA currently accepts mDLs issued by Arizona, California, Colorado, Georgia, Maryland, Iowa and Utah and certain wallet/app providers for limited testing purposes at TSA PreCheck lanes in participating airports.

4. **Miami TSA Agents Arrested for Stealing Passenger Belongings.**

After videos were released of Transportation Security Officers (TSOs) stealing passenger belongings at Miami International, TSA said it immediately removed the three employees, who were placed in non-pay status. "TSA actively and aggressively investigated these allegations of misconduct and presented our findings to the Miami-Dade Police Department." The TSA agents were arrested for fraud and grand theft.

IV. TECHNOLOGY AND EQUIPMENT

1. UPS Flight Forward, uAvionix to Operate Drones BVLOS.

FAA authorized two companies to operate drones beyond visual line of sight (BVLOS). UPS Flight Forward, with its Matternet M2, can conduct small package delivery and uAvionix, with its Rapace, can use the Vantis Network to test its detect and avoid technology. In August, FAA authorized Phoenix Air Unmanned to operate SwissDrones SVO 50 V2 drones BVLOS for aerial work, aerial photography, survey and powerline and pipeline patrol and inspection. FAA is developing rules to make BVLOS operations routine, scalable and economically viable. The goal is to safely integrate drones into the national airspace system rather than set aside separate airspace exclusively for them. The FAA Extension, Safety, and Security Act of 2016 directed FAA, in conjunction with NASA, to continue developing a plan for Unmanned Aircraft System Traffic Management (UTM).

2. Delta Partner Wheels Up Finalizes New Investment.

Wheels Up finalized new investment with Delta, Certares Management, Knighthead Capital Management and Cox Enterprises. It includes an agreement for a \$500 million credit facility. George Mattson, a member of the Delta Board of Directors, was named CEO of Wheels Up; he is lead investor in and Chairman of seaplane operator Tropic Ocean Airways, a Wheels Up partner. Wheels Up offers membership-based and on-demand private jet services. Delta provides members with frequent flier and other benefits.

3. Joby to Build eVTOL Manufacturing Facility in Dayton.

Joby Aviation plans to build a facility capable of delivering up to 500 electric vertical take-off and landing (eVTOL) aircraft per year at Dayton International Airport. Construction will start in 2024 and Joby plans to use existing buildings to begin near-term operations. State of Ohio, JobsOhio and others have offered incentives and benefits of up to \$325 million to support development, while Joby plans to invest up to \$500 million as it scales operations at the site. Joby has been invited by the U.S. Department of Energy to apply for financing under the Title XVII Loan Guarantee Program, which provides access to low-interest loans for clean energy projects. Long-term Joby investor, Toyota, plans to continue to advise Joby. “We’re building the future of aviation right where it all started, in Dayton, Ohio,” said Joby Founder and CEO JoeBen Bevirt. “The Wright Brothers harnessed revolutionary technology of their time to open up the skies, and we intend to do the same—this time, bringing quiet and emissions-free flight that we hope will have an equally profound impact on our world.” California-based Joby intends to operate eVTOL air taxis as part of aerial ridesharing

networks in cities worldwide starting in 2025, building on partnerships with Delta and Uber. The production aircraft is designed to transport a pilot and four passengers at speeds of up to 200 mph, with maximum range of 100 miles and “a noise profile that is barely audible against the backdrop of cities.”

4. First Piloted Flight of Liquid Hydrogen-Powered Electric Aircraft.

Joby subsidiary H2FLY completed the world’s first piloted flight of a liquid hydrogen-powered electric aircraft. The company completed a series of piloted flights with its HY4 demonstrator aircraft, including one that lasted more than three hours, fitted with a hydrogen-electric fuel cell propulsion system and liquid hydrogen that powered it for the entire flight. The flights demonstrate the viability of using cryogenically-stored liquid hydrogen instead of gaseous hydrogen, which enables significantly lower tank weights and volume, leading to longer range. The successful installation and demonstration of flight with liquid hydrogen is believed to increase the range of H2FLY’s HY4 demonstrator aircraft from 466 mi (750 km) to 932 mi (1500 km), marking a critical step towards the long-term decarbonization of mid- to long-range aviation. The successful flights are the culmination of Project HEAVEN, a European government-supported consortium assembled to demonstrate the feasibility of using liquid hydrogen in aircraft. The consortium is led by H2FLY and includes partners Air Liquide, Pipistrel Vertical Solutions, German Aerospace Center, EKPO Fuel Cell Technologies, and Fundación Ayesa. Following this test flight milestone, H2FLY will increasingly focus on its path to commercialization. In June, H2FLY announced the development of its new fuel cell systems, which will be capable of providing their full power range at altitudes high enough to enable commercial hydrogen-electric aircraft, demonstrating real-world commercial aircraft applications.

V. ENERGY AND ENVIRONMENT

1. Fuel Bill for Global Airline Industry.

Average price of aviation jet fuel for week ending September 8 was \$127.88 per barrel, up 3.3% on prior month's average, and down 7.7% on prior year's average, reports IATA; data from S&P Global Platts.

2. New FAA Grants for SAF Projects.

FAA opened a competitive grant process for \$245 million in Sustainable Aviation Fuels (SAF) infrastructure projects and \$47 million in low-emission aviation technology projects. Fueling Aviation's Sustainable Transition (FAST)-SAF grants will focus on producing, transporting and blending SAF; projects will build regional SAF supply chains and increase SAF use. FAST-Tech funds will accelerate projects that reduce greenhouse gas emissions, improve aircraft fuel efficiency and increase SAF usage. Eligible entities include airports, air carriers, universities, aviation and aerospace companies, state and local governments and nonprofit organizations.

3. Airbus, DG Fuels Partner for SAF Production in U.S.

Airbus became a strategic partner of DG Fuels, supporting a pathway for production of SAF "from a broader range of waste and residue sources, first in the U.S. with a potential for large-scale production worldwide." DGF's fuel production system is based on cellulosic waste products, such as wood waste from the logging industry, and renewable energy sources like wind and solar power. Planned initial production capacity of 120 million U.S. gallons of SAF per year on average could save 1.5 million tons of CO2 emissions annually from 2026. The partnership with Airbus supports DG Fuels' goal of launching the equity process and reaching a final investment decision by early 2024 on building an SAF plant in the United States. Airbus and DGF agreed that a portion of production of the first plant will benefit Airbus customers.

4. Environmentalists Attack Ryanair's O'Leary.

Environmental protesters hit Ryanair CEO Michael O'Leary in the head with cream pies, in Brussels. "Instead of buying cream pies, could have bought a flight from Belgium for the same price," tweeted O'Leary.

VI. U.S. CONGRESS

1. Buttigieg Testifies at House Hearing on DOT Oversight.

The House Transportation and Infrastructure Committee held a hearing with Transportation Secretary Pete Buttigieg entitled “Oversight of the Department of Transportation’s Policies and Programs.” Buttigieg praised the Committee for its leadership in advancing a House FAA reauthorization bill. “We are counting on FAA reauthorization legislation that ultimately passes to provide additional, critical authorities and resources needed to keep our airports and communities safe,” he said, “and we ask Congress to get it to the President’s desk.” Current authorization ends on September 30 and the Senate has not passed its FAA bill. Buttigieg noted “progress with the authorities we currently have; for example, we hit our goal for air traffic controller hiring this year, with a total of 2,600 ATCs now in training. We helped airlines lower cancellation rates from their pandemic spikes down to 1.6% this year, which is also below 2019 rates. And we have a wave of new rules underway to protect passengers when their flights are delayed or cancelled, and to get rid of junk fees.” Regarding the effect a threatened government shutdown could have on training new controllers, he said, “Even a shutdown lasting a few weeks could set us back by months or more because of how complex that training is.”

2. Republicans Seek Data from DOT on Safety Failures.

The House Committee on Oversight and Accountability sent a letter to DOT Secretary Buttigieg requesting a briefing, documents, and communications related to DOT efforts to investigate and remediate “a disturbing pattern of aviation and rail safety failures.” The letter, signed by numerous Republicans, says aviation safety is a leading management challenge according to a recent DOT Office of the Inspector General (OIG) report. Issues include 1,730 runway incursions in 2022 and 1,539 as of July 24 this year. “If the pattern of near misses involving airlines at U.S. airports continues to increase, it will surpass any annual total of these types of incidents in over two decades,” they wrote. The OIG report is entitled “Fiscal Year 2023 Top Management Challenges.”

3. A4A: “Credit Card Competition Act” Would Cause Economic Harm.

Airlines for America warned that a proposed “Credit Card Competition Act” would cause “widespread economic harm and eliminate reward programs as we know them.” Bill sponsors say the legislation, introduced in July by Democratic Senators, seeks to “enhance competition and choice in the credit card network market, which is currently dominated by the Visa-Mastercard duopoly,” and would direct the Federal Reserve to ensure that giant credit card-issuing banks offer a choice of at least two networks over which an electronic credit transaction

may be processed. A4A says this would “unnecessarily increase the cost associated with participating in these rewards programs.” An A4A study found there are almost 30 million airline credit card holders and estimates that “rewards earned from these cards made 15 million domestic visitor trips a reality and supported \$23 billion in economic activity in 2022.”

4. “Freedom to Breathe Act” Would Ban Certain Mask Mandates.

The “Freedom to Breathe Act,” introduced by Senate Republicans, would prohibit any federal official, including the President, from issuing mask mandates applying to domestic air travel, public transit systems, or schools. The legislation would also prohibit air carriers, transit authorities, and educational institutions from refusing service to individuals who choose not to wear a mask. It would sunset in 2024 and does not apply to hospitals or nursing homes.

5. “Air Traffic Controllers Hiring Act” Introduced in Senate.

The bipartisan “Air Traffic Controllers Hiring Act of 2023” was introduced in the Senate. The bill would require FAA to move as many new hires as possible through the academy that trains controllers. The language was also included in the FAA reauthorization bill passed by the House. Groups that endorse the bill include National Air Traffic Controllers Association, Association of Flight Attendants, Transportation Workers Union, Air Line Pilots Association, Airlines for America, Aircraft Owners and Pilots Association, International Association of Machinists, National Business Aviation Association, the National Safety Council, and U.S. Travel Association.

6. Bills Would Help Airports Remove Threat of Forever Chemicals.

A “Clean Airport Agenda” was introduced in the House, with bipartisan bills aimed at curbing the threat of forever chemicals in communities near regional airports. The “Pollution-Free Aviation Sites (PFAS) Act” would create a fund within DOT to provide grants to airports needing support to replace PFAS foams with fluorine-free alternatives. The “Save Our Airports Reporting Act” would require that FAA provide a progress report every six months on its efforts to transition to the use of PFAS-free firefighting foams. PFAS exposure can lead to higher chances of cancer and tumors in organs such as the liver and kidneys, as well as higher cholesterol levels, hypertension and thyroid disease,” said bill supporters, which include International Association of Fire Fighters, California Airports Council, Airports Council International – North America, and the Environmental Working Group. Forever chemicals do not naturally degrade and pose an escalated risk for buildup if leaked into groundwater of nearby communities. The 2021 Bipartisan Infrastructure Law contains \$10 billion for the Environmental Protection Agency to address emerging contaminants, including PFAS, through existing wastewater and drinking water infrastructure programs.

Other legislation requires the Department of Defense to phase out PFAS-containing foams at military installations by 2024.

VII. BILATERAL AND STATE DEPARTMENT NEWS

1. U.S., Bahrain Plan to Launch Nonstop Flights by Summer 2024.

The United States and Bahrain set a target for launching direct flights between the two countries by summer 2024, during a visit to Washington by Crown Prince/Prime Minister Salman bin Hamad Al Khalifa. FAA will work with the Bahrain Civil Aviation Authority to prepare for a safety assessment. Bahrain's Gulf Air has purchased twelve Boeing 787 Dreamliners, including three configured to serve routes to the United States.

2. U.S., Vietnam Announce \$7.8 Billion Boeing Purchase.

At a meeting in Hanoi, President Biden and Prime Minister Pham Minh Chinh of Vietnam "welcomed a landmark deal between Boeing and Vietnam Airlines worth \$7.8 billion that will support more than 30,000 jobs in the United States." The SkyTeam member, which currently operates a fleet of 15 Dreamliners, ordered 50 Boeing 737-8 MAX jets.

VIII. EUROPE AND AFRICA

1. **Delta to Add Transatlantic Service.**

Delta begins service from New York Kennedy to Munich on April 9, and to Naples and Shannon on May 23; Minneapolis-Saint Paul to Dublin on May 9, and Atlanta to Zurich on May 31.

2. **JetBlue Adds Amsterdam Service from Boston, New York.**

JetBlue added daily Airbus A321 Long Range nonstops to Amsterdam Schiphol from Boston Logan and New York Kennedy. JetBlue also flies daily from Boston to London, and in 2024 begins Boston service to Paris.

3. **Lufthansa to Add U.S. Flights.**

Lufthansa will begin five weekly year-round flights from Frankfurt to Minneapolis, on June 4, and to Raleigh-Durham, its second North Carolina destination after Charlotte, five times a week on June 6. The carrier will launch daily flights to Seattle from Munich on May 30.

4. **Air France-KLM, Etihad Expand Partnership.**

Air France-KLM and Etihad Airways signed a Memorandum of Understanding aimed at enhancing collaboration across passenger operations, loyalty programs, talent development and maintenance. Subject to regulatory approvals, they expect to expand codeshare and interline agreements initiated in 2012. Etihad operates daily flights to Paris Charles de Gaulle and Amsterdam Schiphol from Abu Dhabi. Air France will begin daily service between Paris and Abu Dhabi on October 29.

5. **Airbus Names Commercial Aircraft CEO.**

Airbus is reestablishing a Commercial Aircraft unit and named Christian Scherer as CEO. He reports to Airbus CEO Guillaume Faury. The leadership roles of Airbus and its Commercial Aircraft business were combined in 2019, “providing alignment and speed of execution during a period of multiple crises and change,” said Faury.”

6. **Emirates, Aegean Codeshare on Athens-Newark Route.**

See Section IX, item 4.

IX. ASIA/PACIFIC AND MIDDLE EAST

1. Delta Increases Pacific Service.

Delta will offer service between Tokyo Haneda and Honolulu on October 29 for the first time since all Tokyo operations were moved from Narita to Haneda in March 2020, the start of which was delayed due to the pandemic. The daily nonstops will operate on the Boeing 767-300ER. . . Delta's daily nonstop daily from Los Angeles to Auckland, which begins October 28, will extend to year-round from November to March and three times weekly from April to October. Delta will also increase Los Angeles to Sydney to twice daily in December. . . . On October 29, Delta will operate daily from Seattle and three times a week from Detroit to Shanghai Pudong. Delta will resume four-times-weekly, year-round service to Pudong from Los Angeles on March 31; the route will allow connections to other cities in China via a partnership with China Eastern.

2. Hawaiian to Resume Tokyo-Kona Service in October.

Hawaiian Airlines will restart service between Tokyo Haneda and Kona on October 29, gradually returning to the pre-Covid three-times-weekly schedule in March, when the airline's Japan capacity will be 59% above summer 2023 levels. Hawaiian currently offers daily service between Honolulu, Haneda and Osaka; six-times-weekly between Honolulu and Tokyo Narita; and three-times-weekly between Honolulu and Fukuoka. The Japan routes will be operated with the Airbus A330. . . In other news, following devastating wildfires, Governor Josh Green said West Maui will be open to visitors again and all travel restrictions will end beginning October 8, "so people from Hawaii and around the world can resume travel to this special place and help it begin to recover economically."

3. Emirates, United Expand Codeshare to Include Flights to Mexico.

In an expansion of its codeshare partnership with United, Emirates is including nine destinations in Mexico, the first country outside the U.S. to be added to the network. Passengers flying on Emirates can fly via Chicago or Houston to leisure destinations including Cancun, Cozumel, Monterrey, Puerto Vallarta, Guadalajara, San Jose Del Cabo, Leon/Guanajuato and Queretaro.

4. Emirates, Aegean Codeshare on Athens-Newark Route.

Emirates and Aegean expanded their codeshare agreement, adding the Athens-New York Newark route. Through the partnership, launched last year, Aegean offers flights to 17 domestic destinations and 53 points in Europe and the Middle East from Athens; customers can access Emirates' network of over 140 destinations on six continents from Dubai.

5. **Alan Joyce Abruptly Leaves Qantas Amid ACCC Legal Action.**

Qantas CEO Alan Joyce resigned, effective immediately, after the Australian Competition and Consumer Commission (ACCC) launched action in the Federal Court of Australia alleging the airline “engaged in false, misleading or deceptive conduct, by advertising tickets for more than 8,000 flights that it had already cancelled but not removed from sale.” For more than 10,000 flights in May to July 2022, Qantas did not notify ticketholders of cancellations for an average 18 days, and up to 48 days. Joyce was to leave in November, in a planned transition. Vanessa Hudson has assumed the role of Managing Director and Group CEO. Joyce was with the airline for 22 years, 15 years as CEO. . . . Qantas accepted a High Court decision to uphold prior Federal Court rulings on legality of outsourcing ground handling jobs in 2020. The Federal Court found that while there were valid and lawful commercial reasons for outsourcing, it could not rule out that Qantas also had an unlawful reason—namely, avoiding future industrial action. . . . Qantas Group Chairman Richard Goyder said the Board reduced incentives for senior executives “in recognition of the customer and brand impact of cumulative events.”

6. **ACCC Proposes Rejecting Qantas-China Eastern Extension.**

The ACCC proposed to deny authorization for Qantas and China Eastern and entities, including Jetstar, to continue coordinating operations between Australia and mainland China. The alliance was authorized in 2015 with conditions and in 2021 without conditions due to exceptional circumstances related to the pandemic, and its effects on travel.

7. **Qatar, Xiamen Launch Codeshare Partnership.**

Qatar Airways announced a new codeshare partnership with Xiamen, the first Chinese airline to operate passenger nonstops from mainland China to Doha. Xiamen Airlines will launch daily Boeing 787-9 flights from Beijing Daxing to Hamad International, on October 20, with connections to Qatar’s network in the Middle East, Africa and Europe. Xiamen will also launch two weekly Boeing 787-8 flights from Xiamen, the special economic zone of Fujian Sheng province, to Doha, on October 31, with connectivity to the Qatar network. Xiamen is a member of SkyTeam.

X. AMERICAS

1. American Airlines Appeals Northeast Alliance Ruling.

American Airlines appealed a federal court ruling that found its Northeast Alliance (NEA) with JetBlue violated antitrust law and ordered it terminated. JetBlue opted not to appeal and instead is concentrating on closing its proposed merger with Spirit Airlines, which, like the NEA, is being challenged by the Justice Department.

2. American Airlines Flight Attendants Vote to Authorize Strike.

American Airlines flight attendants voted to authorize a strike, and during federally mediated negotiations management proposed an 11% wage increase on date of signing, and 2% increases in remaining years of agreement with five-year duration, among other things. “We view this as a starting proposal,” said Association of Professional Flight Attendants (APFA); “many important issues remain unaddressed, and we are far apart on wages.”

3. United Pilots Accept Tentative Agreement.

The United Master Executive Council, represented by Air Line Pilots Association, Int’l (ALPA), voted to accept a tentative agreement, “which adds nearly \$10 billion of value to the existing contract.” The membership ratification ballot closes September 29.

4. JetBlue Launches New York Kennedy - Washington National Service.

JetBlue launched three roundtrips daily between New York Kennedy and Washington Reagan National. JetBlue serves 10 nonstop destinations from Washington, D.C.

5. UPS Airlines Names New President.

UPS appointed Bill Moore as President of UPS Airlines, the Louisville division that includes the Worldport global air hub, effective October 1. In other news, UPS will hire more than 100,000 seasonal employees to serve the 2023 holiday rush.

6. FAA Returns Mexico to Highest Aviation Safety Status.

See Section I, item 3.

7. A4A: “Credit Card Competition Act” Would Cause Economic Harm.

See Section VI, item 3.

8. **Delta to Add Transatlantic Service.**
See Section VIII, item 1.
9. **JetBlue Adds Amsterdam Service from Boston, New York.**
See Section VIII, item 2.
10. **Lufthansa Adds U.S. Flights.**
See Section VIII, item 3.
11. **Delta Increases Pacific Service.**
See Section IX, item 1.
12. **Hawaiian to Resume Tokyo-Kona Service in October.**
See Section IX, item 2.
13. **Emirates, United Expand Codeshare to Include Flights to Mexico.**
See Section IX, item 3.
14. **Emirates, Aegean Codeshare on Athens-Newark Route.**
See Section IX, item 4.