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### State delegates warm to airline aid

#### Senate GOP to propose \$2.8 billion package

By RICK BARRETT  
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U.S. Senate legislation that would give the airline industry \$2.8 billion in financial assistance is being met with tempered enthusiasm by some of Wisconsin's congressional delegation.

"The devil is in the details," U.S. Rep. James Sensenbrenner (R-Menomonee Falls) said Monday, adding that he's worried about excessive non-defense items being added to an Iraq war spending bill.

As early as today, Senate Republicans are expected to propose a \$2.8 billion aid package - attached to an Iraq war spending bill - that would help the struggling airline industry with war-risk insurance and additional security costs created since the Sept. 11 terrorist attacks.

About \$1 billion would pay for the cost of hardening cockpit doors and would reimburse airlines for government mandates. A fee to help finance the Transportation Security Administration would be suspended for six months, costing the Treasury about \$900 million.

Airline legislation also has been proposed in the U.S. House of Representatives, including a bill from U.S. Rep. Paul Ryan (R-Janesville) that would suspend a federal tax on jet fuel for two years.

"One way or another, the aid is needed," Ryan said. "And I believe the administration is warming up" to including airline assistance in the war spending bill.

Most airlines have still not recovered from the terrorist attacks, after which passenger levels plummeted. The airline industry's most likely war scenario projects losses in 2003 totaling \$10.7 billion, bankruptcy from several carriers, the loss of 2,200 daily flights and 70,000 additional jobs.

The \$2.8 billion Republican proposal falls short of the \$9 billion the industry wanted.

"But we are encouraged," said Carol Skornicka, senior vice president of Midwest Airlines. "One question at this time is whether House Speaker Dennis Hastert (R-Ill.) believes that this provides adequate relief because he has United Airlines in his district."

As part of the Republican plan, airlines are expected to sign a two-year agreement that limits their executive compensation to 2002 base pay. Those that exceed the salary caps would have to pay a greater share of the cost of government-supported war- and terrorism-risk insurance.

Ryan said he favors the CEO salary clause, especially since learning that top executives at United, American, Delta, US Airways, Continental and Northwest airlines have received millions of dollars in bonuses even as their companies posted huge losses.

"People who run these large public companies ought to have their incentives tied with the fate of their shareholders," he said.

Some Democrats have said an aid package should include job protection for the tens of thousands of airline workers, and additional unemployment compensation for those who already have lost their jobs.

"There should be some consideration for people so they are not getting bounced out of jobs while their employers are getting government help," said U.S. Rep. Jerry Kleczka (D-Milwaukee).

But providing additional compensation for airline workers who already have lost their jobs could dilute the assistance needed by airlines, Sensenbrenner said.

And it would not be fair to other workers who have lost their jobs in the poor economy, Ryan added.

"It's a slippery slope when you start picking and choosing winners and losers in the unemployment marketplace," he said.

Following the Sept. 11 attacks, Midwest Express Holdings Inc., the parent of Midwest Airlines, received about \$16 million in federal aid as part of a \$5 billion national airline bailout package.

The airline would have received more money had it not been for its two-by-two seating that limits its passenger loads, Sensenbrenner said.

"That really put Midwest at a disadvantage," he said. "I would not want to return to a

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ormula where Midwest received a much lower payment because it did not pack people in its airplanes like sardines."

Republicans have said they want to pass the proposed \$75 billion Iraq war spending bill before Easter.

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