AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO



## Remarks on Consumer Protections for Commercial Air Travel

*May 8, 2023*

*The President.* Thank you, Secretary Buttigieg. Thank you all for being here. Please, sit down.

As we approach Memorial Day this weekend and—Memorial Day Weekend—I'm rushing it—and a busy summer travel season, I'm here to talk about steps my administration is taking to make air travel better for all Americans.

The airline industry is a key part of our economy. And they've been critical partners in a number of important initiatives, from requiring employees to get COVID vaccines to addressing the supply chain problems over the last couple of years.

But I know how frustrated many of you are with the service you get from your U.S. airlines, especially after you, the American taxpayer, stepped up in 2020, in the last administration, in the early days of the pandemic, to provide nearly $50 billion in assistance to keep the airline industry and its employees afloat.

I get it. That's why our top priority has been to get American air travelers a better deal. We've made real progress, some of which you just heard.

Historically, when delays and cancellations are the airline's fault, the law has only required airlines to refund customers the price of their flight ticket but not the cost of meals or hotels or transportation when you get left in limbo.

In fact, a year ago, almost no major airline guaranteed any compensation beyond the price of the ticket if they caused a delay—the delay was their fault. No reimbursement for a hotel after a canceled flight or a meal after a delayed flight.

But then we challenged them to do better. And in fact, they did. Airlines started to change their policies when they're at fault for canceling or delaying a flight.

Now, 9 major airlines cover hotels, 10 cover meals, 10 rebook for free. And that's real savings for middle class and working class families. For example, to rebook fees could run as high as $200 per ticket. Now you don't have to pay anything to rebook for most airlines. And that $200 is back in your pocket, even more if you're traveling with your family. But that's not all.

At my State of the Union Address, I pointed out, airlines charging up to $50 a ticket just so you could sit next to your child. As I said, baggage fees are bad enough without you knowing the cost. Airlines can't just treat a child like a piece of baggage.

Well, guess what happened? Major airlines changed their ways. American Airlines, Alaskan Airlines, and Frontier Airlines—they agreed to address family seating so parents can sit with their children without paying an additional charge.

United Airlines also took important steps towards guaranteeing free family seating beyond not—in other words, no cost beyond the cost of the—the original cost of the ticket. For families, that's money back in your pocket. And that good—that's a piece—that gives you peace of mind. That's progress. But there's more.

Last fall, the Department of Transportation proposed a rule that will be finalized this year. If finalized as proposed, it would require airlines to show you the full ticket price up front before you purchase it, including fees for baggage, for internet, for changing your seat. That way you

can get a fuller, more accurate price before you purchase your ticket, and you can compare prices and pick the best deal.

But we're not stopping there. We know how frustrating delays, cancellations, and rebookings are for travelers.

Last holiday season, travelers were stranded for days, and they had to scramble to find other ways to—for reaching their destinations. Many missed family gatherings, spent Christmas at an airport, waited countless hours in line or on the phone because there weren't enough pilots, there weren't enough personnel. That's unacceptable.

And while flight delays and cancellations have come down since then, there's still a problem. American air travelers deserve better, and that's what we're going to do—that's what we're doing here today.

And I'm proud to announce two critical steps that my administration is taking to protect American air passengers. First, we just launched a new website: flightsright.gov [flightrights.gov; White House correction]. Flightsright.gov [flightrights.gov]. It features a dashboard we created last fall to give travelers more transparency into airlines' compensation policies.

So, if it's the airline's fault and your flight was canceled or delayed, you can check the dashboard to see how the airline should be compensating you, like rebooking a flight or accommodating your hotel room or—and your meals.

And today we've expanded that dashboard to include airlines guaranteeing an additional compensation like cash, miles, or travel vouchers. But here's the deal: If you look at the dashboard today, you'll find that only two airlines guarantee additional compensation beyond the ticket refund.

If your flight is very delayed or canceled and the airline could have prevented that from—you deserve more than just being—getting the price of your ticket. You deserve to be fully compensated. Your time matters. The impact on your life matters.

That's why I'm announcing a second critical step today to protect American consumers. Later this year, my administration will propose a historic new rule that will make it mandatory—not voluntary, but mandatory—for all U.S. airlines to compensate you with meals, hotels, taxis, ride shares, or rebooking—and rebooking—fees, and cash, miles, and/or travel vouchers whenever they are the ones to blame for the cancellation or delay. And that's all on top of refunding the cost of your ticket.

Airline passengers in Canada, for example, and the European Union and other places already get these compensations. And guess what? It works. One study found that the European Union required airlines to compensate passengers for flight delays; the number of flight delays went down.

I appreciate Secretary Buttigieg's leadership on this issue. And I hope and expect the Department of Transportation to move as quickly as it can to put this new rule in place. It matters.

I know these things may not matter to the very wealthy, but they matter most to middle-class families and people struggling to get the cost in the first place of getting that airline.

And so, look, these actions are in addition to other progress we've been making to lower costs for American families, holding corporations accountable, and grow our economy from the bottom up and the middle out, not just the top down.

I signed a groundbreaking Executive order on competition that is helping us do everything from lowering the cost of hearing aids to banning noncompete clauses. And in my State of the Union Address, you may recall, I called for an end to junk fees; that is, those hidden surcharges

that you see at hotels, concerts, and credit card bills that you didn't know about before you got the ticket.

I continue to call on Congress to pass the Junk Free [Fee; White House correction] Prevention Act, because that's what American consumers deserve.

I'm going to close with this: We're making progress, but we have more to do to—to reverse decades of concentrated corporate power and to continuing to lower prices and increasing opportunities for families, workers, and small-business owners and entrepreneurs.

So let's finish the job and remember who we are. As I've said many times, we're the United States of America. There's nothing beyond our capacity when we do it together. This is just about being fair. It's about being fair.

God bless you all, and may God protect our troops. Thank you.

*Q.* Mr. President, sir——

*Q.* [*Inaudible*]—Congress on the debt ceiling tomorrow?

NOTE: The President spoke at 2:04 p.m. in the South Court Auditorium of the Dwight D. Eisenhower Executive Office Building.

*Categories:* Addresses and Remarks : Commercial air travel, consumer protections.

*Locations:* Washington, DC.

*Names:* Buttigieg, Peter P.M.

*Subjects:* Commercial air travel, consumer protections; COVID–19 pandemic; COVID–19 vaccines; Economic improvement; Hearing aids, affordability and costs; Junk fees imposed on consumers, prevention efforts; Secretary of Transportation.

*DCPD Number:* DCPD202300387.