Congress of the United States

House of Representatives Washington, DC 20515-5201

February 5, 2025

The Honorable Sean Duffy Secretary U.S. Department of Transportation 1200 New Jersey Avenue, SE Washington, DC 20590

Dear Secretary Duffy:

Congratulations on your confirmation as Secretary of the U.S. Department of Transportation. Your life of service to our country has been of great significance, and I appreciate the leadership and experience you bring to the Department at this critical time for our nation's transportation networks.

I write to urge the Department of Transportation exercise full compliance with Annex VI, Article 6 of the U.S.-China Air Transport Agreement and lift the ongoing restrictions on international air service between the People's Republic of China and my district, the Commonwealth of the Northern Mariana Islands (CNMI). These restrictions conflict with the terms of the bilateral agreement, which explicitly exempted the CNMI from limitations on the number of designations or frequencies of scheduled air services. The failure to adhere to this provision has placed a severe and unnecessary strain on the economic recovery of my district.

The CNMI is a U.S. Territory with striking similarities to rural communities across America. The Americans living in my district are proud citizens of this country but face unique challenges due to our distance from major U.S. urban centers, reliance on a single industry for employment, limitations of our transportation infrastructure, and pronounced vulnerabilities to federal policy decisions. Just as rural communities in states like Wisconsin depend on agriculture and manufacturing as economic lifelines, the CNMI's economy is singularly dependent on tourism.

Prior to the COVID-19 pandemic, international visitors accounted for 42 percent of total economic activity and directly supported 25 percent of all household income in the CNMI.² Today, tourism arrivals remain 57 percent below pre-pandemic levels.³ The economic impact has been devastating to businesses and individuals across my district.

¹ U.S. Department of State. U.S.-China Air Transport Agreement of July 9, 2007. Available at https://2009-2017.state.gov/e/eb/rls/othr/ata/c/ch/114749.htm

² U.S. Bureau of Economic Analysis. *Gross Domestic Product for the Commonwealth of the Northern Mariana Islands*, 2021 & 2022. (November 21, 2024). *Available at* https://www.bea.gov/sites/default/files/2024-11/cngdp1124.pdf

³ Marianas Visitors Authority. Commonwealth of the Northern Mariana Islands: Visitor Arrival Statistics. Available at https://drive.google.com/file/d/14BWnd71A2WQxi Kx yyfRatvaEv4C9G1/view?usp=sharing

The decline in Chinese tourism has been a primary driver of this economic decline. Between 2015 and 2020, travelers from China represented 40 percent of annual arrivals to the CNMI, diversifying the region's visitor base, expanding exports from my district, and stabilizing the local economy. Since 2021, that figure has plummeted to 8 percent, leaving the CNMI heavily dependent on a single market—South Korea. This overreliance has made the economy particularly vulnerable to external shocks, as demonstrated by the Jeju Air Flight 7C2216 crash on December 29, 2024, which led to widespread cancellations and further economic instability.

The U.S.-China Air Transport Agreement was negotiated with a clear understanding of the CNMI's unique circumstances, and Annex VI was specifically designed to ensure uninterrupted air service to the territory in circumstances exactly like the one we see today. The ongoing restrictions imposed under DOT's Part 213 Orders⁵ have undermined this agreement, creating unnecessary barriers to economic recovery and disregarding a longstanding federal commitment to the CNMI.

For these reasons, I urge the Department of Transportation to comply with Annex VI, Article 6 of the U.S.-China Air Transport Agreement and establish unrestricted scheduled air service between China and the CNMI. Adhering to this agreement is essential to rebuilding the local economy, supporting American businesses and workers, and upholding the commitments made in U.S. foreign and transportation policy.

Thank you for your attention to this critical matter. I look forward to working with you to ensure that federal transportation policies reflect the needs of all U.S. communities, including those in the territories.

Sincerely,

KIMBERLYN KING-HINDS Member of Congress

⁴ Daisuke Wakabayashi. *Jeju Air's Problems Mount After Crash that Killed 179 People*. New York Times. (January 5, 2025). *Available at* https://www.nytimes.com/2025/01/05/business/jeju-air-south-korea-crash.html
⁵ DOT. Orders 2020-5-4, 2020-6-1, 2020-6-3, 2020-8-6, 2023-5-6, 2023-8-10, 2023-10-9, and 2024-2-21.