

106TH CONGRESS
1ST SESSION

S. 1362

To establish a commission to study the airline industry and to recommend policies to ensure consumer information and choice.

IN THE SENATE OF THE UNITED STATES

JULY 14, 1999

Mr. BURNS introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

A BILL

To establish a commission to study the airline industry and to recommend policies to ensure consumer information and choice.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Improved Consumer
5 Access to Travel Information Act”.

6 **SEC. 2. NATIONAL COMMISSION TO ENSURE CONSUMER IN-**
7 **FORMATION AND CHOICE IN THE AIRLINE IN-**
8 **DUSTRY.**

9 (a) FINDINGS.—Congress finds that—

1 (1) the continued success of a deregulated air-
2 line system requires that consumers have full access
3 to complete information concerning airline fares,
4 routes, and other services;

5 (2) the means of distributing information about
6 the products and services of the airline industry are
7 changing;

8 (3) during the past 4 years, airlines have begun
9 selling a larger percentage of their products and
10 services directly to consumers, and Internet busi-
11 nesses are now offering services that allow con-
12 sumers to compare prices for these products and
13 services;

14 (4) airline policies with respect to travel agen-
15 cies, who historically have sold a majority of the air-
16 line industry's products and services, threaten the
17 ability of consumers to gather the information nec-
18 essary to evaluate market prices, routes, and serv-
19 ices; and

20 (5) further reductions in the number of travel
21 agents and greater marketplace reliance on direct
22 airline sales may result in a marketplace in which
23 consumers lack sufficient information and are there-
24 by forced to pay higher prices.

1 (b) ESTABLISHMENT.—There is established a com-
2 mission to be known as the “National Commission to En-
3 sure Consumer Information and Choice in the Airline In-
4 dustry” (in this section referred to as the “Commission”).

5 (c) DUTIES.—

6 (1) STUDY.—The Commission shall undertake a
7 study of—

8 (A) consumer access to information about
9 the products and services of the airline indus-
10 try;

11 (B) the effect on the marketplace of the
12 emergence of new means of distributing such
13 products and services;

14 (C) the effect on consumers of the declin-
15 ing financial condition of travel agents in the
16 United States; and

17 (D) the impediments imposed by the air-
18 line industry on distributors of the industry’s
19 products and services, including travel agents
20 and Internet-based distributors.

21 (2) POLICY RECOMMENDATIONS.—Based on the
22 results of the study described in paragraph (1), the
23 Commission shall recommend to the President and
24 Congress policies necessary to—

1 (A) ensure full consumer access to com-
 2 plete information concerning airline fares,
 3 routes, and other services;

4 (B) ensure that the means of distributing
 5 the products and services of the airline indus-
 6 try, and of disseminating information about
 7 such products and services, is adequate to en-
 8 sure that competitive information is available in
 9 the marketplace;

10 (C) ensure that distributors of the prod-
 11 ucts and services of the airline industry have
 12 adequate relief from illegal, anticompetitive
 13 practices that occur in the marketplace; and

14 (D) foster healthy competition in the air-
 15 line industry and the entry of new entrants.

16 (d) SPECIFIC MATTERS TO BE ADDRESSED.—In car-
 17 rying out the study authorized under subsection (c)(1), the
 18 Commission shall specifically address the following:

19 (1) CONSUMER ACCESS TO INFORMATION.—
 20 With respect to consumer access to information re-
 21 garding the services and products offered by the air-
 22 line industry, the following:

23 (A) The state of such access.

1 (B) The effect in the 5-year period fol-
2 lowing the date of the study of the making of
3 alliances in the airline industry.

4 (C) Whether and to what degree the trends
5 regarding such access will produce benefits to
6 consumers.

7 (2) MEANS OF DISTRIBUTION.—With respect to
8 the means of distributing the products and services
9 of the airline industry, the following:

10 (A) The state of such means of distribu-
11 tion.

12 (B) The roles played by travel agencies
13 and Internet-based providers of travel informa-
14 tion and services in distributing such products
15 and services.

16 (C) Whether the policies of the United
17 States promote the access of consumers to mul-
18 tiple means of distribution.

19 (3) AIRLINE RESERVATION SYSTEMS.—With re-
20 spect to airline reservation systems, the following:

21 (A) The rules, regulations, policies, and
22 practices of the industry governing such sys-
23 tems.

24 (B) How trends in such systems will affect
25 consumers, including—

1 (i) the effect on consumer access to
 2 flight reservation information; and

3 (ii) the effect on consumers of the use
 4 by the airline industry of penalties and
 5 promotions to convince distributors to use
 6 such systems, and the degree of consumer
 7 awareness of such penalties and pro-
 8 motions.

9 (4) LEGAL IMPEDIMENTS TO DISTRIBUTORS
 10 SEEKING RELIEF FOR ANTICOMPETITIVE ACTIONS.—

11 The policies of the United States with respect to the
 12 legal impediments to distributors seeking relief for
 13 anticompetitive actions, including—

14 (A) Federal preemption of civil actions
 15 against airlines; and

16 (B) the role of the Department of Trans-
 17 portation in enforcing rules against anti-
 18 competitive practices.

19 (e) MEMBERSHIP.—

20 (1) APPOINTMENT.—The Commission shall be
 21 composed of 15 voting members and 11 nonvoting
 22 members as follows:

23 (A) 5 voting members and 1 nonvoting
 24 member appointed by the President.

1 (B) 3 voting members and 3 nonvoting
2 members appointed by the Speaker of the
3 House of Representatives.

4 (C) 2 voting members and 2 nonvoting
5 members appointed by the minority leader of
6 the House of Representatives.

7 (D) 3 voting members and 3 nonvoting
8 members appointed by the majority leader of
9 the Senate.

10 (E) 2 voting members and 2 nonvoting
11 members appointed by the minority leader of
12 the Senate

13 (2) QUALIFICATIONS.—Voting members ap-
14 pointed under paragraph (1) shall be appointed from
15 among individuals who are experts in economics,
16 service product distribution, or transportation, or
17 any related discipline, and who can represent con-
18 sumers, passengers, shippers, travel agents, airlines,
19 or general aviation.

20 (3) TERMS.—Members shall be appointed for
21 the life of the Commission.

22 (4) VACANCIES.—A vacancy in the Commission
23 shall be filled in the manner in which the original
24 appointment was made.

1 (5) TRAVEL EXPENSES.—Members shall serve
2 without pay but shall receive travel expenses, includ-
3 ing per diem in lieu of subsistence, in accordance
4 with subchapter I of chapter 57 of title 5, United
5 States Code.

6 (6) CHAIRPERSON.—The President, in consulta-
7 tion with the Speaker of the House of Representa-
8 tives and the majority leader of the Senate, shall
9 designate the Chairperson of the Commission (re-
10 ferred to in this Act as the “Chairperson”) from
11 among its voting members.

12 (f) COMMISSION PANELS.—The Chairperson shall es-
13 tablish such panels consisting of voting members of the
14 Commission as the Chairperson determines appropriate to
15 carry out the functions of the Commission.

16 (g) STAFF.—The Commission may appoint and fix
17 the pay of such personnel as it considers appropriate.

18 (h) STAFF OF FEDERAL AGENCIES.—Upon request
19 of the Commission, the head of any department or agency
20 of the United States may detail, on a reimbursable basis,
21 any of the personnel of that department or agency to the
22 Commission to assist it in carrying out its duties under
23 this section.

24 (i) OTHER STAFF AND SUPPORT.—Upon the request
25 of the Commission, or a panel of the Commission, the Sec-

1 retary of Transportation shall provide the Commission or
2 panel with professional and administrative staff and other
3 support, on a reimbursable basis, to assist the Commission
4 or panel in carrying out its responsibilities.

5 (j) OBTAINING OFFICIAL DATA.—The Commission
6 may secure directly from any department or agency of the
7 United States information (other than information re-
8 quired by any statute of the United States to be kept con-
9 fidential by such department or agency) necessary for the
10 Commission to carry out its duties under this section.
11 Upon request of the Commission, the head of that depart-
12 ment or agency shall furnish such nonconfidential infor-
13 mation to the Commission.

14 (k) REPORT.—Not later than 6 months after the date
15 on which initial appointments of members to the Commis-
16 sion are completed, the Commission shall transmit to the
17 President and Congress a report on the activities of the
18 Commission, including recommendations made by the
19 Commission under subsection (c)(2).

20 (l) TERMINATION.—The Commission shall terminate
21 on the 30th day following the date of transmittal of the
22 report under subsection (k). All records and papers of the
23 Commission shall thereupon be delivered by the Adminis-
24 trator of General Services for deposit in the National Ar-
25 chives.

1 (m) APPLICABILITY OF THE FEDERAL ADVISORY
2 COMMITTEE ACT.—The Federal Advisory Committee Act
3 (5 U.S.C. App.) shall not apply to the Commission.

○