

June 13, 2023

The Hon. Maria Cantwell Chair Senate Committee on Commerce, Science and Transportation 254 Russell Senate Office Building

The Hon. Tammy Duckworth Chair Subcommittee on Aviation Safety, Operations, and Innovation 524 Hart Senate Office Building The Hon. Ted Cruz Ranking Member Senate Committee on Commerce, Science and Transportation 512 Dirksen Senate Office Building

The Hon. Jerry Moran Ranking Member Subcommittee on Aviation Safety, Operations, and Innovation 521 Dirksen Senate Office Building

Dear Chairs Cantwell and Duckworth and Ranking Members Cruz and Moran:

On behalf of the American Society of Travel Advisors (ASTA) and the more than 160,000 Americans who work in the travel agency sector across the country, I am writing to express our views with respect to the Federal Aviation Administration (FAA) Reauthorization Act of 2023, bipartisan legislation to reauthorize the FAA and related aviation programs for the next five years.

Responsible for the sale of roughly half of air travel in the U.S., travel advisors – online, brick-andmortar and hybrid business models in between – 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. We are proud that ASTA's current membership of nearly 8,000 travel agencies, independent travel advisors and related companies includes substantial numbers of member companies in Washington (185), Texas (943), Illinois (378) and Kansas (60).

With regard to the FAA Reauthorization Act of 2023, we believe that on the whole the legislation meets its goals in ensuring the United States has safe, reliable and resilient air travel and stronger consumer protections for the flying public. In terms of direct impact on travel agencies, the bill contains several common-sense provisions that will benefit travelers and those who serve them, including separating ticket agent and airline obligations with respect to refunds (Section 703), flexibility in terms of how airline ancillary fee information is presented to consumers (Section 705(a)) and a protection against Department of Transportation (DOT) enforcement against agents in cases where carriers do not share ancillary fee data (Section 705(b)).

While you have done great work in putting together a package as comprehensive as the FAA Reauthorization Act of 2023, we note the omission of several provisions present in the House version of the bill (H.R. 3935) that recognize the value of travel advisors and their role in protecting consumers. As you prepare for committee markup and in the spirit of making a good bill better, we respectfully urge you to consider making the following changes:

123 N Pitt St, Suite 400 Alexandria, VA 22314

ASTA.org

- Add a Travel Agency Seat to DOT Consumer Protection Advisory Committee Section 701 of the bill expands the membership of the DOT's Aviation Consumer Protection Advisory Committee (ACPAC) to include foreign air carriers and disability rights groups. It does not provide a seat for ticket agents,¹ U.S.-based businesses who sell roughly half of all air tickets in this country and who have unique expertise in the real-world impacts of complex DOT regulatory proposals such as those pending on airline refunds and ancillary fees. Adding a ticket agent seat would align with the House FAA bill (Section 704) as well as freestanding bipartisan legislation introduced earlier this month, the ACPAC Modernization Act (H.R. 3780). We understand that Sen. Jacky Rosen (D-NV) will offer an amendment to this effect during Thursday's markup, and strongly urge the committee to support it.
- Clarify Travel Agency Refund Obligations As mentioned above, we appreciate that the bill separates ticket agents' obligations for airline refunds from those of the airlines (Section 703). The risk remains, however, that DOT will use its discretion to require agencies to pay refunds to clients for cancelled or significantly changed flights out of pocket, regardless of whether or not the agency is in possession of the client's funds.² As such, we urge the committee to incorporate the language of Section 710 of the House bill, which states unequivocally, "the Secretary shall clarify that a ticket agent shall provide a refund only when such ticket agent possesses, or has access to, the funds of a passenger."
- Streamline Disclosures in Offline Ticket Transactions Section 709 of the House bill 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 with regard to the multiple disclosures they are required by law and regulation to make today and additional justification for this provision, see ASTA's February submission to the committee.³ We encourage the committee to incorporate Section 709 of the House bill into the Senate FAA Reauthorization Act of 2023.

We thank you again for the work you've put in on this critical legislation, and appreciate your consideration of our views on behalf of the more than 160,000 Americans who work at travel agencies across the country. If you or your staff have any questions on these or any issues related to the travel industry, please don't hesitate to contact me at (703) 739-6842 or <u>epeck@asta.org</u>.

Yours Sincerely,

Epup.pm

Eben Peck Executive Vice President, Advocacy

¹ Travel agencies, individual travel advisors and other similarly situated third-party intermediaries are considered "ticket agents" under federal statute, regulated by DOT along with other industry stakeholders. See 49 U.S.C. § 40102(a)(45).

² American Society of Travel Advisors. <u>Travel Advisors to DOT: Don't Put Us on the Hook for Airline</u> <u>Cancellations</u> [Press Release]. December 14, 2022.

³ American Society of Travel Advisors. <u>ASTA to House & Senate Authorizing Committees re: FAA</u> <u>Reauthorization</u>. February 24, 2023.