



STATE OF INDIANA
OFFICE OF THE GOVERNOR
State House, Second Floor
Indianapolis, Indiana 46204

Eric J. Holcomb
Governor

December 13, 2017

The Honorable Rex Tillerson, Secretary
United States Department of State
2201 C Street, NW
Washington, DC 20520

The Honorable Elaine Chao, Secretary
United States Department of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

Dear Secretary Tillerson and Secretary Chao:

I write today to join a number of my fellow governors in raising concerns over the considerable subsidies provided by the governments of Qatar and the United Arab Emirates to their state-owned airlines and the significant threat this lack of fairness poses to the aviation industry here in the United States.

These subsidies give Gulf carriers - Qatar Airways, Etihad Airways, and Emirates Airlines, in particular – the ability to artificially manipulate capacity and prices, creating a critical disadvantage to U.S. carriers and forcing them to reevaluate the feasibility of international routes.

To put it in perspective, these three carriers have received over \$50 billion in illegal government subsidies and other benefits from Qatar and the UAE since 2004, despite clear rules negotiated by the United States as part of the Open skies agreement. Moreover, the eliminated routes caused by these market distortions threaten the livelihoods of thousands of Americans who work for U.S. carriers.

Year after year, Indianapolis International Airport is ranked among the very best airports in the nation. IND has received top honors by Conde Nast for four consecutive years, and five straight times it has been named best airport in America by Airports Council International. We recently announced our first international flight to Western Europe and we continue to pursue international options for travelers, but international carriers must play by the same rules as U.S. ones.

Indiana will always be welcoming to international carriers and passengers, and I certainly appreciate the significance of the Open Skies program. I believe all airlines must be able to compete for business and passengers on a level playing field, and the United States entered into the Open Skies agreements to ensure that U.S. airlines would receive fair and equal treatment. I hope you will work to enforce these agreements and restore a level playing field for our U.S. carriers that service international markets.

Thank you for your time and consideration.

Sincerely,


Holcomb

Governor of Indiana