

Congress of the United States
Washington, DC 20515

May 4, 2021

Mr. Scott Kirby
Chief Executive Officer
United Airlines, Inc.
233 S. Wacker Drive
Chicago, IL 60606

Dear Mr. Kirby:

Given the financial support Congress has shown the airline industry during this pandemic, we were disappointed to learn that United Airlines could outsource more than 2,500 catering jobs in Newark, Cleveland, Denver, Houston and Honolulu. Over the last 20 years, these workers, the majority of whom are minorities, have withstood layoffs, pay cuts and reductions to their hours to help your airline survive the COVID-19 pandemic and other economic struggles including recessions, terrorist attacks, and financial crises. Despite these challenges, they have shown incredible loyalty to your airline. We request you reward that loyalty and show that United Airlines is committed to helping their workers recover from this pandemic.

United Airlines has received \$7.7 billion from the U.S. government in Payroll Support Program grants in order to support its employees and stabilize jobs as the carrier weathers the COVID-19 crisis.^[1] The American Rescue Plan included another \$15 billion in payroll support grants to the airline industry.^[2] Congress created this program to “preserve aviation jobs” by providing wage assistance to companies in exchange for keeping workers on the payroll. Program funds must be used exclusively to pay employee wages, salaries, and benefits.^[3] To receive these funds, recipients must “refrain from conducting involuntary furloughs or reducing pay rates and benefits.”^[4] Since the purpose of the program is to preserve jobs, we ask that you honor Congress’s intent and commit to retain United’s existing airline catering workers.

^[1] \$5.1 billion from PSP1: <https://home.treasury.gov/policy-issues/cares/preserving-jobs-for-american-industry/payroll-support-program-payments>

\$2.6 billion from PSP2: <https://home.treasury.gov/policy-issues/cares/preserving-jobs-for-american-industry/payroll-support-program-extension-payments>

^[2] American Rescue Plan Act of 2021, Pub. L. No. 117-2, § 7301(b)(1).

^[3] Coronavirus Aid, Relief, and Emergency Security Act, Pub. L. No. 116-136, § 4112(a)(2020).

^[4] *Id.* § 4114(a)(1).

Additionally, United has announced it will spend millions of dollars on stock grants and cash retention bonuses for top executives while it considers layoffs to its blue collar workforce.^[5] United's stock price has increased more than 35 percent year-to-date and it tripled its pandemic low in March.^[6] In addition, United has stated that it expects its profit margin to surpass 2019 levels by 2023.^[7] Federal support for the aviation industry was intended to protect U.S. airline jobs during the worst of the COVID-19 pandemic, not be used for stock buybacks and executive bonuses.

We are strongly opposed to any plan that would outsource thousands of jobs when the industry is already projecting financial recovery. We urge you to adhere to the spirit of the Payroll Support Program, refrain from any job reductions, and publicly state that current United Airlines workers will keep their jobs, pay, benefits, and union representation in your inflight catering operations.

Sincerely,



Donald M. Payne, Jr.
Member of Congress



Albio Sires
Member of Congress

Eleanor Holmes Norton
Anthony Brown
Bill Pascrell, Jr.
Kai Kahele
Jamaal Bowman, Ed.D
Mark Pocan
Jared Huffman
Jason Crow
Pramila Jayapal

Ed Case
Diana DeGette
Sheila Jackson Lee
Ayanna Pressley
Stephen F. Lynch
Sylvia R. Garcia
Bonnie Watson Coleman
Mikie Sherrill
Barbara Lee

^[5] See, e.g., *United offers top execs millions in bonuses*, Crain's Chicago Business (March 2, 2021) (online: <https://www.chicagobusiness.com/transportation/united-offers-top-execs-millions-bonuses>).

^[6] Google Market Summary (March 26, 2021) NASDAQ: UAL

^[7] See, e.g., *United Announces 2020 Financial Results: 2021 Will Focus On Transition To Recovery; Expects To Exceed 2019 Adjusted EBITDA Margin By 2023**, United (Jan. 20, 2021) (online: <https://hub.united.com/2021-01-20-united-announces-2020-financial-results-2021-will-focus-on-transition-to-recovery-expects-to-exceed-2019-adjusted-ebitda-margin-by-2023-2650045521.html>).