

1 SENATE JOINT RESOLUTION

2 WHEREAS, United Airlines is the largest air carrier
3 headquartered in Illinois, the ongoing viability and
4 stability of United Airlines, a significant economic engine
5 for commercial activity throughout Northern Illinois, is of
6 paramount importance to the welfare of the State of Illinois
7 and its citizens; and

8 WHEREAS, United employs nearly 20,000 at O'Hare, Chicago
9 Reservations, World Headquarters, and other locations
10 throughout Northern Illinois; and

11 WHEREAS, United and its holding company, UAL Corporation,
12 also contribute over \$84,000,000 annually in rents and
13 landing fees, passenger facility charges, and significant tax
14 revenue to the region and the State of Illinois; and

15 WHEREAS, Each day, more than 800 United flights takeoff
16 or arrive at O'Hare and more than 80,000 United passengers
17 arrive or depart from O'Hare. One United domestic passenger
18 arriving at O'Hare generates approximately \$1,120 for the
19 City of Chicago and the State of Illinois. Each
20 international passenger generates approximately \$2,310.
21 Because of United, almost 15,000,000 travelers a year
22 contribute to the region's economy; and

23 WHEREAS, United's Chicago Reservations Center makes
24 upwards of 18,000,000 bookings annually and, at the same
25 time, United Cargo employees process over 232,000,000 pounds
26 of mail and freight at O'Hare; and

27 WHEREAS, United was significantly impacted by the
28 September 11, 2001 terrorist attacks; with two of four
29 hijacked aircraft belonging to United, it was both a target
30 and a victim of the tragic events of September 11; and

31 WHEREAS, The dramatic drop in air travel since September

1 11, 2001 -- especially high yield international and business
2 travel -- has and continues to have a significant
3 deteriorating impact on the financial condition of United
4 Airlines; and

5 WHEREAS, The Air Transportation Safety and System
6 Stabilization Act was signed by the President of the United
7 States on September 22, just 11 days after the terrorist
8 attacks of September 11, 2001; and

9 WHEREAS, The President of the United States described
10 this Act as providing "urgently needed tools" to assure
11 safety and immediate stability of our Nation's commercial
12 airline system and to establish a process for compensating
13 victims of terrorist attacks; and

14 WHEREAS, In order to compensate air carriers for the
15 losses associated with September 11, and to induce private
16 lending institutions to extend financial assistance to U.S.
17 airlines, the Stabilization Act provided direct grants for
18 air carriers and up to \$10,000,000,000 in loan guarantees for
19 U.S. based air carriers; and

20 WHEREAS, The loan guarantee provision of the Act is meant
21 to assist those carriers that suffered losses due to the
22 terrorist attacks of September 11, and to whom credit is
23 otherwise not available in order to facilitate a safe,
24 efficient, and viable commercial aviation system in the
25 United States; and

26 WHEREAS, There is no cost to the U.S. Government or to
27 the American taxpayer, apart from administrative expenses,
28 unless the airline defaults on the loan and the U.S.
29 Government is called on to honor the guarantee; and

30 WHEREAS, United has outlined a sound financial recovery
31 plan with four basic tenets: expense reduction, revenue

1 enhancement, employee-shared sacrifice, and financing and
2 liquidity; and

3 WHEREAS, United's October 22 updated ATSB loan
4 application requesting \$1,800,000,000 includes specific labor
5 cost reductions of \$5,800,000,000 over the next 5 1/2 years,
6 with the participation of all employee groups; and

7 WHEREAS, United Airlines has pledged specific non-labor
8 profit improvements of \$1,400,000,000 and a process for an
9 additional \$400,000,000 in savings; and

10 WHEREAS, United has pledged to work tirelessly to find
11 additional means of enhancing revenue and lowering costs; and

12 WHEREAS, United is in precisely the situation Congress
13 had in mind when it enacted the Air Transportation Safety and
14 System Stabilization Act; therefore be it

15 RESOLVED, BY THE SENATE OF THE NINETY-SECOND GENERAL
16 ASSEMBLY OF THE STATE OF ILLINOIS, THE HOUSE OF
17 REPRESENTATIVES CONCURRING HEREIN, that we do hereby formally
18 request and urge the Air Transportation Stabilization Board,
19 part of the United States Treasury, to expeditiously approve
20 United Airlines' application for a loan guarantee; and be it
21 further

22 RESOLVED, That suitable copies of this resolution be
23 immediately delivered to George W. Bush, the President of the
24 United States; Alan Greenspan, the Chairman of the Federal
25 Reserve Board; Norman Mineta, the Secretary of
26 Transportation; and Paul O'Neill, the Secretary of the
27 Treasury.