MEMORANDUM OF UNDERSTANDING BETWEEN THE U.S. DEPARTMENT OF TRANSPORTATION AND THE ATTORNEY GENERAL OF NEVADA

BACKGROUND

Air travel is fundamental to the lives of many Americans and the American economy. More than 939 million passengers traveled by air in the United States this past year. Customers booking airline tickets deserve to be treated fairly, to know exactly what they are buying, and to get what they pay for under the law. At a time when complaints concerning matters such as flight disruptions, lack of refunds, and lost or delayed baggage are at an all-time high, we must work together to protect the rights of the traveling public.

The U.S. Department of Transportation (DOT or the Department) vigorously uses its authority to prohibit unfair or deceptive practice in air transportation and in the sale of air transportation by U.S. air carriers, foreign air carriers, and ticket agents to protect consumers. DOT ensures that the rights of aviation consumers are protected by, among other things, reviewing and responding to consumer complaints about air travel as well as monitoring compliance, conducting investigations, and taking enforcement action for violations of aviation consumer protection requirements.

The State Attorney General is the chief consumer protection enforcer at the state level and enforces the State's unfair and deceptive practices statute against ticket agents.

DOT and the State Attorney General have shared interests regarding passengers traveling by air. Establishing this Memorandum of Understanding (MOU) between DOT and the State Attorney General (each a "Party" and collectively the "Parties") will solidify the commitment of both Parties to review and resolve consumer complaints against airlines and ticket agents related to air travel service, to promote compliance with aviation consumer protection requirements, and to hold airlines and ticket agents accountable when they treat consumers unfairly or deceptively. The Parties agree that sharing information and collaborating are effective ways to achieve these goals.

AUTHORITY

DOT enters this MOU under the legal authority of 49 U.S.C. § 322. The State Attorney General enters this MOU under the legal authority of Nev. Rev. Stat. § 228.330 and Nev. Rev. Stat. § 598.0964.

ARTICLES OF RESPONSIBILITY

ARTICLE I: State Attorney General Responsibilities

Designation

The State Attorney General will be responsible for the State Attorney General Articles of Responsibilities in this MOU.

Handling of Consumer Complaints

The State Attorney General of the State of Nevada receives consumer complaints about the actions of carriers and ticket agents. The State Attorney General, subject to his discretion, may investigate these complaints in an effort to assist the consumer in resolving the matter with an airline or ticket agent. In addition, the State Attorney General may make a preliminary determination of whether the facts of the complaint indicate a potential violation of Federal aviation consumer protection requirements. To make this preliminary determination, the State Attorney General may contact and request a response from carriers or ticket agents. The State Attorney General will notify the DOT of any meritorious complaints on a quarterly basis (March 31, June 30, September 30 and December 31). No notification will be provided if the State Attorney General did not deem any complaint meritorious. However, the State Attorney General may submit reports more frequently, if determined to be in the public interest.

Referrals for DOT Action

If a carrier or ticket agent is not responsive to the State Attorney General's request for information or the facts indicate a potential violation of Federal aviation consumer protection requirements, the State Attorney General may refer the matter to DOT for action. In referring a potential violation to DOT, the State Attorney General will provide a written summary which identifies the regulated entity and the regulatory or statutory violation, describes the key facts, and states the number of consumer complaints regarding the specific potential violations identified. Generally, referrals should be submitted to DOT in conjunction with the Quarterly Report submissions. However, the State Attorney General may submit referrals more frequently, if determined to be in the public interest.

Information Access

Consistent with State records laws, the State Attorney General agrees to provide DOT with the underlying consumer complaints filed with the State Attorney General should DOT need that information to investigate.

Personal Information Protection

The State Attorney General will protect personally identifiable information (PII) obtained through work covered by this MOU in accordance with all applicable State records statutes, regulations, or other directives.

Release Restrictions

The State Attorney General agrees that information provided by the Department will only be disseminated to third parties pursuant to State open records laws and with 10-day prior notification to DOT. If the State Attorney General determines public statements regarding its activities covered under this MOU are warranted, the State Attorney General will coordinate such statements prior to release with DOT in accordance with Article 5: Publicity and Coordination.

ARTICLE 2: DOT Responsibilities

Designation

DOT's Office of Aviation Consumer Protection (OACP) will be responsible for the DOT Articles of Responsibilities in this MOU.

Responding to Attorney General Referrals

OACP will prioritize the review and investigation of alleged violations referred by the State Attorney General and subsequent enforcement when there is evidence of an unfair and deceptive practice. If the State Attorney General submits a referral that identifies more than five similar consumer complaints against a single regulated entity indicating potential violations of a statute or regulation enforced by OACP, OACP will send a letter of inquiry to that entity and copy the State Attorney General in that letter. OACP will also send an inquiry and copy the State Attorney General when it receives a referral identifying five or fewer similar complaints if OACP determines, after consultation with the referring State Attorney General, that it is in the public interest to do so. If OACP determines that the entity has violated an aviation consumer protection statute or regulation, OACP will consult with the State Attorney General before determining next steps. Nothing in the MOU will affect OACP's authority to exercise its discretion to determine which investigations or enforcement actions to pursue.

Technical Assistance and Training

OACP will provide technical assistance and training remotely, in Washington, D.C., or at another agreed upon location to the employees of the State Attorney General involved in implementing this MOU. Technical assistance and training will address Federal consumer protection requirements that apply to carriers and ticket agents.

Database Access

OACP agrees to provide access to its new, modernized consumer complaint system to State Attorney General employees involved in implementing this MOU when OACP determines that enforcement may be warranted based on information submitted by the State Attorney General. State Attorney General employees will need to comply with security requirements for its use and agree to protect personally identifiable information (PII) contained in the system in accordance with all applicable statutes, including but not limited to the Privacy Act of 1974 (5 USC 552a), regulations, directives, orders and policies. OACP's new, modernized consumer complaint system is expected to be operational in 2024.

ARTICLE 3. Expenses of Each Party

This MOU does not obligate funds or authorize the exchange of funds. Each Party to the MOU will bear its own expenses and costs of participation regarding this MOU, and neither Party shall be liable to the other Party for such expenses.

ARTICLE 4. Meetings

The Parties agree to meet at least annually to assess ongoing efforts and whether additional actions could be undertaken to protect consumers and hold airlines and ticket agents who treat consumers unfairly or deceptively accountable. At this meeting, the DOT will provide an update

to the State Attorney General on actions taken in response to the complaints and referrals submitted to the DOT by the State Attorney General. If DOT has determined that no action is required on complaints or referrals, it will provide an explanation to the State Attorney General.

ARTICLE 5. Publicity and Coordination

The Parties agree to coordinate in advance all public statements, press releases, publicity, or other public messaging regarding this MOU and actions taken pursuant to this MOU.

ARTICLE 6. Resolution of Statutory Inconsistencies

This MOU is not intended to conflict with current or future laws or regulations of the United States of America or the States or the directives of DOT or the State Attorney General. If any term of this MOU is inconsistent with such authorities, then the term shall be invalid, but the remaining terms and conditions of this MOU shall remain in full force and effect.

ARTICLE 7. Amendments

Any amendment to the MOU must be documented in writing and signed by the same (or otherwise authorized) Party representative.

ARTICLE 8. Termination

This MOU shall terminate two years from the effective date, unless at least 14 days prior to the termination of the MOU the Parties agree to extend the term of the MOU for another two years. If the MOU is extended, it is extended for increments of two years. However, any party, at any time, can terminate the MOU with 90 days' prior written notice to the other party.

ARTICLE 9. Effective Date

All Articles of this MOU will become effective upon the signatures of the authorized representative of the Parties and will remain in effect unless terminated by written notice by the authorized representative of the Parties, as set forth in Article 8 above.

ARTICLE 10. Points of Contact

The designated program points of contact for the coordination and management of this MOU are:

| STATE ATTORNEY GENERAL | DEPARTMENT OF TRANSPORTATION |
|----------------------------------|--|
| Mark J. Krueger | Blane A. Workie |
| Chief Deputy Attorney General | Assistant General Counsel |
| Bureau of Consumer Protection | Office of Aviation Consumer Protection |
| Nevada Attorney General's Office | Email: Blane.Workie@dot.gov |
| Email: mkrueger@ag.nv.gov | |

Parties will notify each other should the point of contact change.

The signatories below represent that they have the authority to make such commitments on behalf of their respective organization:

For the U.S. Department of Transportation

April 14, 2024

Secretary.

Date:

Aaron D. Ford

Attorney General of Nevada

For the Office of the Attorney General

Date: March 13, 2024