Congress of the United States Washington, DC 20515

September 20, 2017

The Honorable Rex Tillerson Secretary U.S. Department of State 2201 C Street, NW Washington, DC 20520

The Honorable Elaine Chao Secretary U.S. Department of Transportation 1200 New Jersey Avenue, SE Washington, DC 20590

The Honorable Wilbur Ross Secretary U.S. Department of Commerce 1401 Constitution Ave., NW Washington, D.C. 20230

Dear Secretary Tillerson, Secretary Chao, and Secretary Ross:

We write to you today because we are deeply concerned about the foreign government subsidies that are undermining Arizona jobs and jeopardizing commercial airline service to our state. These subsidies violate important bilateral treaties with the United States and we respectfully request that you enforce our Open Skies agreements to protect Arizona jobs.

The governments of the United Arab Emirates (UAE) and Qatar have subsidized their state-owned airlines – Qatar Airways, Emirates, and Etihad Airways – with over \$50 billion since 2004. The massive subsidies violate the Open Skies agreements between these nations and the U.S. and are causing serious harm to the U.S. aviation industry and American workers.

The subsidies allow the Gulf carriers to increase their capacity without creating new passenger demand, forcing U.S. airlines off routes. For every long-haul route that a U.S. airline loses or forgoes due to subsidized Gulf carrier competition, 1,500 American jobs are lost. This is deeply concerning for the future of the aviation industry in our state, which is home to over 10,600 aviation workers who are employed by American Airlines, United Airlines, or Delta Air Lines. And the concern goes beyond just our state, as there are more than 1.2 million jobs across the country that depend on a strong aviation industry. The aviation industry is a critical component of our national economy, accounting for more than 5 percent of our national GDP.

Equally as concerning is the impact of the Gulf carrier subsidies on the ability of our constituents across Arizona to continue to access destinations across the world. The Gulf carriers' subsidies threaten airline service to small communities that rely on regular traffic from our country's large international hubs. This includes the smaller markets in our state that consumers rely on, such as Flagstaff, Yuma, Peach Springs, and Grand Canyon/Tusayan.

It's the U.S. government's responsibility to step in when a U.S. industry and American workers are at risk. We encourage you to protect American jobs and enforce the Open Skies agreements to put an end to the Gulf carrier subsidies once and for all.

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Sincerely,

Rep. Andy Biggs

Rep. Trent Franks

Rep. Ruben Gallego

Rep. Raúl M. Grijalva

Rep Kyrsten Sinema

Rep. Paul A. Gosar, D.D.S.

Rep. Tom O'Halleran