

November 29, 2023

The Honorable Sam Graves and the Honorable Rick Larsen Chairman and Ranking Member House Committee on Transportation and Infrastructure 2165 Rayburn House Office Building Washington, DC 20515

Dear Chairman Graves, Ranking Member Larsen and Members of the Committee:

On behalf of the American Society of Travel Advisors (ASTA) and the more than 160,000 travel advisors across the country we represent, I write to submit the following into the record in advance of the House Transportation and Infrastructure hearing on November 30, 2023, titled "Turbulence Ahead: Consequences of Delaying a Long-Term FAA Bill."

Established in 1931, ASTA is the world's leading professional travel trade organization. Our current membership consists of more than 8,000 companies representing more than 90,000 travel professionals, from the smallest home-based businesses to traditional brick-and-mortar storefront agencies to the largest travel management companies and online travel agencies. Together, they account for an annual payroll output of \$5.5 billion and annual revenues of \$17.7 billion.

Those numbers are only sure to increase. Despite economic pressures, people are spending more on travel than any other discretionary purchase, according to ASTA surveys. Travel advisors are experiencing an increase in demand with 22 percent of U.S. travelers having used an advisor. Over 30 percent of ASTA members report that more than half of their clients are using a travel advisor for the first time.

Which is why the current reauthorization could not have come at a better time. As Americans are traveling now more than ever, consumers are understandably confused about the myriad policies surrounding air travel. From travel advisories and various restrictions to airline fees and delays/cancellations, consumers want to travel but find it increasingly confusing. Nearly 70 percent of Americans agree that "planning a trip is more complex now." It should come as no surprise that 54 percent of consumers agree that a travel advisor can help them better understand the issues regarding airline fees.

Travel advisors are the key to cutting through that complexity. Responsible for the sale of roughly half of air travel in the U.S., travel advisors serve an indispensable role in our country's commercial aviation system and the broader travel and tourism industry. In 2019,



travel agencies sold nearly 830,000 airline tickets *per day*, representing 48 percent of total sales and aggregate spending of more than \$97 billion.¹

As such, ASTA's current legislative priority is reauthorization of the Federal Aviation Administration (FAA), and we applaud the Committee for its swift bipartisan passage of the legislation in June, and for now bringing to light the consequences of further delaying its progress.

The Securing Growth and Robust Leadership in American Aviation Act (H.R. 3935) includes many of the provisions for which ASTA has been advocating on behalf of our members since the beginning of the year – and in some cases far longer. While comprehensive in scope, the bill recognizes the invaluable role travel advisors play in the larger travel and tourism ecosystem while serving as a key voice for consumers.

The following provisions would particularly benefit travel agencies, individual travel advisors and other similarly situated third-party intermediaries that make up ASTA's membership and are regulated by the Department of Transportation (DOT):

- Travel Agency Seat on DOT Consumer Protection Advisory Committee (Section 704) Adds a seat for "ticket agents and travel management companies" to the DOT's Aviation Consumer Protection Advisory Committee, based on freestanding legislation (H.R. 3780) introduced by Rep. Dina Titus (D-NV). This provision will provide valuable insights that are missing today and help the Department meet its consumer protection mission.
- New Consumer Advisory Committee, including Travel Agencies (Section 708) Creates a new "Passenger Experience Advisory Committee" at DOT, with a seat for ticket agents among its membership. The goal of the committee would be to advise the Secretary of Transportation on ways to improve the passenger experience in air transportation customer service, via biennial reports.
- **Disclosures in Offline Ticket Transactions (Section 709)** Requires DOT to implement a streamlined system for fulfilling air consumer disclosure requirements during "offline" transactions (over-the-phone, face-to-face) within 18 months of enactment. For more on the challenges faced by travel advisors regarding the multiple

¹ Airlines Reporting Corporation (ARC). <u>Airline Sales Statistics</u>.



disclosures they are required by law and regulation to make today and justification for Section 709, see ASTA's February submission² to the committees of jurisdiction.

• Travel Agency Refund Obligations (Section 710) – Makes clear that a travel agency's obligation to issue a client refund for a cancelled or significantly changed flight is limited to scenarios where it is in possession of the funds in question, which addresses ASTA's concern regarding a separate, pending DOT rulemaking on airline refunds.³

We appreciate the time and effort that went into this comprehensive, bipartisan bill as well as the collaborative approach taken in terms of stakeholder feedback. We further appreciate the attention the Committee is giving the widespread implications of inaction. Should you or your staff have any questions about ASTA's viewpoints or any issue related to the travel industry, please do not hesitate to contact ASTA's Vice President, Advocacy, Jessica Klement at jklement@asta.org. Thank you for your consideration of our views.

Yours Sincerely,

Zane Kerby

President and Chief Executive Officer

² American Society of Travel Advisors. <u>ASTA to House & Senate Authorizing Committees re: FAA Reauthorization</u>. February 24, 2023.

³ American Society of Travel Advisors. <u>Travel Advisors to DOT: Don't Put Us on the Hook for Airline Cancellations</u> [Press Release]. December 14, 2022.