

**Hearing Before the U.S. Senate Judiciary Subcommittee on Antitrust, Competition Policy,  
and Consumer Rights**

**Testimony of Greg Anderson,  
CEO, Allegiant Travel Company**

**September 29, 2025**

Chairman Lee, Ranking Member Booker, and Members of the Subcommittee:

Thank you for the opportunity to appear before you today. My name is Greg Anderson, and I serve as the Chief Executive Officer of Allegiant Travel Company. For more than 25 years, our airline has been connecting underserved American communities with affordable access to the leisure destinations they value most.

**I. Allegiant's Vision and Business Model**

At Allegiant, our vision is to be the leading airline in the communities we serve, offering safe, reliable, convenient travel at unbeatable value. Allegiant differs from other airlines in several ways; notably, all our flights are nonstop and scheduled service is all domestic, with our entire focus on the leisure traveler.

To be more specific, Allegiant provides affordable and convenient air travel for residents of small and medium sized communities. With 125 aircraft serving 122 communities across 577 routes—70% of which we offer the only nonstop service—our customers repeatedly choose to fly with us because of the unbeatable value we provide. This makes Allegiant a vital part of the U.S. airline industry.



As noted, for most of the 120 different communities we serve, we are the only nonstop option for high-priority vacation destinations. To name just a few, we offer nonstop service between Gulf Shores, Alabama and Kansas City, Missouri; between Atlantic City, New Jersey and Orlando, Florida; and between St. Cloud, Minnesota and Punta Gorda, Florida. The convenience and value we provide adds competition into the market, expanding the range of options available to underserved markets.

To put it simply, we offer our leisure customers the significant advantage of affordable nonstop travel, allowing them to bypass higher fares and the added inconvenience often associated with connecting flights.

## **II. Competition in the Airline Market**

I am here today to talk about potential ways to make air travel more accessible for everyone. Over the past five years, the airline industry has been in a state of transition. As a result of inflation and the evolving state of the consumer, costs have outpaced revenues industry-wide.

Due to their size, scale, international access, and loyalty programs, the largest carriers have been better positioned to absorb these shifts. Some value carriers, like Allegiant, have been able to adjust with the market, mostly because we operate a unique model—offering nonstop flights at low fares and to our customers in small and underserved communities—that is unparalleled in the industry.

However, if current trends continue, Americans may have fewer options and face higher prices, possibly making air travel unaffordable for many.

We believe there are a few key actions that can restore and help strengthen the sector.

#### **A. Air Traffic Control Modernization**

The advancement and modernization of Air Traffic Control (“ATC”) systems are of the utmost importance. Inefficiencies and delays within the air travel industry are often attributable to outdated ATC technology and insufficient staffing.

We are encouraged by the Administration’s plans to modernize ATC along with Congress’ support in funding. Upgrading technology, infrastructure, and staffing will greatly help existing issues. It is critical that improvements benefit the entire system—not just major cities in the northeast, but across regions such as Florida, the LA Basin, Las Vegas, and smaller, underserved communities like those Allegiant flies to and from.

#### **B. Improve Gate Access**

Second, improving gate access for value airlines is an important factor in enhancing market competition.

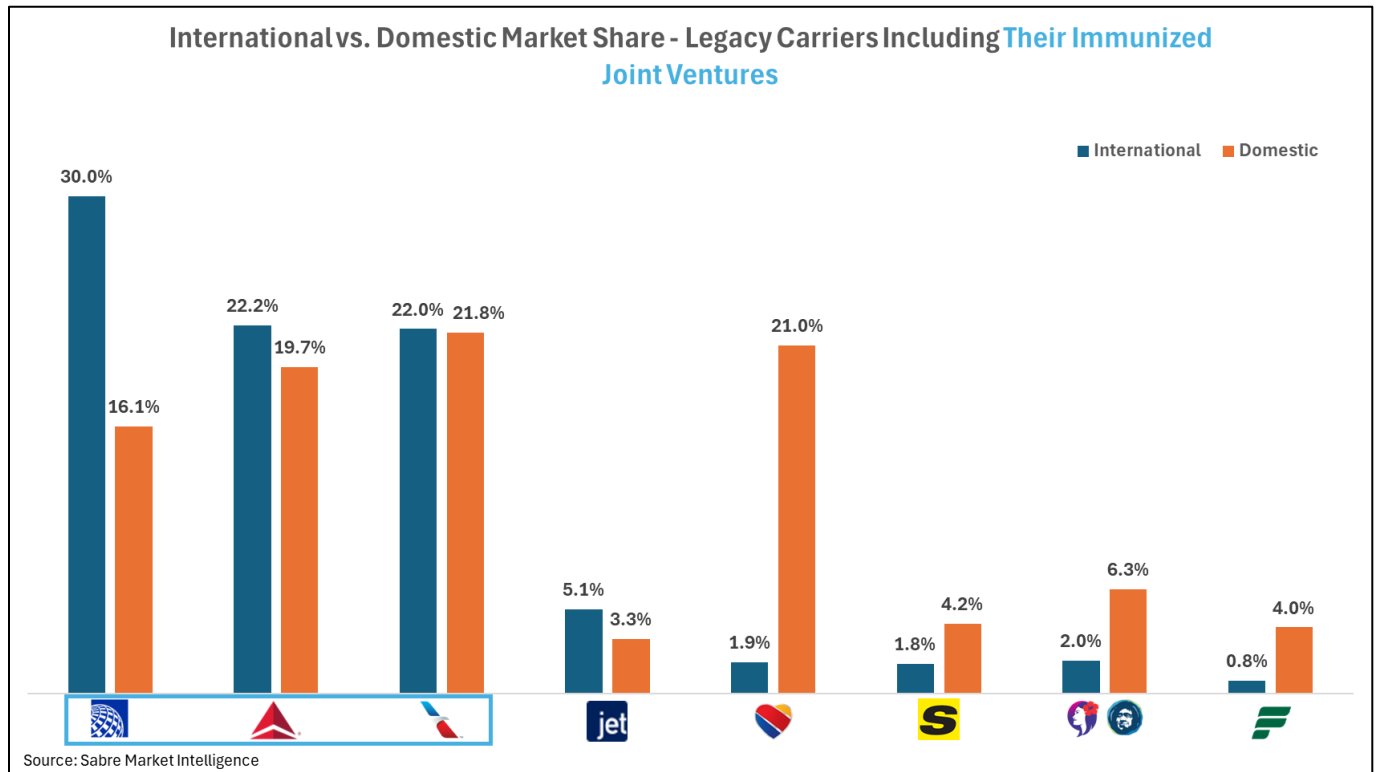
The current gate allocation process tends to reinforce the existing advantages of legacy carriers. Value airlines face limited opportunities to obtain gates or slots at larger airports, even when those spaces are not fully utilized.

To begin addressing these discrepancies, we support the refiling of Senator Hawley and Warren’s bipartisan *Airport Gate Competition Act* introduced last year and would welcome such legislation. Such legislation would empower the Department of Transportation (“DOT”) to require that any application for a federally funded terminal project at large hub airports must designate no less than 33% of gates and other spaces as common use.

If passed, such a bill would improve the competitive landscape as a whole and alleviate some of our concerns regarding gate access while still preserving the ability of legacy carriers to operate in ways that make sense for their business.

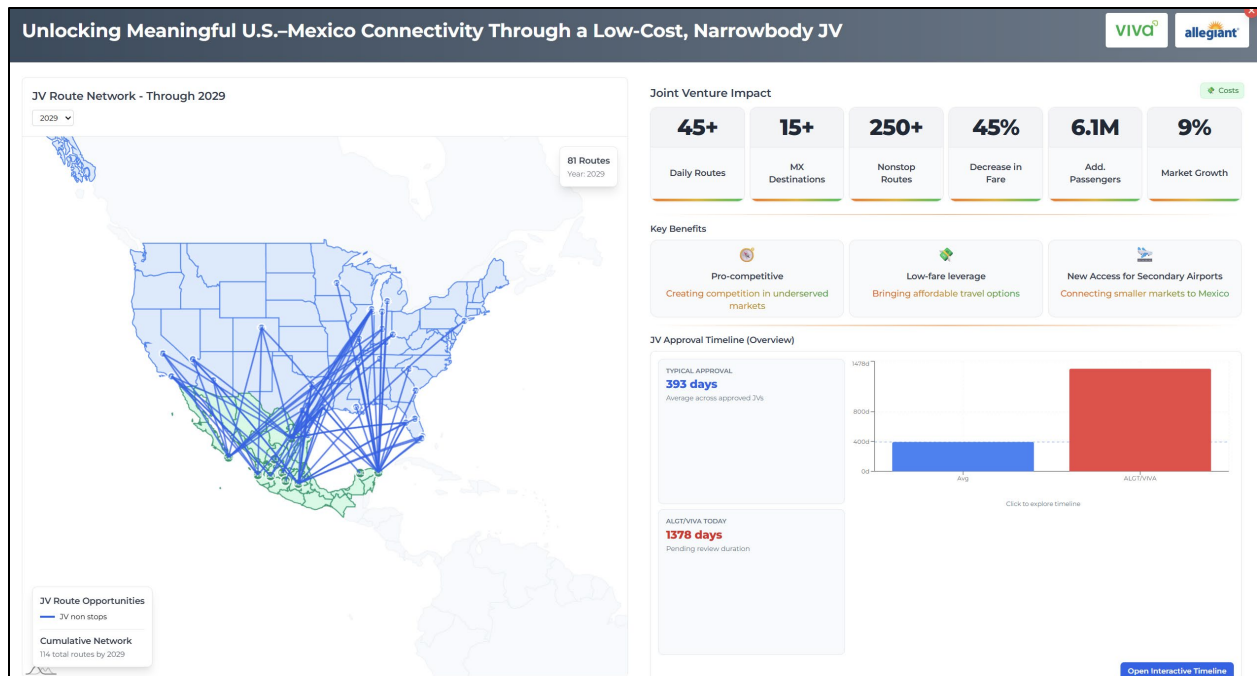
### C. International Market Access

Third, international market access through immunized joint ventures. Large legacy carriers have participated in broad international alliances for decades. These ventures provide them with enhanced marketing, scheduling, and revenue opportunities compared to those carriers without a joint venture. The international market is dominated by the legacy carriers, whose joint ventures and alliances provide them with a competitive advantage.



Allegiant seeks to pursue a similar joint venture—but tailored to the value airline model. In partnership with Viva in Mexico, we filed for a first-of-its-kind value airline alliance. Together, we proposed to open 92 new nonstop routes between the U.S. and Mexico, particularly from underserved cities like Appleton, Wisconsin, South Bend, Indiana, Grand Rapids, Michigan, Cincinnati, Ohio, and Stockton, California.

This alliance would give nearly 5 million more Americans access to affordable international travel. It would increase the total number of direct U.S.-Mexico routes by 50%. And it would introduce the kind of low-fare competition desperately needed in that market.



## D. Smart Regulation

Fourth, regulation. Let me be clear: safety is and always must be the top priority. Safety is in the DNA of this industry and America's airspace is the safest in the world. And we believe that the government plays an important role in ensuring airline safety. However, rules that go beyond safety and into regulation of consumer choice, such as those that mandate the convergence of product offerings across the industry, will inevitably lead to pricing out the most fare conscious consumers who we are proud to serve.

Full fare advertising rules, intended to increase transparency, actually conceal the impact that government fees and taxes have on the customer. Allegiant offers clear pricing, letting customers see and select only the options they want. About 25% of our customers choose just the base fare, while others can add services like bags and seat assignments, all with upfront charges. Our approach prioritizes transparency and choice.

We also go beyond what regulation requires when it comes to standing behind our product. By way of example, Allegiant compensates passengers up to \$300 in addition to a ticket refund if we cancel a flight within our control.

Regulations are essential for airline safety, including well-trained pilots. The 2024 FAA Reauthorization Act has the ability to help improve our pilot training standards through the Enhanced Qualification Program ("EQP"). Effective implementation of EQP is important for training future pilots. Simulators and advanced technology can improve skills by replicating weather conditions and emergency scenarios in complex commercial aircraft and environments.

This approach has the ability to make pilot training more accessible and more affordable in the United States.

Air travel innovation is driven by competition, not regulation. Value airlines like Allegiant bring more choices and lower fares. When value airlines enter new markets, average fares can be reduced by up to 19%.

### **III. What Can Congress Do**

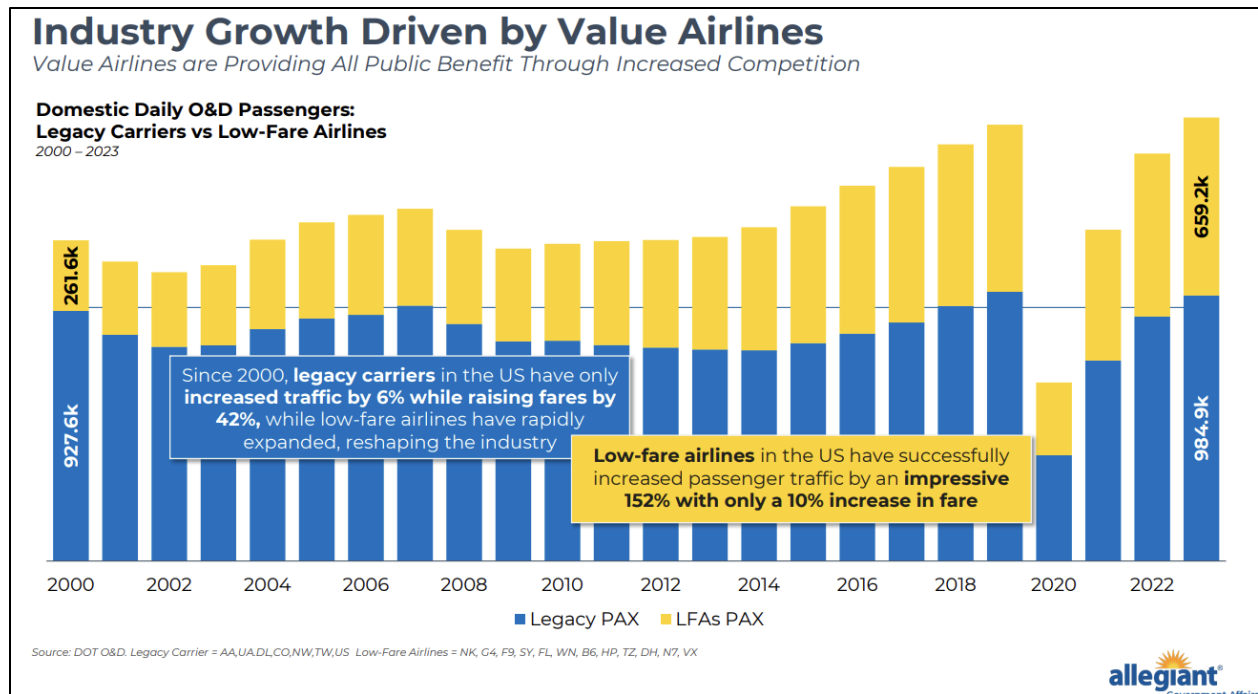
So what can be done? Let me suggest several steps that would restore real competition:

1. **Support the Modernization of Air Traffic Control.** Promote investment of resources and implementation of next generation air traffic control infrastructure and staffing across the entire system to help airports reduce delays and inefficiencies.
2. **Improve Gate Access.** Pass the Airport Gate Competition Act or similar legislation and empower the DOT to require that any application for a terminal project at large hub airports must designate no less than 33% of gates and other spaces as common use.
3. **Allow value airline alliances.** Recognize that pro-competitive alliances can allow value airlines to achieve scale and increase options for consumers, including those in underserved communities.
4. **Focus regulation on safety, not competition barriers.** Ensure that the FAA's implementation of the EQP makes a career as a pilot more accessible to Americans, rollback the full fare advertising rule to enhance transparency, and avoid overly prescriptive regulation that reduces choice and value for consumers.

### **IV. Closing**

In closing, we believe that a healthy airline industry benefits everyone. Value airlines such as Allegiant make it possible for a family of four to take a vacation for hundreds of dollars less than they would otherwise pay.

Since 2000, U.S. legacy carriers have increased traffic by just 6% while fares rose over 40%. In contrast, value airlines grew passenger traffic by more than 150% with only a 10% increase, driving most of the domestic air travel growth.



Allegiant is proof that competition and deregulation works. We invented a business that didn't exist by creating markets in communities that others have largely ignored with safe, reliable, and nonstop service at unbeatable value.

For decades, air travel has become steadily more affordable, opening opportunities for millions of families to travel. Allegiant is proud of our role in that.

Thank you. I look forward to your questions.