





March 29, 2024

The Honorable Sam Graves
Chair, House Transportation &
Infrastructure Committee
2165 Rayburn House Office Building
Washington, DC 20515

The Honorable Garrett Graves
Chair, Subcommittee on
Aviation, House Transportation
& Infrastructure Committee
2402 Rayburn House Office Building
Washington, DC 20515

The Honorable Rick Larsen
Ranking Member, House Transportation
& Infrastructure Committee
2164 Rayburn House Office Building
Washington, DC 20515

The Honorable Steve Cohen
Ranking Member, Subcommittee on
Aviation, House Transportation
& Infrastructure Committee
2268 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Graves, Ranking Member Larsen, Chairman Graves, and Ranking Member Cohen:

On behalf of the American Society of Travel Advisors (ASTA), the Travel Management Coalition ("Coalition"), and the Travel Technology Association ("Travel Tech"), thank you for your leadership in advancing H.R. 3935, the Securing Growth and Robust Leadership in American Aviation Act of 2023 through the House last summer. This legislation will provide ticket agents with a voice on the Aviation Consumer Protection Advisory Committee and includes language directing the Department of Transportation (DOT) to require refunds for a cancelled or significantly changed flight only if the ticket agent is in possession of the funds in question. These two provisions are of great importance to our members, and we thank you for including the language.

As you prepare to conference the House-passed legislation with S. 1939, the FAA Reauthorization Act of 2023, we wanted to highlight two concerns with the Senate bill as they apply to Travel Management Companies (TMCs). Should these provisions remain in the conference report, it is critical that exemptions be provided for business and government travel.

Our organizations represent the largest TMCs in the United States. TMCs manage travel for businesses and their employees and federal government agencies, including our nation's military. Services provided by contract to TMC customers include duty of care, management of complex itineraries involving larger groups of employees, and of course, changes, cancellations, and re-bookings. TMC customers do not book or manage travel using online travel platforms available to the general public, so provisions intended to protect customers using such platforms impact TMCs differently.

The Senate FAA bill, Section 702, §42306, provides that covered entities, including ticket agents, must

display a "refund portal" on a public website. We request that an exemption be made for TMCs, as their customers do not manage travel through a public website, and a refund portal requirement would only confuse their customers rather than make it easier to receive a refund while exposing TMCs to fraudulent or duplicate requests they would have to manage. The method by which employees of these corporate or government entities seek refunds is already defined through the existing contract between the ticket agent and its business or government clients. TMCs maintain public websites for business development and marketing purposes only; their websites have no role in the support of travel bookings or refunds for the employees of their clients. As such, the refund portal provision should exempt ticket agents that provide travel services pursuant to corporate or government contracts.

To best achieve the intent of the Refund Portal provision, it should be amended as follows:

"§ 42306. Refund portal.

- "(a) In General.—Not later than the date that is 270 days after the date of enactment of this section, the Secretary of Transportation shall require covered entities to [prominently] display at the top of the homepage of on the covered entity's public internet website a link that passengers who may be eligible for a refund may use to request a refund.
- "(b) Covered Entity Defined.—In this subsection, the term 'covered entity' means—
- "(1) an air carrier or foreign air carrier that provides scheduled passenger air transportation by operating an aircraft that as originally designed has a passenger capacity of 30 or more seats; and
- "(2) an ticket agent entity but not an air carrier or foreign air carrier that sells scheduled passenger service on an aircraft that as originally designed has a passenger capacity of 30 or more seats and offers places of short term lodging but does not include those that sell scheduled passenger service for purchase pursuant to a corporate, government, or institutional travel management program.
- (c) Placement of Link.— Air carriers and foreign air carriers that are covered entities shall prominently display the refund link at the top of the homepage of their public internet websites. All other covered entities shall have flexibility as to the location of the link on their public internet websites.

Additionally, in the Senate bill, <u>Sec. 704 Disclosure of Ancillary Fees</u>, we request an exemption for any travel subject to a corporate or government contract. In its proposed rulemaking on the matter, , the DOT rightly asks whether corporate travel agencies should be exempted from the proposed rule. Our organizations believe they should and note that Congress recognized the distinction between ticket agents that sell to the general public and ticket agents that sell to corporate customers in the FAA Reauthorization Act of 2018. In this legislation, page 156, Congress exempted certain large ticket agents from compliance with rules directed in the statute if the sale of an airline fare was made pursuant to a corporate contract.

SEC. 704. DISCLOSURE OF ANCILLARY FEES.

- (a) FLEXIBILITY.—
- (1) IN GENERAL.—In determining whether a practice is an unfair or deceptive practice under section 41712 of title 49, United States Code, with respect to the disclosure of ancillary fees, the Secretary shall provide air carriers, foreign air carriers, and ticket agents with the flexibility to develop the manner in which such information is transmitted to consumers as long as such information (consistent with the objective of assuring that consumers are provided with useable, current, and accurate information on critical ancillary fees in a format that the consumer can easily compare multiple flight options) is—
 - (A) presented to the consumer in a reasonable and transparent manner prior to booking; and
 - (B) displayed in a format that assists the consumer in making more informed decisions.
 - (2) CRITICAL ANCILLARY FEES DEFINED.—For purposes of paragraph (1), the term critical ancillary fees" means—
 - (A) fees for—
 - (i) the first and second checked bag of an airline passenger;
 - (ii) one carry-on bag of an airline passenger;
 - (iii) changing or canceling a reservation; and
 - (iv) adjacent seating when traveling with a child that is 13 years of age or younger; and
 - (B) any other fees for ancillary services that are identified by the Secretary in the rule finalizing the proposed rule published by the Secretary on March 3, 2023, and titled "Enhancing Transparency of Airline Ancillary Service Fees" (88 Fed. Reg. 13389) as being critical to consumers in choosing among air transportation options.
- (b) TICKET AGENTS.—The Secretary shall not find that a ticket agent is out of compliance with a requirement in the final rule described in subsection (a)(2)(B) with respect to the disclosure of critical ancillary fees if the Secretary determines that such noncompliance is due to the failure of an air carrier or foreign air carrier to provide the ticket agent with the information required to comply with such requirement or where the sale of air transportation is made by a ticket agent pursuant to a specific corporate or government travel contract.

Unless exempted, the proposed requirement would be problematic and unnecessary for TMCs, as the systems that TMCs and their business customers use for booking business travel differ from an airline website or online travel agency (OTA) site accessible to the general public. An inherent function of a TMC is to provide necessary travel information to its corporate customers and to facilitate airline transactions between an airline and a corporate customer, not the general public.

Requirements in the Senate FAA legislation related to airline refunds and ancillary fee disclosures, which aim to enhance consumer protections for air travelers, would add unnecessary burdens on TMCs and

potentially frustrate their customers. We respectfully request you add exemptions within these two provisions for any travel subject to a corporate or government contract.

Thank you again for your leadership on this critical piece of legislation.

Sincerely,

Laura Chadwick

President & CEO

Travel Technology Association

Kimberly Ellis

Lawsa Chadwick

Kimberly Ellis

Executive Director

Travel Management Coalition

Zane Kerby

President & CEO

American Society of Travel Advisors

CC: Members of the House Transportation & Infrastructure Committee