



2.0 INTRODUCTION

Before Dallas /Fort Worth International Airport (DFW) was built, Love Field served as the major commercial airport in the region. When DFW was opened, carriers serving DAL signed an agreement to terminate air service at DAL. Southwest Airlines, which did not sign an agreement shifting air service to DFW, remained at DAL and initially provided intrastate service, and eventually expanded service to interstate points.

A Congressional Amendment of 1979, named after Congressman Jim Wright, prohibited operators of large aircraft from offering for sale or providing transportation between Dallas Love Field and points beyond Texas, Louisiana, Arkansas, Oklahoma and New Mexico. The Wright Amendment was modified in 1997 to add three additional states, Kansas, Mississippi and Alabama to the list of state points exempt from the interstate restriction. A 1998 DOT Order dealt with several Love Field service issues, and reached the following conclusions:

- (i) The City of Fort Worth may not enforce any commitment by the City of Dallas under the Bond Ordinance or other agreement to limit operations at Love Field authorized by federal law, and the proprietary powers of the City of Dallas do not allow it to restrict services at Love Field authorized by federal law; (ii) the ability of the City of Dallas to limit the type of airline service operated at Love Field is preempted by the Wright and Shelby Amendments; (iii) any airline operating aircraft with a passenger capacity of no more than 56 passengers and a gross weight of no more than 300,000 pounds may operate service with any type of equipment and flights of any length from or to Love Field, notwithstanding any claim that such service violates any agreement between the Cities of Dallas and Fort Worth; (iv) the Dallas-Fort Worth International Airport Board may not enforce any contract provision that allegedly bars an airline from operating interstate airline service at another airport in the Dallas-Fort Worth metropolitan area; and (v) any airline may offer through service between Love Field and any other point to passengers using a flight between Love Field and another point within Texas operated under subsection (a) of the Wright Amendment, as amended by the Shelby Amendment.

Order in Love Field Service Interpretation Proceeding, Docket OST-98-4363, US DOT, issued December 22, 1998.

The United States Court of Appeals, Fifth Circuit, has upheld this order in a decision filed February 1, 2000. The US Supreme Court turned down review of this decision in June 2000.

The DOT Order and Circuit Court decision have made it clear that the current law allows operation of aircraft to any interstate points as long as the aircraft has 56 seats or fewer, and weighs less than 300,000 pounds. Further, the operator of an aircraft with 56 or fewer seats is not subject to other Wright Amendment restrictions, such as the operation of through flights or selling connections. These developments have initiated a new pattern of growth of DAL air service, including service by Legend Airlines, operating reconfigured DC-9 aircraft, with DAL as its key service point. The new growth is also facilitated by the broad use of a new commuter jet aircraft, the popular new 50-seat regional jets or RJs.

