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Transportation, Business Leaders Launch Nationwide Coalition To Improve Access To National Capital Region

Capital Access Alliance Aims To Update Outdated FAA Regulation To Make Air
Travel More Affordable & Accessible

Washington, D.C. – Transportation and business leaders from around the country today announced the launch of Capital Access Alliance (CAA), a nationwide coalition seeking to make air travel to and from Washington, D.C. more accessible and affordable. CAA believes that making travel to the nation's capital more efficient and attainable benefits the region, consumers, communities, travelers, employees and employers across the country. The coalition aims to inform policymakers, stakeholders and the public about an outdated regulation known as the "perimeter rule," which limits the number of flights that can land or take off outside a 1,250-mile radius of Ronald Reagan Washington National Airport (DCA) and which negatively impacts access to our capital area.

CAA also released a new study conducted by Boston Consulting Group, which found the current perimeter rule no longer serves its original purpose and outlines how Washington, D.C., metropolitan communities and consumers around the country could benefit from additional flights at DCA, a currently underutilized airport.

Click Here To Read The Study

The perimeter rule was created in 1966 to protect growth at the newly built Dulles International Airport (IAD), safeguard in-perimeter communities' access to Washington, D.C. and reinforce DCA's air service reliability. However, the rule no longer serves today's air travel environment, and currently, only seven airlines are authorized to operate just 20 daily roundtrips to 10 beyond-perimeter destinations – less than six percent of daily scheduled flights from DCA.

"Washington, D.C. is one of the largest metropolitan areas in the United States and the nation's capital, making it an important hub in the U.S. air travel network," said CAA spokesperson Brian Walsh. "DCA is the only airport in the country subject to a federally-imposed perimeter rule and is being underutilized as a result. This nearly 60-year-old regulation is making air travel longer and more expensive, while also harming businesses and the environment."

"A lot has changed in our air travel ecosystem and the Washington, D.C., Maryland, Virginia (DMV) region broadly since 1966, and today's market requires updated policies that meet consumer demand," Walsh continued. "CAA is urging Congress to authorize 20 to 25 additional flights at DCA when they take up the Federal Aviation Administration (FAA) Reauthorization bill

this fall. Improving access to our nation's capital region will make air travel more affordable and efficient for the millions of residents and visitors that travel to and from Washington, D.C. every year, strengthen economic growth and better serve our community."

Key findings of the Boston Consulting Group study include:

- Air travel has increased 10-fold over the past 60 years, and 95 percent of beyond-perimeter markets are underserved.
- The perimeter rule results in less competition, costing consumers more than \$500 million annually in above-average flight prices. In fact, Washington D.C. has the most expensive domestic ticket prices compared across the top 10 U.S. metropolitan areas.
- Also, DCA is underutilizing its capacity compared to all airports in those same top 10 U.S. metropolitan areas.
- Metropolitan areas not impacted by the perimeter rule have higher direct connectivity rates and provide higher levels of in-perimeter access. The perimeter rule costs \$200 million in lost productivity due to more frequent connections.
- The perimeter rule costs the Washington, D.C. region \$290 million in federal and state tax revenue and approximately 5,500 lost jobs due to less incoming traffic.
- The perimeter rule results in DCA emitting the highest CO₂ footprint per passenger among airports of the top U.S. metropolitan areas.
- Adding 20 to 25 additional flights at DCA will allow more than 2,000 daily passengers to be connected non-stop to beyond-perimeter markets and save customers hard-earned dollars by lowering ticket prices through increased supply and competition, as well as create more than 1,000 new jobs and generate as much as \$400 million of economic benefit to the Washington, D.C. region.

About CAA

CAA consists of diverse members from around the country and various industries, including transportation, general business groups, the small business sector, entrepreneurs and job creators, organizations focused on economic development and leaders in the civic and policy communities.

Learn more about Capital Access Alliance HERE.

Read CAA's complete study conducted by Boston Consulting Group HERE.

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