

THE WHITE HOUSE

WASHINGTON

May 15, 2002

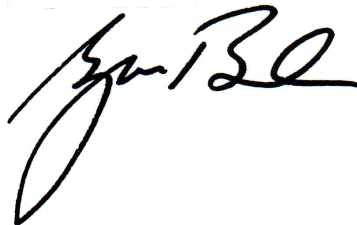
Dear Mr. Speaker:

In accordance with provisions of P.L. 107-42, the Air Transportation Safety and System Stabilization Act, I hereby request the subsidy budget authority necessary to support a \$429 million Federal credit instrument for America West Airlines.

I hereby designate this subsidy budget authority, currently estimated at \$172 million, as an emergency requirement pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985.

The details of this request are set forth in the enclosed letter from the Director of the Office of Management and Budget. I concur with his comments and observations.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Dennis Hastert", written over a faint rectangular stamp.

The Honorable J. Dennis Hastert
Speaker of the House of Representatives
Washington, D.C. 20515

Enclosure



THE DIRECTOR

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

May 15, 2002

The President

The White House

Submitted for your consideration is a request to make available contingent emergency funds for the Department of the Treasury's Air Transportation Stabilization Program account.

Title I of P.L. 107-42, the Air Transportation Safety and System Stabilization Act, authorized the Government to issue up to \$10 billion in Federal credit instruments and provided the subsidy budget authority necessary for air carriers to promote a viable commercial air system in light of the September 11th terrorist attacks. Congress designated the amount of new budget authority and outlays in all fiscal years resulting from this title as an emergency requirement.

I recommend that you designate this request for such sums of subsidy budget authority as may be necessary for a loan guarantee to America West Airlines, currently estimated at \$172 million, as an emergency requirement in accordance with section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended. This action is necessary to account for the extension of federal guarantees as a consequence of the Air Transportation Stabilization Board's approval of America West's application on December 28, 2001, and America West's subsequent acquisition of loan financing supported by that federal guarantee. No further congressional action will be required.

We will continue to review requirements with the airlines to ensure that our commercial air system remains viable.

I have carefully reviewed this proposal and am satisfied that it is necessary at this time. Therefore, I recommend that you transmit the request to the Speaker of the House of Representatives.

Sincerely,

A handwritten signature in dark ink, appearing to read "M E Daniels Jr", written in a cursive style.

Mitchell E. Daniels, Jr.
Director

Enclosure

**AMOUNTS MADE AVAILABLE BY THE PRESIDENT PURSUANT TO SECTION
252(e) OF THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT
OF 1985, AS AMENDED**

Department of the Treasury

Departmental Offices

Air Transportation Stabilization Program Account:

such sums as may be necessary, currently estimated at\$172,000,000

Title I, of P.L. 107-42, the Air Transportation Safety and System Stabilization Act, authorized \$10 billion in Federal credit instruments and the necessary subsidy budget authority and associated outlays. The current estimate of the required subsidy to support the \$429 million loan guarantee to America West Airlines is \$172 million and has been designated by the President as an emergency requirement.