**BILLING CODE 4910-9X-P**

The U.S. Department of Transportation Acting General Counsel Subash Iyer signed the following final rule on August 3, 2024. We are submitting the final rule for publication in the *Federal Register*. While we have taken steps to ensure the accuracy of this Internet version of the final rule, it is not the official version. Please refer to the official version in a forthcoming *Federal Register* publication, which will appear on the *Federal Register*’s Web site ([www.federalregister.gov](https://gcc02.safelinks.protection.outlook.com/?url=http%3A%2F%2Fwww.federalregister.gov%2F&data=05%7C02%7Cuzair.ahmad.ctr%40dot.gov%7C72ce6685eca6489768af08dcb55fa866%7Cc4cd245b44f04395a1aa3848d258f78b%7C0%7C0%7C638584669685866119%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C0%7C%7C%7C&sdata=GL%2BdtsNBsYYSVp4YUhxLX4xRCJ%2BmUZI9p7CkXI8Z67k%3D&reserved=0)). Once the official version of this final rule is published in the *Federal Register*, this version will be removed from the Internet and replaced with a link to the official version.

**DEPARTMENT OF TRANSPORTATION**

**OFFICE OF THE SECRETARY**

**14 CFR PARTS 259, 260, and 399**

**Docket No. DOT-OST-2016-0208**

**RIN No. 2105-AF04**

**Refunds and Other Consumer Protections II**

**AGENCY:** Office of the Secretary (OST), Department of Transportation.

**ACTION**: Final rule.

**SUMMARY**: The U.S. Department of Transportation (Department or DOT) published a final rule on April 26, 2024 to establish requirements for refunds and other protections for consumers of air travel. Subsequent to publication of that final rule, the FAA Reauthorization Act of 2024 (Act) was signed into law on May 16, 2024. This final rule amends the Department’s regulations, as updated by the April 26, 2024 final rule, consistent with the requirements of the Act.

**DATES:** This rule is effective **[INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

**FOR FURTHER INFORMATION CONTACT:** Clereece Kroha or Blane Workie, Office of Aviation Consumer Protection, U.S. Department of Transportation, 1200 New Jersey Ave. S.E., Washington, D.C., 20590, 202-366-9342 (phone), [clereece.kroha@dot.gov](mailto:clereece.kroha@dot.gov) or [blane.workie@dot.gov](mailto:blane.workie@dot.gov) (e-mail).

**SUPPLEMENTARY INFORMATION**

EXECUTIVE SUMMARY

**(1) Purpose of the Regulatory Action**

The purpose of this final rule is to amend the Department’s regulations for consistency with the Act, Pub. L. 118-63.

**(2) Background**

The Act was signed into law on May 16, 2024, after publication in the Federal Register of the Department’s final rule titled “Refunds and Other Consumer Protection.” Section 503 of the Act, which is codified at 49 U.S.C. 42305, addresses refunds for cancelled or significantly delayed or changed flights. The requirements in Section 503 concern several topics addressed in the Department’s final rule.

Subsection (a) of section 42305 requires that, for passengers[[1]](#footnote-2) that hold a nonrefundable ticket on a scheduled flight to, from, or within the United States, an air carrier or foreign air carrier provide a full refund of the fare (including any taxes and ancillary fees) the carrier collected for any cancelled or significantly delayed or changed flight if the passenger chooses not to fly on the significantly delayed or changed flight or accept rebooking on an alternative flight or accept any voucher, credit, or other form of compensation offered by the air carrier or foreign air carrier pursuant to subsection (c) of section 42305. The obligation for carriers to provide a refund is upon request as specified in subsection (f) of section 42305.

Subsection (f) specifies that an air carrier or foreign air carrier must consider a passenger to have requested a refund if one of the following criteria are met: (1) a flight is cancelled and the air carrier or foreign air carrier does not offer a passenger an alternative flight or any voucher, credit, or other form of compensation pursuant to subsection (c) of section 42305; (2) a passenger rejects the significantly delayed or changed flight, rebooking on an alternative flight, or any voucher, credit, or other form of compensation offered pursuant to subsection (c) of section 42305; or (3) a passenger does not respond to an offer of either of the following: (A) a significantly delayed or changed flight or an alternative flight and the flight departs without the passenger; or (B) a voucher, credit, or other form of compensation by the date on which the cancelled flight was scheduled to depart or the date that the significantly delayed or changed flight departs.[[2]](#footnote-3)

Subsection (c) specifies the manner in which an air carrier or foreign air carrier could offer a voucher, credit, or other compensation as an explicit alternative to a refund. An air carrier or foreign air carrier can make such an offer only if the offer includes clear and conspicuous notice of the offer’s terms and the passenger’s right to a full refund. The alternative compensation must remain valid and redeemable for at least five years from the date of issuance and the recipient is notified of the expiration date. In addition, upon request of an individual who self-identifies as having a disability, the notice of the expiration date must be provided in an electronic format accessible to the recipient.

The Act also defined a “significantly changed or delayed flight” in subsection (d) of section 42305 as a flight to include, at a minimum, a flight where the passenger arrives at the passenger’s destination airport 3 or more hours after the original scheduled arrival time for a domestic flight and 6 or more hours after the original scheduled arrival time for an international flight.

In subsection (b) of section 42305, the Act established requirements for the timing of the refunds required under subsection (a). Air carriers and foreign air carriers must issue refunds not later than 7 business days after the earliest date of the refund request, as specified in subsection (f), for tickets purchased with a credit card, and 20 days for tickets purchased with cash or another form of payment.

Subsection (e) of section 42305 requires that the Department issue a rule to apply refund requirements to ticket agents for cancelled or significantly delayed or changed flights within 1 year of the date of enactment of the Act. Subsection (e) further requires the Department to issue regulations requiring air carriers and foreign air carriers to promptly transfer funds to a ticket agent if the Secretary determines that the ticket agent is responsible for providing the refund and the ticket agent does not possess the passenger’s funds. Refunds provided by ticket agents pursuant to the Department’s regulations must comply with the timelines specified in subsection (b) – 7 business days for credit card purchases and 20 days for cash purchases and purchases made using other forms of payment – and the requirements for alternatives to a refund specified in subsection (c) – clear and conspicuous notice of the terms of the offer and the right to a refund, an expiration date of no less than 5 years, and notification of the expiration date, including for passengers that self-identify as having a disability.

Subsection (g) of section 42305 requires air carriers and foreign air carriers to update their passenger notification systems to ensure passengers owed a refund are notified of that right.

In this final rule, the Department amends its regulations in 14 CFR Parts 259, 260, and 399, as originally added or amended by the final rule published on April 26, 2024, for consistency with the provisions of the Act as described in the preceding paragraphs. The Department also satisfies the rulemaking requirements of subsection (e) of 49 U.S.C. 42305. The Department’s April 2024 final rule meets the requirement of 42305(e)(1) for the Department to issue a final rule within 1 year of enactment applying refund requirements to ticket agents, and also includes the Department’s determination of when a ticket agent is responsible for providing refunds.[[3]](#footnote-4) In this final rule, the Department also meets the requirement of 42305(e)(2) to issue regulations requiring air carriers and foreign air carriers to promptly transfer funds to a ticket agent if the Secretary determines that the ticket agent is responsible for providing the refund and the ticket agent does not possess the passenger’s funds (see new section 260.6(e)).

**COMPLIANCE**

Under the Act, the compliance and effective date for certain requirements relating to ticket refunds due to airline cancellations or significant change is May 16, 2024. Because those provisions are self-effectuating, the Department’s expectation is that airlines comply with the provisions contained in the Act. Beyond those requirements that went into effect under the Act on May 16, 2024, this final rule does not change the compliance date of October 28, 2024, set forth in the Department’s April 26 final rule for the requirements regarding ticket refunds due to airline cancellation or significant change, refunds of baggage fees for significantly delayed bags, and refunds of ancillary service fees when services are not provided.  It also does not change the compliance date of April 25, 2025, set forth in the Department’s April 26 final rule for the requirements regarding issuing travel credits or vouchers to passengers who are affected by a serious communicable disease.

**STATUTORY AUTHORITY**

The Department is issuing this rulemaking pursuant to authority granted in the Act, Pub. L. 118-63. Because the Department is codifying the requirements of the Act, Pub. L. 118-63 in this final rule, and exercising no discretion in so doing, the Department has determined that prior notice and comment are unnecessary, and there is good cause to find that this rule is not subject to the notice and comment requirements pursuant to 5 U.S.C. 553(b)(B). For these same reasons, the Department also finds good cause to waive the 30-day delay in effective date under 5 U.S.C. 553(d) and make this regulation effective on [insert date of publication in the Federal Register].

REGULATORY ANALYSES AND NOTICES

**A. Executive Order 12866 (Regulatory Planning and Review) and DOT Regulatory Policies and Procedures and Executive Order 13653 (Improving Regulation and Regulatory Review)**

The final rule was determined not to be a significant regulatory action as defined in Executive Order (E.O.) 12866, “Regulatory Planning and Review,” as amended by E.O. 14094, “Modernizing Regulatory Review.” The rule was therefore not reviewed by the Office of Management and Budget pursuant to E.O. 12866.

**B. Regulatory Flexibility Act**

The Regulatory Flexibility Act of 1980 (RFA) (5 U.S.C. 601, *et seq.*) requires Federal agencies to review and assess the impact on small entities of any regulation required by 5 U.S.C. 553 or any other law to be published as a proposed rule for public comment prior to issuance of a final rule. Because no notice of proposed rulemaking is required for this rule under the Administrative Procedure Act, 5 U.S.C. 553, or any other law, the analytical provisions of the RFA do not apply.

**C. Executive Order 13132 (Federalism)**

This final rule has been analyzed in accordance with the principles and criteria contained in Executive Order 13132 (“Federalism”). This rule, in which the Department codifies requirements imposed by statute, does not include any provision that: (1) has substantial direct effects on the States, the relationship between the national government and the States, or the distribution of power and responsibilities among the various levels of government; (2) imposes substantial direct compliance costs on State and local governments; or (3) preempts State law. States are already preempted from regulating in this area by the Airline Deregulation Act, 49 U.S.C. 41713. Therefore, the consultation and funding requirements of Executive Order 13132 do not apply.

**D. Executive Order 13175**

This final rule has been analyzed in accordance with the principles and criteria contained in Executive Order 13175 (“Consultation and Coordination with Indian Tribal Governments”). Because none of the provisions finalized in this rule would significantly or uniquely affect the communities of the Indian tribal governments or impose substantial direct compliance costs on them, the funding and consultation requirements of Executive Order 13175 do not apply.

**E. Paperwork Reduction Act**

This final rule does not impose any new collection of information that would require approval by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (Pub. L. 104-13, 49 U.S.C. 3501 et seq.

**F. Unfunded Mandates Reform Act**

The Unfunded Mandates Reform Act of 1995 (UMRA) requires, at 2 U.S.C. 1532, that agencies prepare an assessment of anticipated costs and benefits before issuing any rule that may result in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of $100 million or more (adjusted annually for inflation) in any one year. The Department has determined that this final rule, in which the Department codifies requirements of the Act, Pub. L. 118-63, will not have an effect on the private sector that exceeds this threshold. As a result, the analytical requirements of the UMRA do not apply to this final rule.

**G. National Environmental Policy Act**

The Department has analyzed the environmental impacts of this action pursuant to the National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. 4321 et seq.) and has determined that it is categorically excluded pursuant to DOT Order 5610.1C, Procedures for Considering Environmental Impacts (44 FR 56420, October 1, 1979). Categorical exclusions are actions identified in an agency’s NEPA implementing procedures that do not normally have a significant impact on the environment and therefore do not require either an environmental assessment (EA) or environmental impact statement (EIS). See 40 CFR 1508.4. Paragraph 4.c.6.i of DOT Order 5610.1C categorically excludes “[a]ctions relating to consumer protection, including regulations.” This final rule relates to consumer protection and codifies requirements set forth in the Act, Pub. L. 118-63. The Department does not anticipate any environmental impacts, and there are no extraordinary circumstances present in connection with this rulemaking.

**H. Compliance with Pay-As-You-Go Act of 2023 (Fiscal Responsibility Act of 2023,** **Pub. L. 118–5, Div. B, Title III).**

In accordance with Compliance with Pay-As-You-Go Act of 2023 (Fiscal Responsibility Act of 2023, Pub. L. 118– 5, div. B, title III) and OMB Memorandum (M–23–21) dated September 1, 2023, the Department has determined that this final rule is not subject to the Pay-As-You-Go Act of 2023 because it will not increase direct spending beyond specified thresholds.

**I. Congressional Review Act**

Pursuant to the Congressional Review Act (5 U.S.C. 801 et seq.), the Office of Information and Regulatory Affairs designated this rule as not a “major rule,” as defined by 5 U.S.C. 804(2).

**SIGNED THIS DAY OF , 2024, IN WASHINGTON D.C.**

/Original Signed/

Subash Iyer

Acting General Counsel

U.S. Department of Transportation

**List of Subjects**

*14 CFR Part 259:* Air Carriers, Consumer Protection, Reporting and Recordkeeping Requirements.

*14 CFR Part 260:* Air carriers, Consumer protection.

*14 CFR Part 399:* Administrative practice and procedure, Air carriers, Air rates and fares, Air taxis, Consumer protection, Small businesses.

For the reasons set forth in the preamble, the Department amends title 14 CFR Chapter II as follows:

PART 259 – ENHANCED PROTECTIONS FOR AIRLINE PASSENGERS

1. The authority citation for 14 CFR Part 259 is amended to read as follows:

Authority: 49 U.S.C. 40101(a)(4), 40101(a)(9), 40113(a), 41702, 41708, 41712, 42301, and 42305.

2. Amend section 259.3 by removing the definition for “Prompt refunds” and replacing it to read as follows:

**§ 259.3 Definitions.**

*\* \* \* \* \**

*Prompt refund* means refunds made within 7 business days after the earliest date the refund was requested as set forth in 49 CFR 260.6(a)(2) as required by 14 CFR 374.3 for credit card purchases, and within 20 calendar days after the earliest date the refund was requested as set forth in 49 CFR 260.6(a)(2) for cash, check, debit card, or other forms of purchases.

\* \* \* \* \*

# PART 260 – REFUNDS FOR AIRLINE FARE AND ANCILLARY SERVICE FEES

3. The authority citation for Part 260 is amended to read as follows:

Authority: 49 U.S.C. 40101(a), 41702, 41712, and 42305.

4. Amend the table of contents for Part 260 by revising the title of section 260.7, redesignating sections 260.9 and 260.10 as sections 260.10 and 260.11, and adding a new section 260.9 to read as follows:

\* \* \* \* \*

260.7 Affirmative acceptance of an offer of alternative compensation.

\* \* \* \* \*

260.9 Notification to consumers.

260.10 Providing prompt refunds.

260.11 Contract of carriage provisions related to refunds.

5. Amend section 260.1 to read as follows:

**§ 260.1 Purpose.**

The purpose of this part is to ensure that carriers promptly refund consumers for: (1) fees for ancillary services related to air travel that consumers paid for but were not provided; (2) fees to transport checked bags that are lost or significantly delayed; and (3) airfare including nonrefundable airfare for a flight that is cancelled or significantly changed where the consumer does not accept the significantly changed flight or rebooking on an alternative flight, or accept any voucher, credit, or other compensation offered by the carrier.

6. Amend section 260.2 to remove the definitions of “Prompt Refunds” and “Significant change of flight itinerary or significantly changed flight” and replace them with the definitions of “Prompt refund” and “Significantly delayed or changed flight” in alphabetical order as follows:

**§ 260.2 Definitions.**

As used in this part:

*\* \* \* \* \**

*Prompt refund* means refunds made within 7 business days after the earliest date the refund was requested as set forth in 49 CFR 260.6(a)(2) as required by 14 CFR 374.3 for credit card purchases and within 20 calendar days after the earliest date the refund was requested as set forth in 49 CFR 260.6(a)(2) for cash, check, debit card, or other forms of purchases.

*Significantly delayed or changed flight* means a covered flight itinerary with a delay or change made by a covered carrier where, as the result of the delay or change:

(1) the consumer is scheduled to depart from the origination airport three hours or more for domestic itineraries and six hours or more for international itineraries earlier than the original scheduled departure time;

(2) the consumer is scheduled to arrive at the destination airport three or more hours for domestic itineraries or six or more hours for international itineraries after the original scheduled arrival time;

(3) the consumer is scheduled to depart from a different origination airport or arrive at a different destination airport;

(4) the consumer is scheduled to travel on an itinerary with more connection points than that of the original itinerary;

(5) the consumer is downgraded to a lower class of service;

(6) the consumer who is an individual with a disability is scheduled to travel through one or more connecting airports different from the original itinerary; or

(7) the consumer who is an individual with a disability is scheduled to travel on substitute aircraft on which one or more accessibility features needed by the customer are unavailable.

7. Amend section 260.6 to read as follows:

**§ 260.6 Refunding fare for flights cancelled or significantly delayed or changed by carriers.**

*(a) Carriers’ Obligation to Provide Refunds.*

(1) Carriers’ obligation. A covered carrier that is the merchant of record must provide a full and prompt refund of the airfare, including any taxes and ancillary fees, as set forth in paragraph (2) to a consumer that holds a nonrefundable ticket on a scheduled flight to, from, or within the United States for any cancelled flight or significantly delayed or changed flight where the consumer chooses not to:

(A) fly on the significantly delayed or changed flight or accept rebooking on an alternative flight; or

(B) accept any voucher, credit, or other form of compensation offered by the air carrier or foreign air carrier pursuant to paragraph (c) of this section.

(2) Automatic refunds. A full refund of the airfare, including any taxes and ancillary fees, is due to a consumer as described in paragraphs (A) through (C) of this section:

(A) a flight is cancelled and a consumer is not offered an alternative flight or any voucher, credit, or other form of compensation by the air carrier or foreign air carrier pursuant to paragraph (c) of this section;

(B) a consumer rejects the significantly delayed or changed flight, rebooking on an alternative flight, or any voucher, credit, or other form of compensation offered by the covered carrier pursuant to paragraph (c) of this section; or

(C) a consumer does not respond to an offer of:

(i) a significantly delayed or changed flight or an alternative flight and the flight departs without the consumer; or

(ii) a voucher, credit, or other form of compensation by the date on which the cancelled flight was scheduled to depart or the date that the significantly delayed or changed flight departs.

(b) *Individuals with a Disability.*

A carrier that is the merchant of record must provide a full and prompt refund to an individual with a disability upon notification by the individual with a disability that he/she does not want to continue travel because of the significant changes described in paragraphs (b)(1) – (b)(3) of this section. The covered carrier must also provide a full and prompt refund to any individuals in the same reservation as the individual with a disability who do not want to continue travel without the individual with a disability in situations described in § 260(b)(1) – (b)(3).

(1) The individual with a disability is downgraded to a lower class of service that results in one or more accessibility features needed by the individual becoming unavailable.

(2) The individual with a disability is scheduled to travel through one or more connecting airports that are different from the original itinerary.

(3) The individual with a disability is scheduled to travel on a substitute aircraft on which one or more accessibility features available on the original aircraft needed by the individual are unavailable.

(c) *Alternative to refund*

A covered carrier may offer a voucher, credit, or other form of compensation as an explicit alternative to providing a refund required by paragraph (a) of this section if:

(1) the offer includes a clear and conspicuous notice of—

(A) the terms of the offer as specified in 260.8; and

(B) the consumer’s right to a full refund under this section;

(2) the voucher, credit, or other form of compensation offered explicitly as an alternative to providing a refund required by paragraph (a) of this section remains valid and redeemable by the consumer for a period of at least five years from the date on which such voucher, credit, or other form of compensation is issued;

(3) upon the issuance of such voucher, credit, or other form of compensation, a covered carrier notifies the recipient of the expiration date of the voucher, credit, or other form of compensation; and

(4) upon request by an individual who self identifies as an individual with a disability a covered carrier provides a notification under paragraph (c)(3) in an electronic format accessible to the recipient.

(d) Carriers' obligation to notify ticket agents. In situations where a ticket agent is the merchant of record for the transaction, after receiving a refund request by a consumer through the ticket agent, the carrier that canceled or significantly delayed or changed the flight must inform the ticket agent without delay whether the consumer is eligible for a refund under this section (i.e., whether the consumer has accepted the significantly changed flight, the alternative flight, or other compensation offered in lieu of refunds).

(e) Carriers' obligation to transfer funds to ticket agents. In situations where a ticket agent is responsible for providing the refund to the consumer pursuant to 14 CFR 399.80(l) and the ticket agent does not possess the funds of the consumer, that carrier that has the funds must promptly transfer the funds to the ticket agent.

8. Revising section 260.7 to read as follows:

**§ 260.7 Affirmative acceptance of an offer of alternative compensation.**

A covered carrier must not deem a consumer to have accepted an offer for travel credits, vouchers, or other compensation in lieu of a refund under paragraph (c) of section 260.6 unless the consumer affirmatively agrees to the alternative form of compensation.

9. Revising section 260.8 to read as follows:

**§ 260.8 Disclosing material restrictions, conditions, or limitations.**

In carrying out the requirements of 260.6(c), a covered carrier must clearly and conspicuously disclose, no later than at the time of voucher or credit offer, any material restrictions, limitations, or conditions on travel credits, vouchers, or other compensation, including but not limited to validity period, advance purchase requirement, capacity restrictions, and blackout dates, regardless of whether consumers are entitled to a refund.

10. Redesignate sections 260.9 and 260.10 as 260.10 and 260.11, respectively, and add new section 260.9 as follows:

**§260.9 Notification to Consumers.**

(a) Upon the occurrence of a flight cancellation or a significant delay or change, a covered carrier must timely notify affected consumers about the cancellation or significant delay or change, and the information relating to any alternative to refund as provided in section 260.6(c).

(b) Covered air carriers must ensure that their passenger notification systems notify passengers owed a refund pursuant to section 260.6(a) and (b) of their right to receive a refund. Covered carriers that provide notification subscription services to passengers must ensure notifications under this paragraph be provided through media that the carriers offer and the subscribers choose, including emails, text messages, and push notices from mobile apps.

PART 399 – STATEMENTS OF GENERAL POLICY

8. The authority citation for part 399 is amended to read as follows:

Authority: 49 U.S.C. 40113(a), 41712, 46106, 46107, and 42305.

9. Amend section 399.80 by revising paragraph (l) to read as follows:

**§ 399.80 Unfair and deceptive practices of ticket agents.**

**\* \* \* \* \***

(l) Failing to make a prompt refund of airfare (including any taxes and ancillary fees) to a consumer, upon request, for a cancelled flight or a significantly delayed or changed flight if the consumer chooses not to travel or accept compensation in lieu of a refund in situations described in 14 CFR 260.6(a) and 14 CFR 260.6(b) when the ticket agent is the merchant of record. Failing to provide a prompt refund of airfare (including any taxes and ancillary fees), upon request, for a significantly delayed or changed flight itinerary to consumers on the same reservation as an individual with a disability who does not want to continue travel because of a significant change described in paragraph (l)(1)(vii)(E) of this section related to downgrades or paragraph (l)(1)(vii)(G) of this section related to aircraft substitution which result in one or more accessibility features needed by the individual with a disability becoming unavailable or because of the significant change described in paragraph (l)(1)(vii)(F) of this section related to change in connecting airports. A prompt refund is one that is made within 7 business days of the ticket agent receiving information from a carrier as specified in 14 CFR 260.6(d), as required by 12 CFR part 1026 for credit card purchases, and within 20 calendar days of refund becoming due for cash, check, debit card, or other forms of purchases. Ticket agents must provide the refunds in the original form of payment (i.e., money is returned to individual using whatever payment method the individual used to make the original payment, such as a check, a credit card, a debit card, cash, or airline miles), unless the consumer agrees to receive the refund in another form of payment that is cash equivalent. A ticket agent may retain a service fee charged when issuing the original ticket to the extent that service is for more than processing payment for a flight that the consumer found. That fee must be on a per-passenger basis and its existence, amount, and the non-refundable nature if that is the case must be clearly and prominently disclosed to consumers at the time they purchase the airfare. Ticket agents may offer alternative transportation, travel credits, vouchers, or other compensation that remains valid and redeemable by the consumer for a period of at least 5 years from the date on which such voucher, credit, or other form of compensation in lieu of refunds but must first inform consumers that they are entitled to a refund if that is the case. Ticket agents must clearly disclose any material restrictions, conditions, and limitations on travel credits, vouchers, or other compensation they offer, including the expiration date of the travel credits, vouchers, or other compensation, which must be provided, upon request, to an individual who self identifies as an individual with a disability in an electronic format accessible to the recipient.

(1) For purposes of paragraph (l) of this section, the following definitions apply:

(i) *Business days* means Monday through Friday, excluding Federal holidays in the United States.

(ii) *Cancelled flight* or *cancellation means* a flight with a specific flight number scheduled to be operated between a specific origin-destination city pair that was published in a carrier’s Computer Reservation System at the time of the ticket sale but was not operated by the carrier.

(iii) *Cash equivalent* means a form of payment that can be used like cash, including but not limited to a check, a prepaid card, funds transferred to the passenger’s bank account, funds provided through digital payment methods (e.g., PayPal, Venmo), or a gift card that is widely accepted in commerce. It is not cash equivalent if consumers bear the burden for maintenance or usage fees related to the payment.

(iv) *Class of service* means seating in the same cabin class such as First, Business, Premium Economy, or Economy class, which is defined based on seat location in the aircraft and seat characteristics such as width, seat recline angles, or pitch (including the amount of legroom).

(v) *Covered flight* means a scheduled flight to, from, or within the United States*.*

(vi) *Merchant of record* means the entity responsible for processing payments by consumers for airfare, as shown in the consumer’s financial charge statements such as debit or credit card charge statements.

(vii) *Significant delayed or changed flight* means a covered flight itinerary with a delay or change made by a U.S. or foreign carrier where as the result of the delay or change:

(A) The consumer is scheduled to depart from the origination airport three hours or more for domestic itineraries and six hours or more for international itineraries earlier than the original scheduled departure time;

(B) The consumer is scheduled to arrive at the destination airport three hours or more for domestic itineraries or six hours or more for international itineraries later than the original scheduled arrival time;

(C) The consumer is scheduled to depart from a different origination airport or arrive at a different destination airport;

(D) The consumer is scheduled to travel on an itinerary with more connection points than that of the original itinerary;

(E)The consumer isdowngraded to a lower class of service;

(F) The consumer with a disability is scheduled to travel through one or more connecting airports that are different from the original itinerary; or

(G) The consumer with a disability is scheduled to travel on substitute aircraft on which one or more accessibility features needed by the passenger are unavailable.

\* \* \* \* \*

1. Note that the regulatory text uses the term “consumer” rather than “passenger” for consistency with use of this term throughout the Department’s consumer protection regulations. No change in meaning is effectuated through use of the term “consumer”. [↑](#footnote-ref-2)
2. In a letter dated July 3, 2024, Airlines for America (A4A) urges the Department to not interpret the Act as requiring airlines to treat a passenger’s failure to respond to an offer of alternative transportation as a passenger’s election to not fly on that flight. Because the language in the Act would not allow the interpretation suggested by A4A, the Department does not adopt the requested interpretation.   [↑](#footnote-ref-3)
3. The Department specified in the April 2024 final rule that the merchant of record is the entity responsible for issuing the refund when due, which constitutes the Secretarial determination required under 49 USC 42305(e)(2). [↑](#footnote-ref-4)