



**Testimony in Support of SB-1079, An Act Concerning Competitiveness and Labor Costs
at the Connecticut Airport Authority**

George Novak
President and CEO
National Air Carrier Association

Committee on Appropriations, Connecticut General Assembly
March 26, 2021

Dear Chairs Senator Cathy Osten and Representative Toni Walker, Ranking Members Senator Craig Miner and Representative Mike France, and distinguished members of the Appropriations Committee:

On behalf of the National Air Carrier Association (NACA), I am submitting this testimony in support of SB-1079, An Act Concerning Competitiveness and Labor Costs at the Connecticut Airport Authority (CAA), which would bring the CAA's fringe benefit costs under control. NACA represents 18 Part 121 air carriers,¹ including the two ultra-low cost carriers (ULCCs), Frontier Airlines and Spirit Airlines, that currently serve Bradley International Airport (BDL), Sun Country Airlines, which plans to begin passenger service to BDL in May, and other passenger carriers that could have an interest in serving BDL in the future.

As you know, airlines ultimately bear the burden of costs at BDL and the hundreds of other airports they serve across the country. Due to the catastrophic decline in domestic and international passenger traffic caused by the COVID-19 pandemic, U.S. airlines simply cannot afford significant increases in their operating costs without taking offsetting actions, including reducing or eliminating less profitable air service and/or increasing service at airports with lower operating costs. Frontier and Spirit have long-standing concerns about the excessive fringe benefit rates that are assessed on CAA staff at BDL, which are much higher than those at other regional airports.

We respectfully request that the committee swiftly approve SB-1079 in recognition of these issues. This important modification would give non-union employees the ability to opt out of the state retirement system and ensure that all future non-union employees are automatically placed in a CAA-established 401(a)-type plan. The bill would greatly reduce the fringe rates of non-union staff, saving the CAA and, by extension, NACA member carriers, approximately \$3 million once it is fully implemented.

¹ NACA Members include Allegiant Air, AmeriJet, Air Transport International, Atlas Air Worldwide, Avelo Airways, Everts Air Cargo, Frontier Airlines, iAero Airways, Kalitta Air, Lynden Air Cargo, Miami Air International, Northern Air Cargo, Omni Air International, Spirit Airlines, Sun Country Airlines, USA Jet Airlines, Western Global Airlines, and World Atlantic Airlines.



Our carriers have enjoyed a strong relationship with the CAA and BDL in recent years, and believe that enactment of this timely legislation will help keep BDL economically viable and competitive during this highly challenging period in aviation history.

Thank you for your consideration.

Very Respectfully,

A handwritten signature in blue ink, appearing to read "George Novak", with a small asterisk at the end.

George Novak
President and CEO
National Air Carrier Association