

United States Senate  
WASHINGTON, DC 20510

September 23, 2010

The Honorable Ray LaHood  
Secretary  
U.S. Department of Transportation  
1200 New Jersey Avenue, S.E.  
Washington, DC 20590

Dear Mr. Secretary:

Re: DOT-OST-2010-0140  
Enhancing Airline Passenger Protections

We are writing to you in connection with the June 8, 2010, Notice of Proposed Rulemaking (NPRM) concerning Airline Passenger Protections. We applaud the Department for efforts under your leadership to protect consumers and are urging you to continue that leadership by requiring increased disclosure of ancillary fees on airline tickets as well as facilitating that disclosure by requiring the sharing of fee information by air carriers to travel agents and online travel companies. These proposals are contained in the NPRM's section 8 on "Baggage and Other Fees and Related Code-Share Issues."

We believe consumers are entitled to full and honest disclosure of all fees and charges associated with air travel before they purchase a ticket, whether directly from an airline or from a third-party intermediary. That is why we supported Senator Menendez's recent amendment to require full airline disclosure of that information. As a result of our efforts, Section 407 of H.R.1586, which passed the Senate unanimously on March 22, includes a requirement that the Department establish rules that will allow passengers to compare airline fares and fees, and a provision stating that it is an unfair and deceptive practice for airlines and ticket agents not to provide conspicuous information on fees for ancillary services.

Greater disclosure of fees will give consumers the information they need to make better and more informed air travel purchases. That is why we support the Department's proposal "requiring sellers of air transportation to display on their websites information regarding a full price including optional fees selected by the passenger when a prospective passenger conducts a query for a particular itinerary." This would allow passengers to conduct queries for their specific needs—for example, air fare and 1 checked bag, or air fare and 2 checked bags and extra legroom—and then compare the full cost of their proposed trip across air carriers.

We also strongly support the Department's view that the list of ancillary services subject to required airline disclosures should be broad and inclusive. In proposed section 14 CFR 399.85(c), the Department is proposing to require full disclosure of optional services, which "include but are not limited to the cost of a carry-on bag, checking baggage, advance seat

assignments, in-flight food and beverage service, in-flight entertainment, blankets, pillows, or other comfort items, and fees for seat upgrades.” We support this broad approach to disclosure, rather than the more limited approach that requires disclosure of only “significant” fees.

In order for this level of disclosure of ancillary fees to occur, it is essential that traditional travel agencies and online travel companies—which together account for the sales of more than half of all airline tickets purchased in the United States—have easy access to fee information. That means requiring timely and full disclosure by airlines of ancillary fees to travel agencies via the global distribution systems (GDSs) that agencies almost universally use as their source of fare information. Indeed, the recognition of the critical role that travel agencies play in air line ticket sales has spurred us to support an adjustment to the Menendez amendment to require airlines to share fee information with the GDSs in which they participate so that travel agencies will have timely access to fee information that can subsequently be shared with the public. The Department states that it “is also considering requiring that carriers make all the information that must be made directly available to consumers via proposed section 399.85 available to global distributions systems (GDS) in which they participate in an up-to-date fashion and useful format.” We could not agree more with the adoption of the described disclosure requirement, and thus urge the Department to incorporate such a requirement into its final rule.

Providing the information to the public should not be burdensome to the carriers. We understand that all the necessary technical standards and protocols for transferring full information on ancillary services and fees have been jointly developed by the carriers and GDSs through standard industry processes, and are being readied for implementation. Moreover, the cost to the airlines of sustaining these transfers relative to the revenue streams they have created through unbundling services, apparently is nominal. We believe the full disclosure of ancillary fees and services to the GDSs will make it easier for consumers to shop for and purchase these services from their travel agents.

Thank you for considering our views. We look forward to the final rule that will be published by the Department, and to working with you to ensure that consumers will be fully and fairly given access to the information they need to make better informed air travel decisions.

Sincerely,



ROBERT MENENDEZ  
United States Senator



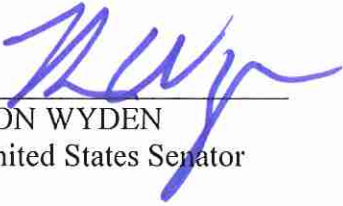
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