

LARSON HOLDS FORUM ON AIR PASSENGER RIGHTS

FOR IMMEDIATE RELEASE: April 18, 2001

LARSON HOLDS FORUM ON AIR PASSENGER RIGHTS

HARTFORD—U.S. Congressman John B. Larson (CT-01) today held a forum in the Legislative Office Building in Hartford on air passenger rights and air passenger rights legislation currently before the U.S. Congress. Larson heard from several witnesses on both airline competition and passenger rights, including Connecticut Attorney General Richard Blumenthal, Deputy Commissioner of Consumer Protection for Connecticut, Edwin Rodriguez, the General Counsel for the American Society of Travel Agents, Burton Rubin, Lynn Talit of West Hartford, and Barry Feldman of Glastonbury, as well as several others members of the public who asked to speak.

“The issue of air passenger rights is one that hits home for so many Connecticut residents, and based on some of the experiences that have been related to my offices in Hartford and Washington, it is clear that action needs to be taken on behalf of air travelers,” said Larson. “I will submit the testimony they give this morning to the appropriate committee in Congress for review and to other concerned Members of Congress. It is critical that actual experiences and perspectives be heard when dealing with an issue such as air passenger rights. This forum will give all those speaking the opportunity to relate their stories, and give my colleagues and I the opportunity to hear what the people of Connecticut have to say on the issue.”

Larson also discussed the related legislation currently before the Congress, H.R. 907 the Airline Competition and Passenger Rights Act of 2001. The provisions include:

Competition Provisions:

- Requires the Department of Transportation (DOT) to consider the extent to which an air carrier has engaged in any unfair or deceptive practice, or unfair method of competition prior to issuing it additional international flights.
- Prohibits dominant carriers from restricting their code share partners from entering into code share agreements with other airlines.
- Increases, from \$1,000 to \$10,000, the penalty for unfair methods of competition.
- Requires the transfer of slots to be approved by the Secretary of Transportation (Secretary). The Secretary must consider the competitive effects of the transfer when deciding whether to grant its approval.
- Requires the Secretary to conduct a study of joint venture agreements to determine whether they constitute an unfair or deceptive practice, or unfair method of competition.
- Mandates a DOT study of hub airports to determine whether the dominant air carriers are charging excessive fares, acting in unfair or deceptive ways, or using unfair methods of competition. If it is determined that dominant air carries are acting in such ways, the Secretary may order the reduction of fares, rebates to passengers who were over charged, the transfer of gates, slots and other facilities to competitors, or any other action necessary to remedy the situation.
- For mergers after January 1, 2001, the Secretary shall determine whether the merged carrier is a dominant carrier at any airport. At airports where the merged carrier is a dominant carrier, the Secretary shall require the airport to reallocate 10% of the gates and facilities leased to the dominant carrier to new entrant carriers. If an airport does not comply within one year, the Secretary shall withhold 5% of the airport's discretionary funds. For each succeeding year of noncompliance, the Secretary shall withhold another 10% of the funds. All withheld funds will be directed into the discretionary fund. However, there must be demand by non-incumbent airlines before gates and facilities must be made available.

- Requires a GAO study of how ORBITZ will effect competition regarding the purchase of airline tickets by consumers.
- Requires a General Accounting Office study on the current and evolving federal policies toward slots, particularly at congested airports.

Passenger Rights Provisions:

- Requires air carriers to provide everyone, including travel agents, with access to all fares.
- Requires that consumers be informed about chronically delayed flights.
- Permits consumers to use any portion of their ticket.
- Mandates that air carriers provide a ticket agent with written notice and full statement of reasons, on or before the 90th day preceding termination, and at least 60 days to correct any deficiency claimed within the written notice.
- Provides consumers access to state consumer laws to resolve disputes with airlines.
- Requires air carriers to have food, water, restroom facilities, and the ability to deplane in the event of a weather or other emergency for all passengers.
- Permits passengers to deplane if the plane is sitting on the ground for more than one hour after the scheduled takeoff time, the plane has not been cleared to takeoff in the next 15 minutes, and crew members are allowed to deplane.
- Requires air carriers to accurately notify consumers of known delays, cancellations and diversions as early as possible. Additionally, requires real-time updates of the flight status on airport information monitors. Requires compensation for passengers stranded on planes. From 2-3 hours, passengers receive 2 times the price paid for the ticket. Over 3 hours, compensation equals the number of hours multiplied by the price paid. There is a no "delay" exception for safety concerns.
- Mandates that the Secretary issue regulations increasing the amount of compensation to be provided to passengers who are involuntarily bumped. Additionally, air carriers must provide alternate transportation to the passenger's final destination and compensation for food and hotel costs.
- Requires the Secretary to issue a statement outlining the rights of airline passengers and the publication of such rights on placards on airplanes and with the passengers' tickets.

###