Highlights of GAO-24-106681, a report to congressional addressees

Why GAO Did This Study

Access to air service provides a vital connection to the national transportation system and can be an important driver of economic growth, especially for small communities. Since Congress deregulated the airline industry in 1978, small communities have found it difficult to retain and enhance their air service. Congress created EAS in 1978 and SCASDP in 2000—both under DOT—to help small communities maintain air service.

GAO was asked to review the current state of air service to small communities. This report addresses (1) changes in air service to small communities from 2018 through 2023; (2) factors contributing to changes in air service to small communities, and their effects on federal air service programs; and (3) options to improve air service to small communities.

GAO used U.S. Census Bureau data on statistical areas and population to define small communities—in this analysis, the 218 least populous communities in the contiguous U.S. with a commercial airport. GAO also used flight data reported to DOT by airlines to analyze air service to these communities.

GAO conducted semi-structured interviews with a non-generalizable sample of 33 aviation stakeholders, including 16 small airports and five airlines with a range of experiences with EAS and SCASDP, as well as industry associations and academic researchers. GAO also interviewed DOT officials to obtain perspectives on EAS, SCASDP, and other federal policies.

View GAO-24-106681. For more information, contact Heather Krause at 202-512-2834 or krauseh@gao.gov.

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COMMERCIAL AVIATION

Trends in Air Service to Small Communities

What GAO Found

From 2018 to 2023, small communities in the contiguous U.S. generally experienced a decrease in departing flights, with a steep drop at the onset of the COVID-19 pandemic, but an increase in the average number of seats per departure. About half of the 218 small communities saw modest change in the number of passengers on departures, while others saw more dramatic changes; 8 percent of small communities had a decline of more than 50 percent in passengers on departures, while 14 percent of small communities had an increase of 50 percent or more. Small communities that received air service through the Essential Air Service (EAS) program, which provides subsidies to airlines to serve eligible communities, lost less air service and gained more seats per departure, on average, than non-EAS small communities. On average, small communities' connectivity—a measure of access to the aviation system—decreased slightly, remaining much lower than in large communities.

Source: GAO analysis of Department of Transportation data. | GAO-24-106681

Stakeholders cited pilot and maintenance workforce supply challenges, increased airline operating costs, and travelers choosing to drive to their destination or a larger airport as factors contributing to changes in air service to small communities. Some of these factors also contributed to higher EAS subsidy costs, according to U.S. Department of Transportation (DOT) officials, which increased by approximately 31 percent from 2018 through 2023. Higher airline operating costs (e.g., fuel and labor) also limited the impact of Small Community Air Service Development Program (SCASDP) grants that communities used to incentivize airlines to initiate air service, according to stakeholders.

Options that selected stakeholders and recent studies identified to improve air service to small communities include increasing pilot supply, and addressing higher airline operating costs through electric aircraft or bus service. Stakeholders also identified a range of options to change EAS to support small community air service—such as focusing EAS eligibility on more remote communities or expanding EAS to better ensure small airports do not lose air service—and to modify SCASDP in response to rising airline operating costs.