

## § 254.1

AUTHORITY: 49 U.S.C. 40113, 41501, 41504, 41510, 41702, and 41707.

SOURCE: ER-1374, 49 FR 5071, Feb. 10, 1984, unless otherwise noted.

### § 254.1 Purpose.

The purpose of this part is to establish rules for the carriage of baggage in interstate and intrastate air transportation. The part sets permissible limitations of air carrier liability for loss, damage, or delay in the carriage of passenger baggage and requires air carriers to provide certain types of notice to passengers.

[ER-1374, 49 FR 5071, Feb. 10, 1984, as amended at 64 FR 70575, Dec. 17, 1999]

### § 254.2 Applicability.

This part applies to any air carrier that provides charter or scheduled passenger service in interstate or intrastate air transportation.

[ER-1374, 49 FR 5071, Feb. 10, 1984, as amended at 64 FR 70575, Dec. 17, 1999]

### § 254.3 Definitions.

*Large aircraft* means any aircraft designed to have a maximum passenger capacity of more than 60 seats.

### § 254.4 Carrier liability.

On any flight segment using large aircraft, or on any flight segment that is included on the same ticket as another flight segment that uses large aircraft, an air carrier shall not limit its liability for provable direct or consequential damages resulting from the disappearance of, damage to, or delay in delivery of a passenger's personal property, including baggage, in its custody to an amount less than \$3,300 for each passenger.

[72 FR 3943, Jan. 29, 2007, as amended at 73 FR 70592, Nov. 21, 2008]

### § 254.5 Notice requirement.

In any flight segment using large aircraft, or on any flight segment that is included on the same ticket as another flight segment that uses large aircraft, an air carrier shall provide to passengers, by conspicuous written material included on or with its ticket, either:

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(a) Notice of any monetary limitation on its baggage liability to passengers; or

(b) The following notice: "Federal rules require any limit on an airline's baggage liability to be at least \$3,300 per passenger."

[72 FR 3943, Jan. 29, 2007, as amended by DOT-OST-2008-0332, 73 FR 70592, Nov. 21, 2008]

### § 254.6 Periodic adjustments.

The Department of Transportation will review the minimum limit of liability prescribed in this part every two years. The Department will use the Consumer Price Index for All Urban Consumers as of July of each review year to calculate the revised minimum liability amount. The Department will use the following formula:

$\$2500 \times (a/b)$  rounded to the nearest \$100 where:

a = July CPI-U of year of current adjustment  
b = the CPI-U figure in December 1999 when the inflation adjustment provision was added to part 254.

[64 FR 70575, Dec. 17, 1999, as amended by DOT-OST-2008-0332, 73 FR 70592, Nov. 21, 2008]

## PART 255—AIRLINE COMPUTER RESERVATIONS SYSTEMS

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AUTHORITY: 49 U.S.C. 40101, 40102, 40105, 40113, 41712.

SOURCE: 69 FR 1032, Jan. 7, 2004, unless otherwise noted.

### § 255.1 Purpose.

(a) The purpose of this part is to set forth requirements for the operation of computer reservations systems used by travel agents and certain related air carrier distribution practices so as to prevent unfair, deceptive, predatory, and anticompetitive practices in air transportation and the sale of air transportation.

(b) Nothing in this part operates to exempt any person from the operation of the antitrust laws set forth in subsection (a) of the first section of the Clayton Act (15 U.S.C. 12).

#### § 255.2 Applicability.

This part applies to firms that operate computerized reservations systems for travel agents in the United States, and to the sale in the United States of interstate, overseas, and foreign air transportation through such systems.

#### § 255.3 Definitions.

*Availability* means information provided in displays with respect to the seats a carrier holds out as available for sale on a particular flight.

*Carrier* means any air carrier, any foreign air carrier, and any commuter air carrier, as defined in 49 U.S.C. 40102(3), 49 U.S.C. 40102(22), and 14 CFR 298.2(f), respectively, that is engaged directly in the operation of aircraft in passenger air transportation.

*Display* means the system's presentation of carrier schedules, fares, rules or availability to a subscriber by means of a computer terminal.

*Integrated display* means any display that includes the schedules, fares, rules, or availability of all or a significant proportion of the system's participating carriers.

*On-time performance code* means a single-character code supplied by a carrier to the system in accordance with the provisions of 14 CFR Part 234 that reflects the monthly on-time performance history of a nonstop flight or one-stop or multi-stop single plane operation held out by the carrier in a CRS.

*Participating carrier* means a carrier that has an agreement with a system for display of its schedules, fares, or seat availability, or for the making of reservations or issuance of tickets through a system.

*Subscriber* means a ticket agent, as defined in 49 U.S.C. 40102(40), that holds itself out as a source of information about, or reservations for, the air transportation industry and that uses a system.

*System* means a computerized reservations system offered to subscribers for use in the United States that contains information about schedules,

fares, rules or availability of carriers and provides subscribers with the ability to make reservations, if it charges any carrier a fee for system services. It does not mean direct connections between a ticket agent and the internal reservations systems of individual carriers.

#### § 255.4 Display of information.

(a) All systems shall provide at least one integrated display that includes the schedules, fares, rules, and availability of all participating carriers in accordance with the provisions of this section. This display shall be at least as useful for subscribers, in terms of functions or enhancements offered and the ease with which such functions or enhancements can be performed or implemented, as any other displays maintained by the system vendor. No system shall make available to subscribers any integrated display unless that display complies with the requirements of this section.

(1) Each system must offer an integrated display that uses the same editing and ranking criteria for both on-line and interline connections and does not give on-line connections a system-imposed preference over interline connections. This display shall be at least as useful for subscribers, in terms of functions or enhancements offered and the ease with which such functions or enhancements can be performed or implemented, as any other display maintained by the system vendor.

(2) Each integrated display offered by a system must either use elapsed time as a significant factor in selecting service options from the database or give single-plane flights a preference over connecting services in ranking services in displays.

(b) In ordering the information contained in an integrated display, systems shall not use any factors directly or indirectly relating to carrier identity.

(1) Systems may order the display of information on the basis of any service criteria that do not reflect carrier identity and that are consistently applied to all carriers and to all markets.

(2) When a flight involves a change of aircraft at a point before the final destination, the display shall indicate

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that passengers on the flight will change from one aircraft to another.

(3) Each system shall provide to any person upon request the current criteria used in editing and ordering flights for the integrated displays and the weight given to each criterion and the specifications used by the system's programmers in constructing the algorithm.

(c) Systems shall not use any factors directly or indirectly relating to carrier identity in constructing the display of connecting flights in an integrated display.

(1) Systems shall select the connecting points (and double connect points) to be used in the construction of connecting flights for each city pair on the basis of service criteria that do not reflect carrier identity and that are applied consistently to all carriers and to all markets.

(2) Systems shall select connecting flights for inclusion ("edit") on the basis of service criteria that do not reflect carrier identity and that are applied consistently to all carriers.

(3) Systems shall provide to any person upon request current information on:

(i) All connecting points and double connect points used for each market;

(ii) All criteria used to select connecting points and double connect points;

(iii) All criteria used to "edit" connecting flights; and

(iv) The weight given to each criterion in paragraphs (c)(3)(ii) and (iii) of this section.

(4) Participating carriers shall be entitled to request that a system use up to five connect points (and double connect points) in constructing connecting flights for the display of service in a market. The system may require participating carriers to use specified procedures for such requests, but no such procedures may be unreasonably burdensome, and any procedures required of participating carriers must be applied without unreasonable discrimination between participating airlines.

(5) When a system selects connecting points and double connect points for use in constructing connecting flights it shall use at least fifteen points and six double connect points for each city-

pair, except that a system may select fewer such connect or double connect points for a city-pair where:

(i) Fewer than fifteen connecting points and six double connect points meet the service criteria described in paragraph (c)(1) of this section; and

(ii) The system has used all the points that meet those criteria, along with all additional connecting points and double connect points requested by participating carriers.

(6) If a system selects connecting points and double connect points for use in constructing connecting flights it shall use every point requested by a participating carrier up to the maximum number of points that the system can use. The system may use fewer than all the connect points requested by participating carriers to the extent that:

(i) Points requested by participating carriers do not meet the service criteria described in paragraph (c)(1) of this section; and

(ii) The system has used all the points that meet those criteria.

(d) Each system shall apply the same standards of care and timeliness to loading information concerning every participating carrier. Each system shall display accurately information submitted by participating carriers. Each system shall provide to any person upon request all current data base update procedures and data formats.

(e) Systems shall use or display information concerning on-time performance of flights as follows:

(1) Within 10 days after receiving the information from participating carriers or third parties, each system shall include in all integrated schedule and availability displays the on-time performance code for each nonstop flight segment and one-stop or multi-stop single plane flight, for which a participating carrier provides a code.

(2) A system shall not use on-time flight performance as a ranking factor in ordering information contained in an integrated display.

(f) Each participating carrier shall ensure that complete and accurate information is provided each system in a form such that the system is able to display its flights in accordance with this section.

(g) A system may make available to subscribers the internal reservations system display of a participating carrier, provided that a subscriber and its employees may see any such display only by requesting it for a specific transaction.

**§ 255.5 Contracts with participating carriers.**

(a) No system may require a carrier to maintain any particular level of participation or buy any enhancements in its system on the basis of participation levels or enhancements selected by that carrier in any other foreign or domestic computerized reservations system, as a condition to participation in the system.

(b) No system may require any carrier as a condition to participation to provide it with fares that the carrier has chosen not to sell through that system.

**§ 255.6 Exceptions.**

The obligations of a system under § 255.4 shall not apply with respect to a carrier that refuses to enter into and comply with a participating airline contract with that system.

**§ 255.7 Prohibition against Carrier Bias.**

No carrier may induce or attempt to induce a system to create a display that would not comply with the requirements of § 255.4.

**§ 255.8 Sunset Date.**

Unless extended by a document published in the FEDERAL REGISTER, these rules shall terminate on July 31, 2004.

**PART 256 [RESERVED]**

**PART 257—DISCLOSURE OF CODE-SHARING ARRANGEMENTS AND LONG-TERM WET LEASES**

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257.6	Effective and compliance dates.

AUTHORITY: 49 U.S.C. 40113(a) and 41712.

SOURCE: 64 FR 12851, Mar. 15, 1999, unless otherwise noted.

**§ 257.1 Purpose.**

The purpose of this part is to ensure that ticket agents doing business in the United States, air carriers, and foreign air carriers tell consumers clearly when the air transportation they are buying or considering buying involves a code-sharing arrangement or a long-term wet lease, and that they disclose to consumers the transporting carrier's identity.

**§ 257.2 Applicability.**

This part applies to the following:

(a) Direct air carriers and foreign air carriers that participate in code-sharing arrangements or long-term wet leases involving scheduled passenger air transportation; and

(b) Ticket agents doing business in the United States that sell scheduled passenger air transportation services involving code-sharing arrangements or long-term wet leases.

**§ 257.3 Definitions.**

As used in this part:

(a) *Air transportation* means foreign air transportation or interstate air transportation as defined in 49 U.S.C. 40102 (a)(23) and (25) respectively.

(b) *Carrier* means any air carrier or foreign air carrier as defined in 49 U.S.C. 40102(2) or 49 U.S.C. 40102(21), respectively, that is engaged directly in scheduled passenger air transportation, including by wet lease.

(c) *Code-sharing arrangement* means an arrangement whereby a carrier's designator code is used to identify a flight operated by another carrier.

(d) *Designator code* means the airline designations originally allotted and administered pursuant to Agreements CAB 24606 and 26056.

(e) *Long-term wet lease* means a lease by which the lessor provides both an aircraft and crew dedicated to a particular route(s), and which either:

(1) Lasts more than 60 days; or

(2) Is part of a series of such leases that amounts to a continuing arrangement lasting more than 60 days.

(f) *Ticket agent* has the meaning ascribed to it in 49 U.S.C. 40102(40).