

Public Charter Operations

Position: NATA supports the existing regulatory oversight system for the licensing and conduct of Public Charter Operations.

Summary

<u>NATA</u> members and others holding <u>FAA</u> on-demand air carrier authority (<u>14 CFR 135</u>) as well as <u>DOT</u> air taxi or commuter economic authority (<u>14 CFR 298</u>) are eligible to provide air transportation under contracts with <u>DOT-authorized public charter operators</u> (<u>14 CFR 380</u>). Public charter operators engage in air carrier for specific charter flights, re-selling individual seats on those flights to passengers.

Recent growth both in DOT <u>14 CFR 380</u> and scheduled FAA <u>14 CFR 135</u> operations is beneficial to the on-demand industry represented by NATA. However educational efforts are needed to ensure the requirements are well-understood, and that all impacted parties have clarity on the established guidelines.

Background

Regulations authorizing public charter operators to organize flights for resale to the public and the use of air carriers with DOT air taxi or commuter authority to perform these flights have existed for decades. Long-standing FAA regulations related to the operation of public charter flights by on-demand carriers are also expressly authorized and further supported by several legal interpretations issued by the <u>FAA Office of the Chief Counsel</u>.

The benefits of travel in smaller, private aircraft typical to Part 135 charter operations have become more apparent in recent years. However, full-aircraft private jet charter remains prohibitively expensive for many potential customers, particularly when they will not fill all available passenger seats. To offer a lower cost of entry, there have been efforts over the last two decades to improve the ability to aggregate multiple individuals or groups on a single aircraft. Additionally, reduced airline service at non-hub airports has raised interest in different approaches to transportation, including the use of public charter operations.

The increase in public charter opportunities in certain markets has raised some concerns in communities where these flights are regularly occurring. In addition, NATA seeks to educate on-demand carriers so they are familiar with the privileges and limitations of public charter operations to best support their own operations as well as to create opportunities to enhance awareness efforts.

Areas of Interest

1. Surveillance

FAA concerns appear to center around whether there is a proper amount of oversight of carriers that may now be conducting a significantly higher frequency of operations due to contracts for public charter flights. A lack of regulatory framework awareness is also a factor.

2. Community Outreach

Public charter operators and air carriers must be educated on how to initiate positive engagement with the airport communities where they will operate public charters with regularity. Both entities need to

adopt a collaborative approach to promoting the benefits of increased access to airports and communities, while addressing potential noise and safety concerns.

3. Data

There is an increased need for accessible DOT data on public charter operators and air carriers. Most DOT data on public charter operators and contracted air carriers is limited to a PDF spreadsheet, making analysis difficult. There is currently no tracking of the number of flights proposed in a prospectus and the number actually flown.

4. Agency – Operator Connections

Facilitating connections between DOT and FAA is needed and, to a lesser degree, engagement with TSA also has value. Improving FAA inspector awareness when a public charter contract, particularly one with a high number of proposed flights, is entered into by a carrier under their purview would be helpful to building that relationship.

5. Operator Safety

Part 135 operators provide customers with a safe, reliable method of transportation. The majority of public charter flights conducted by Part 135 carriers are in multiengine jet airplanes, which have a very safe record of operation. In the 10-year period of 2012-2022 there were two fatal passenger carrying accidents.

A Look At Growth

A review of the <u>DOT Public Charter lists reported for 2011 and 2021</u> reveals an increase in the number of entities authorized as public charter operators as well as the number of proposed flights. The following data points are from the DOT Public Charter Prospectus files:

Number of Public Charter Operators Using Commuter or Air Taxi Operators

2011 — 15 having at least 1 prospectus with an Air Taxi or Commuter carrier

2021 — 19 having at least 1 prospectus with an Air Taxi or Commuter carrier

Number of Participating Commuter or Air Taxi Operators

2011 —24 prospectuses (contracts) representing an estimated 14 unique carriers

2021 — 61 prospectuses (contracts) representing an estimated 38 unique carriers

Overall Number of Proposed Flights on Commuter or Air Taxi Aircraft*

2011 — approximately 8,420

2021 — approximately 211,000

*All flights included on a public charter prospectus may not ultimately be operated.

Additional Resources

1. DOT Public Charter Information Page

https://www.transportation.gov/policy/aviation-policy/licensing/public-charters

2. Relevant FAA Legal Interpretations

- a. Jollie 2014
- b. Ceravolo Tropic Ocean Airways 2013
- c. Welke 2011