



The mission of the Travel Technology Association (“Travel Tech”) is to empower traveler choice. To do so, we bring together travel innovators to promote transparency and competition through education and advocacy. Travel Tech represents online travel agencies, global distribution systems, short-term rental platforms, metasearch platforms, and travel management companies. Our members include: Airbnb, Amadeus, American Express GBT, BCD Travel, Booking Holdings, CWT, Expedia, Fareportal, Travelport, and Tripadvisor.

### **TRAVEL TECHNOLOGY ASSOCIATION** **2023 FAA REAUTHORIZATION PRIORITIES**

**1) Add “Ticket Agents” as a Member of the U.S. Department of Transportation’s (DOT) Aviation Consumer Protection Advisory Committee (ACPAC) to represent the views of the travel advisors and online travel agents that support millions of consumers making travel plans annually**

- The [Aviation Consumer Protection Advisory Committee](#) (ACPAC) was established by Section 411 of the [2012 FAA Reauthorization Act](#) to “advise the Secretary in carrying out activities relating to airline customer service improvements.”
- Membership on this advisory committee is set by statute and requires an act of Congress to add a new member.
- Current membership is limited to a representative from four different groups: air carriers; airport operators; state or local governments with expertise in consumer protection matters; and nonprofit public interest groups with expertise in consumer protection matters.
- However, one major group involved in the sale of air transportation and associated consumer protection issues – ticket agents – was inexplicably omitted when the ACPAC was established.
- “Ticket Agent” is a specific term defined in the Aviation Code, meaning a person (except an air carrier, a foreign air carrier, or an employee of an air carrier or foreign air carrier) that as a principal or agent sells, offers for sale, negotiates for, or holds itself out as selling, providing, or arranging for, air transportation.” (49 U.S.C. § 40102(a)(45)).
- Ticket Agents sell air transportation to approximately 50% of consumers<sup>1</sup> annually and thus their omission from representation on the ACPAC, which directly addresses consumer issues associated with the sale of air transportation, should be fixed.
- ACPAC routinely makes recommendations that would directly impact Ticket Agents, including issues pertaining to disclosure of airline ancillary fees and refunds. As such, both ACPAC and DOT would greatly benefit from having a Ticket Agent representative be part of ACPAC committee deliberations.

**Travel Tech Priority:** Congress should amend the law to add a Ticket Agent representative to ACPAC to expand its industry knowledge base and improve the quality of its recommendations, ultimately benefiting consumers.

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<sup>1</sup> see page 6/29974 at <https://www.govinfo.gov/content/pkg/FR-2014-05-23/pdf/2014-11993.pdf>

2) **Provide Guidance to the U.S. Department of Transportation on Specific Provisions of the Pending Final Rule concerning [Enhancing Transparency of Airline Ancillary Service Fees \(DOT-OST-2022-0109-0020\)](#)**

- The Travel Technology Association generally supports DOT's efforts to ensure consumers have access to critical ancillary fee information. For too long, consumers have lacked the consistent ability to know the true cost of different flight options.
- However, DOT has included two major problematic provisions in its proposed rule and the Travel Technology Association seeks the support of Congress to ensure consumers realize the full benefits of the anticipated final rule:
  - First, the proposed rule would mandate ultra-specific website designs regulations for first-page search results for ticket agents and airlines.
    - The first-page search results appear after a consumer inputs flight search details into the initial search page.
    - The rule would require all bag fees, all change and cancellation fees, and all family seating fees to be displayed on *the first-page search results*.
    - Providing all of this information on the first-page search results on desktop and especially mobile displays would fundamentally change the online air travel shopping experience for consumers for the worse, especially on travel comparison sites.
    - For decades, online Ticket Agents and metasearch platforms have honed their expertise in displaying airline ticket information to consumers. However, in the proposed rule, DOT seeks to regulate the specific design of online Ticket Agents and metasearch platforms websites. Consumers will be overwhelmed with information and have fewer flight options displayed on the first search results page, thereby reducing their ability to compare different airline fares in an efficient manner.
    - In this rule, DOT also would ban the common sense, consumer-friendly use of weblinks or rollovers to enable consumers to view ancillary fee information.
    - In lieu of these proposed rules, Congress should instead direct DOT to allow transparent pricing of flight options to be shown *early* in the search process and prior to purchase. Beyond imposing that broad requirement, DOT should not intrude on the flexibility of Ticket Agents to design appropriate displays of ancillary fees, including for mobile displays, as well as allow the use of links and other shortcuts.
    - The following organizations in their comments to DOT agreed that a first-page search result mandate will have a negative impact on customers: [AARP](#), [Airlines for America](#), [Airline Tariff Publishing Company \(ATPCO\)](#), [Computer & Communications Industry Association \(CCIA\)](#), [Global Business Travel Association \(GBTA\)](#), [Google](#), [International Air Transport Association \(IATA\)](#), [National Air Carrier Association \(NACA\)](#), [Travelers United, Inc.](#), [US Chamber of Commerce](#), and [US Travel](#).

**Travel Tech Priority:** Congress should allow Ticket Agents and airlines to have the flexibility to design appropriate displays of ancillary fees, which will allow for the development of more innovative methods of transparency for consumers.

- Second, the proposed rule would limit the entities to which the airlines are required to provide ancillary fee data. This will increase fare distribution costs significantly and delay implementation of ancillary fee transparency for consumers.
  - The most simple and direct way to solve the issue of ancillary fee transparency for consumers is to ensure that ancillary fee data is shared with *all entities that the airlines use to distribute their fare and schedule information*.
  - However, DOT seeks to require ancillary fee distribution to only certain Ticket Agents, but not to Global Distribution Systems (GDSs), even though they are also Ticket Agents, nor other intermediaries engaged in the distribution of air travel services.
  - Notably, GDSs have been providing Ticket Agent sellers of air travel with airline fares, schedules and booking capability, including ancillary services (when available), for decades. The Ticket Agent community – online travel agencies and brick and mortar travel agents – rely heavily on GDSs to compile this information for hundreds of airlines across the world.
  - By excluding GDSs, DOT will force Ticket Agents – at great cost – to recreate the technology and efficiencies to enable them to receive and match ancillary fee data with fare and schedule information provided by the airlines. The cost to create this technology and efficiency will be an overwhelming (if not insurmountable) burden on thousands of Ticket Agents.
  - The following organizations in their comments to DOT agree that ancillary fee data be shared with all entities that airlines use to distribute their fare and schedule information to support transparency for consumers: [the American Economic Liberties Project](#), [Business Travel Coalition](#), [Consumer Action](#), [Consumer Federation of America](#), [National Consumers League and Public Interest Research](#), [American Society of Travel Advisors \(ASTA\)](#), [Google](#), and other travel technology companies.

**Travel Tech Priority:** Congress should provide guidance to DOT that *all entities that airlines use to distribute their fares* should receive ancillary fee information to provide consumers with the quickest, most direct solution to ancillary fee transparency.

- Additionally, DOT asks whether corporate travel agents (also referred to as “Travel Management Companies”) should be exempt from the proposed rule. Travel Tech strongly believes that these entities should be exempt. Information such as ancillary fee information and display results are already agreed upon in advance between the corporate travel agents and their business clients pursuant to the service contracts between them. There is no sound reason why DOT should adopt a rule that would override these contracts.
  - An exemption would be in direct alignment with the 2018 FAA Reauthorization Act that recognized the distinction between corporate and leisure travel, and as such, exempted ticket agents that provide services pursuant to a corporate contract from disclosure and other rules DOT was directed to adopt at the time. (*See* Section 427(e) of the FAA Reauthorization Act of 2018, Pub. L. No. 115–254 (Oct. 5, 2018))

**Travel Tech Priority:** Congress should continue to recognize the distinction between corporate travel agents and other types of Ticket Agents and again provide guidance to DOT that corporate travel agents should be exempted from the proposed rule.

**3) Affirm the U.S. Department of Transportation’s Current Policy regarding the Timing of Consumer Refunds from Ticket Agents as it relates to its Pending Final Rule on [Airline Ticket Refunds and Consumer Protections \(DOT-OST-2022-0089\)](#)**

- The Travel Technology Association strongly supports DOT’s position that a consumer who pays for a service that is not provided, due to circumstances beyond the consumer’s control, should receive a refund.
- By defining the terms “cancelled flight” and “significant change to flight itinerary” under 14 C.F.R. Part 260, this rule will bring much needed uniformity and clarity to the industry. It will let consumers know when they are entitled to a refund and eliminate the need for ticket agents to keep track of each airline’s individual refund policy.
- However, the portion of the proposed rule that seeks to require that Ticket Agents refund consumers “regardless of whether the ticket agent is in possession of the ticket purchase funds” must be revised. Ticket Agents, small or large, are not in a fiscal position to provide refunds without first receiving the funds back from the airlines.
- DOT’s current policy requires Ticket Agents to provide refunds “promptly,” and it works well for all parties involved, including consumers. There is no reason articulated or evidence provided in the NPRM to change it or to limit this policy to only a class of smaller agents, as ACPAC voted to recommend at their January 12, 2023 public meeting.

**Travel Tech Priority:** Congress should affirm DOT’s current policy on refund timing and advise the Department to abandon its proposed new policy.

**4) Require that all ancillary services can be purchased (“transactable”) at the point of sale wherever a consumer purchases their ticket**

- In the [Enhancing Transparency of Airline Ancillary Service Fees \(DOT-OST-2022-0109-0020\)](#) pending final rule, DOT would require the “transactability” (the ability to purchase) of family seating fees. This would allow consumers to purchase their tickets and this specific ancillary fee on the ticket agent site of their choosing.
- In Travel Tech’s comments, we support that proposal but also strongly advocate for the flexibility to offer the transactability of all seat and baggage fees on Ticket Agent sites.
- As it stands today in many cases, for airline tickets purchased on Ticket Agent sites, consumers must still go to the air carrier site to purchase ancillary fee-based services, where they might find that the fees have increased in the interim. Alternatively, consumers may be surprised and forced to pay increased fees upon arrival at the airport for their flight.
- With this new policy to allow transactability of all seat and baggage fees, consumers will benefit from one-stop shopping and it will support competition by removing a disadvantage suffered by the independent and indirect distribution system.

**Travel Tech Priority:** Congress should support consumers by allowing Ticket Agents flexibility to offer the purchase of ancillary fee-based services on their sites.

**5) Be aware of the U.S. Department of Transportation’s Forthcoming Rulemaking on Ticket Agent Definition and Large Ticket Agent Customer Service Standards**

- In the 2018 FAA Reauthorization, Congress required that DOT pursue a rulemaking on the definition of “Ticket Agent” and large Ticket Agent customer service standards within 180 days of enactment.
- DOT has recently indicated that they will initiate this rulemaking sometime in 2023.

- Since 2018, the amount of consumer complaints levied against Ticket Agents continues to be dwarfed by those made against airlines (data compiled from monthly [DOT Air Travel Consumer Reports](#)):

	Number of Consumer Complaints Filed Against US and Foreign Carriers	Number of Consumer Complaints Filed Against Large Ticket Agents
2022 <sup>2</sup>	55,270	5,420
2021	43,152	7,927
2020	87,551	14,544
2019	14,705	433
Total	200,678	28,324

- The new rulemaking will likely be guided by DOT’s 2014 proposed rulemaking on the same topic; however, some of the proposals previously included are already being considered in active DOT rulemakings, including:
  - Prompt Refunds
  - Required Disclosures
  - Notice of Itinerary Changes by Airlines
- Lastly, Ticket Agents operate in a highly competitive environment in which a failure to provide good service readily translates into a loss of business. Given the limited number of complaints against Ticket Agents plus the low barrier for customers to seek out an alternative service provider, prescriptive customer service rules for large Ticket Agents are a solution in search of a problem.

**Travel Tech Priority:** Congress should be aware that customer complaints against Ticket Agents continue to be a fraction of those filed against airlines, active rulemakings are already addressing customer service market failures, and a competitive, independent marketplace of Ticket Agents continues to provide consumers with a multitude of options to seek better customer service practices.

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<sup>2</sup> The 2022 data is current through November 2022; data regarding December 2022 has not yet been shared.