

March 24, 2021

By Email: DOTExecSec@dot.gov

The Honorable Pete Buttigieg
Secretary
U.S. Department of Transportation
1200 New Jersey Avenue, S.E.
Washington, D.C. 20590

Re: Urging Swift Implementation of American Rescue Plan Act's Aviation Manufacturing Jobs Protection Program

Dear Secretary Buttigieg:

The undersigned organizations representing America's aviation manufacturing and maintenance sectors urge you to swiftly implement the new Aviation Manufacturing Jobs Protection Program created by Title VII, Subtitle B of the recently enacted American Rescue Plan Act (Pub. L. 117-2).

The aerospace industry has long been a major driver of the U.S. economy. Pre-pandemic, it accounted for 1.8 percent of U.S. Gross Domestic Product (GDP) and more than \$900 billion in annual economic activity. In 2019, the industry employed 2.2 million American workers - including 1.2 million in the supply chain - across all fifty states. Aerospace exports, which until 2020 totaled more than \$148 billion annually, contribute positively to the nation's trade balance and underpin America's global leadership in advanced technology. The aerospace industry has also historically contributed more than \$60 billion per year in federal, state, and local tax revenue.

The economic disruptions that have devastated the airline industry have also been acutely felt by the aviation manufacturing and maintenance, repair, and overhaul (MRO) industries. Overall delivery of new aircraft declined last year and the historic drop in air travel reduced demand for spares, repairs, modifications, and other services.

More than 100,000 aerospace jobs have already been lost since the outbreak of the pandemic and an additional 220,000 are at risk. Aside from the economic misery created for workers and their families, the job losses threaten to undermine the industry's long-term competitiveness and the efficiency of the entire aviation ecosystem.

It is with all the foregoing in mind that Congress created the new \$3 billion payroll support program for aviation manufacturing and maintenance workers. Under the program, the industry and the federal government will each pay 50 percent of an eligible employee's compensation to retain or rehire that employee. While we recognize the challenges associated with establishing a new program, we ask that you give this program the highest possible priority to stimulate faster recovery of the aviation sector and avoid more extensive damage from the pandemic.

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As you work to get the necessary resources to employers swiftly, we ask that you be mindful of the diverse industry the program is intended to serve. While there are large companies in desperate need of support, the industry is also composed of thousands of small and medium-size companies. The more efficient and less complex the application process, the sooner this assistance will make it into the hands of the aerospace workers whose jobs are at risk or return to work those who have already lost jobs.

Thank you in advance for prioritizing and implementing the regulatory guidance for this important program as soon as possible. Our organizations and members stand ready to provide any needed support and assistance to make it a success. We would appreciate knowing the DOT lead for this program and look forward to engaging with the Department on this critical work to preserve and strengthen aviation manufacturing and maintenance.

Sincerely,



Sarah MacLeod
Executive Director
Aeronautical Repair Station Association



Eric Fanning
President & Chief Executive Officer
Aerospace Industries Association



Peter J. Bunce
President & CEO
General Aviation Manufacturers Association

c.c. Ms. Dani Simons
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