Report on Recommendations of the Advisory Committee for Aviation Consumer Protection As Required by Public Law 112-95, Section 411

November 3, 2014

Overview

Section 411 of the FAA Modernization and Reform Act of 2012 (Pub. L. 112-95), mandates the establishment of an advisory committee for the purpose of advising the Secretary of Transportation on airline customer service improvements. By statute, this Committee must consist of four members with one representative from each of the following: airlines, airports, non-profit public interest groups, and state and local governments. The Committee is charged with providing recommendations to the Secretary for improving existing aviation consumer protection programs and for establishing new ones, if needed. The Act also requires the Secretary to submit a report to Congress on the Committee's recommendations no later than February 1 of each of the first two calendar years following the date of enactment, February 14, 2012. The first report was due on February 1, 2013, and the second on February 1, 2014.

As required by the Act, on May 24, 2012, then Secretary Ray LaHood announced the creation of an Advisory Committee on Aviation Consumer Protection to advise him in carrying out activities related to airline customer service improvements. He selected as members of the Committee four individuals who have demonstrated experience in dealing with consumer protection matters. They were: (1) Lisa Madigan, Attorney General of Illinois, who was also designated the Committee chairperson; (2) David Berg, Senior Vice President, General Counsel and Corporate Secretary for Airlines for America; (3) Deborah Ale-Flint, Oakland International Airport's Director of Aviation; and (4) Charles Leocha, founder and Director of the Consumer Travel Alliance. The Committee was tasked with providing its first set of recommendations no later than October 15, 2012, and its second set of recommendations no later than October 15, 2013.

During 2013, the Committee held two public meetings at which it heard testimony and held discussions regarding airline customer service issues. Due to the Federal government shutdown in October 2013, the Committee had to postpone the second meeting at which it planned to finalize its second set of recommendations to the Secretary from October to December 2013. The Committee developed its second set of recommendations to the Secretary after considering the personal air travel experiences of its members, the testimony and discussions presented at two public meetings of the Committee in 2013, and information generally available about air travel. On February 28, 2014, the Committee submitted its second set of recommendations to the Secretary. The recommendations address: 1) consumer privacy in connection with air transportation, 2) disseminating current and accurate information regarding aviation consumer rights to consumers, and 3) reducing immigration and customs processing times for passengers at

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U.S. airports. Records relating to the advisory committee, including minutes of its meetings and both of its recommendation reports, are contained in the Department's docket, available on www.regulations.gov under Docket No. DOT-OST-2012-0087.

Pursuant to the Act, this is the Secretary's second report to Congress on the recommendations of the Advisory Committee for Aviation Consumer Protection. This report summarizes the recommendations of the Committee from calendar year 2013 and describes how the Department plans to implement each recommendation.

Committee Recommendations and the Department's Response

Each of the Committee's recommendations and the steps DOT plans to take in response are addressed below.

1. Aviation Consumer Privacy

Committee Recommendations:

- a. DOT should (1) take steps to make consumers aware they can file privacy complaints with DOT; and (2) revise the DOT website to advise consumers how to file a privacy complaint with DOT.
- b. The Committee should facilitate a meeting of representatives from privacy groups, consumer groups, airlines, and others in the air travel distribution chain to discuss issues that privacy and consumer groups have identified regarding airline, travel agent, and global distribution system (GDS) privacy practices and report back to the Committee.

<u>DOT Response</u>: We concur with the recommendation that DOT enhance consumer awareness of aviation consumer protections regarding privacy. DOT also supports the Committee's exploration of the aviation industry's privacy practices. DOT will take the following actions:

- No later than 90 days after the date of this report, DOT will add a prominent link on its aviation consumer protection website at http://www.dot.gov/airconsumer to information explaining DOT's authority under 49 U.S.C. § 41712 to accept and investigate complaints alleging an airline's disregard of its privacy policy as an unfair and deceptive practice. We will also include a link from this page to the airline consumer complaint form.
- No later than 90 days after the date of this report, the Secretary will send a letter to Airlines for America commending them for their initiative in convening a stakeholder meeting to discuss privacy issues and address consumer groups' concerns regarding airline, travel agent, and GDS privacy practices.

2. Aviation Consumer Rights - Airport Posters and Other Informational Campaigns

Committee Recommendations:

- a. DOT should update its flyer rights brochure, *Fly Rights*, to ensure it is written in plain language and covers topics such as passenger rights in the event of denied boarding, delayed or canceled flights, or mishandled, lost, or stolen luggage; and
- b. The Secretary should encourage airlines and airports to consider methods to enhance consumer access to information about their rights in the event they encounter problems such as flight delays, cancellations, or mishandled, lost, or stolen baggage.

<u>DOT Response</u>: DOT concurs that easier access to aviation consumer rights information will benefit U.S. air travelers and will take the following actions:

- No later than 90 days after the date of this report, DOT will update its *Fly Rights* brochure to ensure it covers the rights of passengers in the event of denied boarding, of delayed or canceled flights, or of mishandled, lost, or stolen luggage. We will also prominently post a link to an accessible electronic version on the aviation consumer protection web site at <u>http://www.dot.gov/airconsumer</u>.
- No later than 90 days after the date of this report, the Secretary will send a letter to airline and airport associations asking them to encourage their members to consider and voluntarily adopt creative methods to enhance consumer access to information about their rights, (e.g., using their online and mobile capabilities).

3. Customs Processing Times for Passengers Arriving in U.S. Airports

Committee Recommendation:

The Secretary should send a letter to the Secretary of Homeland Security and the Commissioner of U.S. Customs and Border Protection (CBP) that expresses appreciation for CBP's efforts to date to address extremely long customs processing times in many U.S. airports by improving staffing models and adopting new technologies to increase passenger processing efficiency, and urges CBP to continue working with stakeholders to improve processing times and enhance transparency regarding CBP fees.

<u>DOT Response</u>: DOT recognizes the Committee members' concern and attention to CPB passenger-processing times. DOT also appreciates CBP's efforts to reduce passenger-processing times. DOT further notes that the President announced on May 22, 2014, a new partnership with industry to expedite the entry process for international travelers to the United States, starting with the 15 largest U.S. airports. Secretary of Commerce Penny Pritzker and Secretary of Homeland Security Jeh Johnson will lead an interagency team, in close partnership with industry, to improve the entry process and significantly reduce wait times for international travelers at these airports consistent with the progress achieved at the Dallas Fort Worth and Chicago O'Hare airports through streamlining processes and upgrading technologies.

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 - No later than 90 days after the date of this report, the Secretary will send a letter to the Secretary of Homeland Security and the Commissioner of U.S. Customs and Border Protection (CBP) expressing appreciation for their recent efforts to increase efficiency of passenger processing at all ports of entry and urging them to continue working with stakeholders to improve processing times and enhance transparency regarding CBP charges and fees.