



June 12, 2024

The Honorable Pete Buttigieg
U.S. Secretary of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

Dear Secretary Buttigieg:

On behalf of the Travel Technology Association (“Travel Tech”) and our members, we ask the U.S. Department of Transportation (“Department”) to immediately begin the rulemaking process called for by the Securing Growth and Robust Leadership in American Aviation Act (P.L. 118-63) that requires air carriers and foreign air carriers to promptly provide refunds to ticket agents.

Travel Tech is the voice of the travel technology industry, advocating for public policy that promotes transparency and competition in the travel marketplace, encourages innovation, and empowers traveler choice. We represent the leading innovators in travel technology, including Online Travel Agencies (“OTAs”), travel management companies, and Global Distribution Systems (“GDS”), all of which fall under the statutory definition of a “ticket agent.”

On April 26, 2024, the Department published its final Refunds and Other Consumer Protections rule (Docket No. DOT-OST-2022-0089 and DOT-OST-2016-0208). In it, the Department declined to require airlines to provide prompt refunds to ticket agents when ticket agents are the merchant of record. In explaining its rationale in the final rule, the Department stated its authority to prohibit unfair or deceptive practices in 49 U.S.C. 41712 is only intended to protect consumers and, by implication, not ticket agents.¹ This extremely narrow and short-sighted reading of the Department’s authority ignores the fact that ticket agents’ core purpose is to serve consumers and act on their behalf as in merchant-of-record situations. In the case of refunds, when airlines fail to provide the service for which consumers have paid them to provide, consumers are due back their money *from airlines*, plain and simple. That there is an entity between a consumer and an airline is completely immaterial.

Thankfully, Congress has rectified the Department’s flawed approach by including a provision in the recently passed Federal Aviation Administration reauthorization bill that states:

“(2) TRANSFER OF FUNDS.—The Secretary shall issue regulations requiring air carriers and foreign air carriers to promptly transfer funds to a ticket agent if—“(A) the Secretary has determined that the ticket agent is responsible for providing the refund; and “(B) the ticket agent does not possess the funds of the passenger. (Sec. 503, Refunds)

The Department must take up this new rulemaking as soon as possible to ensure consumers, no matter how they purchase their airline tickets, receive their funds back from airlines when their flights are canceled.

¹ Federal Register, Vol. 89, No. 82, Friday, April 26, 2024, Rules and Regulations, page 32781.



Thank you for your prompt attention to this matter. Please contact me should you or staff have any questions. I can be reached at lchadwick@traveltech.org.

Sincerely,

Laura Chadwick

Laura Chadwick
President and CEO

Cc: Blane Workie, Assistant General Counsel for the Office of Aviation Consumer Protection,
U.S. Department of Transportation