

American considering cutting flights to many smaller cities

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In this April 30, 2020 file photo, Ethan Cale walks from the American Airlines ticket counter in Salt Lake City. American Airlines is planning to drop flights to up to 30 smaller U.S. cities if a federal requirement to continue those flights expires at the end of next month, an airline official familiar with the matter said Thursday, Aug. 13. (AP Photo/Rick Bowmer)

American Airlines is planning to drop flights to up to 30 smaller U.S. cities if a federal requirement to continue those flights expires at the end of next month, an airline executive familiar with the matter said Thursday.

American agreed to keep serving those smaller cities as a condition of receiving \$5.8 billion in federal payroll help this spring. However, the money and the requirement to serve those destinations both expire Sept. 30 unless they are extended.

The move by American could put more pressure on Congress and the White House to give passenger airlines another \$25 billion for labor costs. Airline unions and the airlines, which are struggling with a steep downturn in revenue as the pandemic undercuts [air travel](#), are lobbying Congress for the money.

American is telling the federal government that if relief money is extended, it won't drop cities, but if the money is not extended, it will, said Brett Snyder, a travel agent who writes about the industry at [CrankyFlier.com](#).

"This isn't an idle threat," and it "is going to happen at all the network carriers," Snyder said, referring to the biggest airlines.

Other airlines declined to comment immediately on their plans. An airline trade group said carriers need help because the COVID-19 pandemic continues to damage the industry.

"Demand for air travel has not returned as anticipated," said Katherine Estep, a spokeswoman for the group, Airlines for America. "Without additional federal aid, U.S. airlines will be forced to make very difficult business decisions, which could include announced furloughs and reductions in service."

The requirement to preserve most routes that airlines flew before the pandemic has been unpopular with the industry because many of the flights carry few passengers. The Transportation Department declined to extend the rule past Sept. 30, and said in a statement Thursday that it will monitor the public's access to air transportation.

The American Airlines executive did not detail which cities could lose service but said some are served only by American. They are not cities whose air service is subsidized under the Essential Air Service program.

The changes could appear in schedules as early as next week if there is no progress toward more relief for airlines from Washington, the person said. The executive spoke on condition of anonymity to discuss planning that has not been made public. American's plans were first reported by CNBC.

In March, Congress and President Donald Trump approved up to \$50 billion for passenger airlines, including \$25 billion in grants and loans to help cover labor costs through September.

The idea was that the virus outbreak might subside enough by fall for the airlines to stabilize on their own. However, U.S. air travel has recovered much more slowly than hoped.

After falling 95% in April, air travel in the U.S. has remained lost more than \$10 billion in the [second quarter](#), which analysts believe will turn out to be the industry's lowest point.

Airlines and their labor unions have been lobbying for more money to be included in a new round of pandemic relief to prevent layoffs in the industry until next April. They have lined up support from more than half the members of the House, including more than two dozen Republicans, and from more than a dozen Republican senators.

Trump spoke favorably of helping airlines when asked about the issue at a news briefing last week.

"Obviously the airline business is not doing very well," he said. "I would be certainly in favor. We can't lose our transportation system."

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