



**UNITED STATES OF AMERICA  
DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY  
WASHINGTON, D.C.**

**Issued by the Department of Transportation  
on the 3rd<sup>th</sup> day of June, 2015**

**Charter Air Transport, Inc.**

**Violations of 49 U.S.C. § 41708 and  
14 CFR Part 298**

**Docket OST 2015-0002**

**Served June 3, 2015**

**CONSENT ORDER**

This consent order concerns reporting delinquencies by Charter Air Transport, Inc. (CAT) that constitute violations of 49 U.S.C. § 41708 and the accounting and reporting requirements specified in 14 CFR Part 298. This order directs CAT to cease and desist from future violations, and assesses the carrier a compromise civil penalty of \$30,000.

**Applicable Law**

Section 41708 of the United States Code, *inter alia*, authorizes the Secretary of Transportation to require air carriers to submit reports to the Department. Pursuant to section 41708, 14 CFR Part 298 designates various categories of statistical data to be collected and prescribes the manner in which these data are to be submitted to the Department. The Department uses carriers' Part 298 reports to analyze the effects of air transportation industry policy initiatives, to allocate airport development funds, to forecast traffic, and to develop airport and airway traffic policy. A carrier's failure to file its reports prevents the Department from making fully informed decisions. Failure to file reports when they are due constitutes a violation of 49 U.S.C. § 41708 and 14 CFR Part 298.

**Facts**

CAT is a commuter air carrier and is therefore subject to the reporting requirements of 49 U.S.C. § 41708 and 14 CFR Part 298. CAT failed to file BTS Form 298-C "Report of Financial Data" and Schedule T-100 "U.S. Air Carrier Traffic and Capacity Data by Nonstop Segment and On-Flight Market" in a timely manner.

In July 2014, the Office of Aviation Enforcement and Proceedings (Enforcement Office) contacted the carrier regarding its non-compliance with the Department's reporting requirements. CAT promptly filed all required reports and is in compliance with the Department's reporting requirements.

### **Mitigation**

In mitigation, CAT states that any violation of the Department's reporting requirements was inadvertent. CAT states that at the precise time the alleged reporting violations began, CAT was relocating its corporate offices from Ohio to Florida. CAT states that the CAT employee responsible for filing the quarterly and monthly reports did not relocate with the company and failed to coordinate the continued submission of the reports with the employee's successor or anyone else.

CAT states that its Director of Finance has been assigned primary responsibility for preparing and submitting Department-required monthly and quarterly reports. CAT states that through a concerted effort, the Director of Finance was able to file all past-due reports within two days of contact from the Enforcement Office. CAT states that the Director of Finance is training multiple subordinates on this task to assure that the reports are not overlooked in the future.

### **Decision**

The Office of Aviation Enforcement and Proceedings (Enforcement Office) has carefully considered the information provided by CAT, but continues to believe that enforcement action is warranted. The Enforcement Office and CAT have reached a settlement of this matter in order to avoid litigation. Without admitting the violations described above, CAT consents to the issuance of this order to cease and desist from future violations of 49 U.S.C. § 41708 and 14 CFR § 298.60.

The compromise assessment is appropriate considering the extent of the violations described herein and serves the public interest. It provides a strong incentive for CAT and other air carriers to submit data to the Department in a timely and complete manner, as required.

This order is issued under the authority contained in 14 CFR Part 1.

### **ACCORDINGLY,**

1. Based on the above discussion, we approve this settlement and the provisions of this order as being in the public interest;
2. We find that Charter Air Transport, Inc. violated 49 U.S.C. § 41708 and 14 CFR § 298.60 by failing to file required reports in a timely manner, as described above; and

3. We order Charter Air Transport, Inc. and all other entities owned or controlled by or under common ownership with Charter Air Transport, Inc. and their successors and assigns to cease and desist from further violations of 49 U.S.C. § 41708 and 14 CFR § 298.60.
4. We assess Charter Air Transport, Inc. a compromise civil penalty of \$30,000 in lieu of civil penalties that might otherwise be assessed for the violations found in ordering paragraph 2, above. Of this total penalty amount, \$3,000 shall be due and payable within 30 days from the date of issuance of this order; \$3,000 shall be due and payable within 60 days from the date of issuance of this order; \$3,000 shall be due and payable within 90 days from the date of issuance of this order; \$3,000 shall be due and payable within 120 days from the date of issuance of this order; and \$3,000 shall be due and payable within 150 days from the date of issuance of this order. The remaining portion of the civil penalty amount, \$15,000, shall become due and payable immediately if, within one year of the date of issuance of this order, Charter Air Transport, Inc., violates this order's cease and desist provisions or fails to comply with the order's payment provisions, in which case Charter Air Transport, Inc., may be subject to additional enforcement action for violation of this order; and
5. We order Charter Air Transport, Inc. to pay the penalty through Pay.gov to the account of the U.S. Treasury in accordance with the instructions contained in the Attachment to this order. Failure to pay the penalty as ordered shall subject Charter Air Transport, Inc. to the assessment of interest, penalty, and collection charges under the Debt Collection Act, and to possible additional enforcement action for failing to comply with this order.

This order will become a final order of the Department 10 days after its service date unless a timely petition for review is filed or the Department takes review on its own motion.

**BY:**

**Blane Workie**  
**Assistant General Counsel for**  
**Aviation Enforcement and Proceedings**

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Charter Air Transport, Inc.

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Blane Workie  
Assistant General Counsel for  
Aviation Enforcement and Proceedings

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Charter Air Transport, Inc.  
Employer ID Number (EIN)