

107TH CONGRESS
1ST SESSION

H. R. 907

To amend title 49, United States Code, to promote air carrier competition, to establish consumer protections for airline passengers, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 7, 2001

Mr. DINGELL introduced the following bill; which was referred to the
Committee on Transportation and Infrastructure

A BILL

To amend title 49, United States Code, to promote air carrier competition, to establish consumer protections for airline passengers, and for other purposes.

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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Airline Competition and Passenger Rights Act of 2001”.

6 (b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.

Sec. 2. Amendments to title 49, United States Code.

TITLE I—AIR CARRIER COMPETITION

Sec. 101. Consideration of unfair practices in issuance of certificates for foreign air transportation.

- Sec. 102. Unfair methods of competition.
- Sec. 103. Approval of slot transfers.
- Sec. 104. Joint venture agreements between air carriers.
- Sec. 105. Regulation of dominant air carriers.
- Sec. 106. Reallocation of airport slots, gates, and facilities following air carrier mergers and acquisitions.
- Sec. 107. Internet airline reservation systems.
- Sec. 108. Federal policies on slots at high density airports.

TITLE II—AIRLINE PASSENGER PROTECTION

- Sec. 201. Fair treatment of airline passengers.
- Sec. 202. Clarification regarding enforcement of State laws.
- Sec. 203. Airline passenger protection.

1 **SEC. 2. AMENDMENTS TO TITLE 49, UNITED STATES CODE.**

2 Except as otherwise specifically provided, whenever in
 3 this Act an amendment or repeal is expressed in terms
 4 of an amendment to, or repeal of, a section or other provi-
 5 sion of law, the reference shall be considered to be made
 6 to a section or other provision of title 49, United States
 7 Code.

8 **TITLE I—AIR CARRIER** 9 **COMPETITION**

10 **SEC. 101. CONSIDERATION OF UNFAIR PRACTICES IN** 11 **ISSUANCE OF CERTIFICATES FOR FOREIGN** 12 **AIR TRANSPORTATION.**

13 Section 41102(d) is amended—

14 (1) by striking “The Secretary” and inserting
 15 the following:

16 “(1) SUBMISSION OF DECISIONS TO PRESI-
 17 DENT.—The Secretary”;

18 (2) by adding at the end the following:

1 “(2) CONSIDERATION OF UNFAIR PRACTICES.—

2 Before issuing a certificate under subsection (a) au-
 3 thorizing an air carrier to provide foreign air trans-
 4 portation, the Secretary shall consider whether the
 5 air carrier has engaged in any unfair or deceptive
 6 practice or unfair method of competition in air
 7 transportation or the sale of air transportation in
 8 the preceding 5-year period.”; and

9 (3) by aligning paragraph (1) (as designated by
 10 paragraph (1) of this section) with paragraph (2)
 11 (as added by paragraph (2) of this section).

12 **SEC. 102. UNFAIR METHODS OF COMPETITION.**

13 (a) CODE SHARE AGREEMENTS.—Section 41712 is
 14 amended by adding at the end the following:

15 “(c) CODE SHARE AGREEMENTS.—

16 “(1) IN GENERAL.—It shall be an unfair meth-
 17 od of competition under subsection (a) for a major
 18 air carrier to prohibit, limit, or otherwise restrict a
 19 code share partner of the major air carrier from en-
 20 tering into a code share agreement with another air
 21 carrier or foreign air carrier.

22 “(2) DEFINITIONS.—In this section, the fol-
 23 lowing definitions apply:

24 “(A) CODE SHARE AGREEMENT.—The
 25 term ‘code share agreement’ means an agree-

1 ment under which an air carrier’s designator
 2 code is used to identify a flight operated by an-
 3 other air carrier or foreign air carrier.

4 “(B) CODE SHARE PARTNER.—The term
 5 ‘code share partner’, with respect to a major air
 6 carrier, means an air carrier or foreign air car-
 7 rier that has entered into a code share agree-
 8 ment with the major air carrier.

9 “(C) MAJOR AIR CARRIER.—The term
 10 ‘major air carrier’ has the meaning given such
 11 term in section 41720(a).”.

12 (b) PENALTIES.—Section 46301(a) is amended by
 13 adding at the end the following:

14 “(8) MAXIMUM PENALTY FOR ENGAGING IN UN-
 15 FAIR METHODS OF COMPETITION.—Notwithstanding
 16 paragraph (1), the maximum civil penalty that may
 17 be assessed against an air carrier for violating sec-
 18 tion 41712 by engaging, with respect to air trans-
 19 portation on any route, in an unfair method of com-
 20 petition against another air carrier shall be
 21 \$10,000.”.

22 **SEC. 103. APPROVAL OF SLOT TRANSFERS.**

23 Section 41714 is amended by adding at the end the
 24 following:

25 “(l) SLOT TRANSFERS.—

1 “(1) APPROVAL REQUIRED.—After the date of
2 enactment of this subsection, an air carrier may
3 transfer a slot to another air carrier only if the
4 transfer is approved by the Secretary.

5 “(2) CONSIDERATIONS.—In determining wheth-
6 er to approve the transfer of a slot under paragraph
7 (1), the Secretary shall consider—

8 “(A) the competitive effects of the trans-
9 fer;

10 “(B) whether the price to be paid for the
11 slot is above or below the market price for simi-
12 lar slots; and

13 “(C) whether any air carrier was denied an
14 opportunity to purchase the slot and, if so, the
15 reasons for the denial.

16 “(3) ANNUAL REPORTS.—Not later than 1 year
17 after the date of enactment of this subsection, and
18 annually thereafter, the Secretary shall transmit to
19 Congress a report on the approval and disapproval
20 of slot transfers under this subsection.”.

21 **SEC. 104. JOINT VENTURE AGREEMENTS BETWEEN AIR**
22 **CARRIERS.**

23 Section 41720 is amended by adding at the end the
24 following:

25 “(i) STUDY OF JOINT VENTURE AGREEMENTS.—

1 “(1) IN GENERAL.—The Secretary shall con-
 2 duct a study of joint venture agreements between air
 3 carriers to determine whether such agreements con-
 4 stitute an unfair method of competition within the
 5 meaning of section 41712.

6 “(2) CONTENTS.—In conducting the study, the
 7 Secretary shall assess—

8 “(A) whether air carriers act as competi-
 9 tors with their code share partners;

10 “(B) whether joint venture agreements be-
 11 tween air carriers result in unfair competitive
 12 advantages; and

13 “(C) such other factors as the Secretary
 14 determines appropriate.

15 “(3) REPORTS.—

16 “(A) INITIAL REPORT.—Not later than 9
 17 months after the date of enactment of this sub-
 18 section, the Secretary shall transmit to Con-
 19 gress a report on the results of the study.

20 “(B) UPDATES.—The Secretary shall up-
 21 date the study every 4 years and transmit an
 22 updated report to Congress.”.

23 **SEC. 105. REGULATION OF DOMINANT AIR CARRIERS.**

24 (a) IN GENERAL.—Subchapter I of chapter 417 is
 25 amended by adding at the end the following:

1 **“§ 41722. Regulation of dominant air carriers**

2 “(a) INVESTIGATIONS.—Not later than 90 days after
3 the date of enactment of this section, and biennially there-
4 after, the Secretary of Transportation shall conduct an in-
5 vestigation of each hub airport to determine whether, in
6 the preceding 5 years, a dominant air carrier at the air-
7 port, if any, has—

8 “(1) charged higher than average fares for
9 interstate air transportation to or from the airport;

10 “(2) engaged in an unfair method of competi-
11 tion in response to a new entrant air carrier at the
12 airport; or

13 “(3) limited competition by a new entrant air
14 carrier at the airport by restricting the access of the
15 new entrant to gates, slots, or other essential facili-
16 ties at the airport on reasonable and competitive
17 terms.

18 “(b) ORDERS.—

19 “(1) IN GENERAL.—If the Secretary determines
20 that a dominant air carrier at a hub airport has en-
21 gaged in an act described in subsection (a), the Sec-
22 retary, after providing notice and an opportunity for
23 a hearing, may order the carrier to increase opportu-
24 nities for competition at the airport.

1 “(2) TYPES OF ACTIONS.—An order issued
2 under paragraph (1) may require a dominant air
3 carrier at a hub airport—

4 “(A) to reduce fares for interstate air
5 transportation to or from the airport;

6 “(B) to offer reduced fares for air trans-
7 portation to or from the airport for a specific
8 number of seats on specific routes;

9 “(C) to offer rebates to passengers of the
10 carrier who have been charged excessive fares
11 for air transportation to or from the airport;

12 “(D) to make gates, slots, and other facili-
13 ties at the airport available to other air carriers
14 on reasonable and competitive terms;

15 “(E) to make adjustments in the carrier’s
16 frequent flyer program;

17 “(F) to make adjustments in the carrier’s
18 corporate discount arrangements and com-
19 parable corporate arrangements; and

20 “(G) to take such other actions as the Sec-
21 retary determines appropriate.

22 “(c) NON-HUB AIRPORTS.—On the initiative of the
23 Secretary or in response to a complaint filed with the Sec-
24 retary, the Secretary may conduct an inquiry described in
25 subsection (a) at an airport other than a hub airport and

1 may order the dominant air carrier at the airport, if any,
2 to take actions described in subsection (b).

3 “(d) CONSIDERATIONS.—In determining whether to
4 require a dominant air carrier to reduce a fare for air
5 transportation under subsection (b), the Secretary shall
6 consider among other factors—

7 “(1) whether the fare or average fare is higher
8 than the fare or average fare charged by the carrier
9 on other routes in air transportation of comparable
10 distances;

11 “(2) whether the fare or average fare has in-
12 creased by a significant amount in excess of any in-
13 crease in the cost to operate flights on the route;
14 and

15 “(3) whether the range of fares specified on the
16 route offers a reasonable balance and a fair alloca-
17 tion of costs between passengers who are primarily
18 price sensitive and passengers who are primarily
19 time sensitive.

20 “(e) DEFINITIONS.—In this section, the following
21 definitions apply:

22 “(1) AIR TRANSPORTATION.—The term ‘air
23 transportation’ includes intrastate air transpor-
24 tation.

1 “(2) DOMINANT AIR CARRIER.—The term ‘dom-
2 inant air carrier’, with respect to an airport, means
3 an air carrier that accounts for more than 40 per-
4 cent of the total annual boardings at the airport in
5 the preceding 2-year period or a shorter period spec-
6 ified in paragraph (4).

7 “(3) HUB AIRPORT.—The term ‘hub airport’
8 means an airport that each year has at least .25
9 percent of the total annual boardings in the United
10 States.

11 “(4) NEW ENTRANT AIR CARRIER.—The term
12 ‘new entrant air carrier’, with respect to a airport,
13 means an air carrier that accounts for less than 10
14 percent of the total annual boardings at the airport
15 in the preceding 2-year period or in a shorter period
16 specified by the Secretary if the carrier has operated
17 at the airport less than 2 years.”.

18 (b) CONFORMING AMENDMENT.—The analysis for
19 subchapter I of chapter 417 is amended by adding at the
20 end the following:

“41722. Regulation of dominant air carriers.”.

1 **SEC. 106. REALLOCATION OF AIRPORT SLOTS, GATES, AND**
2 **FACILITIES FOLLOWING AIR CARRIER MERG-**
3 **ERS AND ACQUISITIONS.**

4 (a) IN GENERAL.—Subchapter I of chapter 417, as
5 amended by section 105(a) of this Act, is amended by add-
6 ing at the end the following:

7 **“§ 41723. Reallocation of airport slots, gates, and fa-**
8 **cilities following air carrier mergers and**
9 **acquisitions**

10 “(a) MERGERS AND ACQUISITIONS RESULTING IN
11 DOMINANT AIR CARRIERS.—If, after January 1, 2001, a
12 major air carrier acquires the assets or voting securities
13 of any other air carrier (or a substantial portion of such
14 assets or voting securities), the Secretary of Transpor-
15 tation shall conduct a review of the airports served by the
16 air carrier established as result of such acquisition to de-
17 termine whether the air carrier is a dominant air carrier
18 at any of such airports.

19 “(b) REALLOCATION OF SLOTS, GATES, AND FACILI-
20 TIES.—If the Secretary determines under subsection (a)
21 that an air carrier is a dominant air carrier at an airport,
22 the Secretary shall—

23 “(1) issue an order requiring the operator of
24 the airport to reallocate (including by modification
25 of existing contracts, as necessary) 10 percent of the
26 airport gates and facilities that are leased to the

1 dominant air carrier to new entrant air carriers (if
2 there is sufficient demand for such gates and facili-
3 ties by new entrant air carriers); and

4 “(2) if the airport is a high density airport, re-
5 allocate 20 percent of the slots of the dominant air
6 carrier to new entrant air carriers (if there is suffi-
7 cient demand for such slots by new entrant air car-
8 riers).

9 “(c) DEADLINE.—The reallocation of slots and air-
10 port gates and facilities under subsection (b) shall be com-
11 pleted not later than 1 year after the date of the acquisi-
12 tion referred to in subsection (a).

13 “(d) NONCOMPLIANCE BY AIRPORTS.—

14 “(1) PENALTY FOR NONCOMPLIANCE.—

15 “(A) FIRST YEAR.—If an airport does not
16 comply with an order issued under subsection
17 (b)(1), the Secretary shall withhold, on the first
18 day of the first fiscal year following the date of
19 such noncompliance, 5 percent of the amount
20 required to be apportioned to the airport for
21 such fiscal year under section 47114.

22 “(B) SUBSEQUENT YEARS.—On the first
23 day of each fiscal year following a fiscal year
24 for which the Secretary withholds amounts
25 from the apportionment of an airport under

1 subparagraph (A), the Secretary shall withhold
2 10 percent of the amount required to be appor-
3 tioned to the airport for such fiscal year under
4 section 47114 unless the airport complies with
5 the order referred to in subparagraph (A)
6 throughout the preceding fiscal year.

7 “(2) EFFECT OF NONCOMPLIANCE.—Funds
8 withheld from the apportionment of an airport under
9 paragraph (1) shall be added to the discretionary
10 fund.

11 “(e) DEFINITIONS.—In this section, the following
12 definitions apply:

13 “(1) AIRPORT FACILITIES.—The term ‘airport
14 facilities’ includes ticket counters, office space, space
15 to house computers, and aprons at airports.

16 “(2) DOMINANT AIR CARRIER.—The term ‘dom-
17 inant air carrier’ means—

18 “(A) with respect to a high density airport,
19 an air carrier that has (or is projected in the
20 following year to have) at least 20 percent of
21 the annual passenger boardings at the airport;
22 and

23 “(B) with respect to an airport other than
24 a high density airport, an air carrier that ac-
25 counts for (or is projected in the following year

1 to account for) at least 40 percent of the an-
 2 nual passenger boardings at the airport.

3 “(3) NEW ENTRANT AIR CARRIER.—The term
 4 ‘new entrant air carrier’, with respect to a airport,
 5 means an air carrier that accounts for less than 10
 6 percent of the total annual boardings at the airport.

7 “(4) HIGH DENSITY AIRPORT; SLOT.—The
 8 terms ‘high density airport’ and ‘slot’ have meanings
 9 given such terms by section 41714(h).

10 “(5) MAJOR AIR CARRIER.—The term ‘major
 11 air carrier’ has the meaning given such term by sec-
 12 tion 41720.”.

13 (b) CONFORMING AMENDMENT.—The analysis for
 14 subchapter I of chapter 417, as amended by section
 15 105(b) of this Act, is amended by adding at the end the
 16 following:

“41723. Reallocation of airport slots, gates, and facilities following air carrier
 mergers and acquisitions.”.

17 **SEC. 107. INTERNET AIRLINE RESERVATION SYSTEMS.**

18 (a) STUDY.—The Comptroller General shall conduct
 19 a study on how air carrier competition would be affected
 20 by the establishment of an airline reservation system on
 21 the Internet by a group of major air carriers.

22 (b) CONTENTS.—The study shall include an analysis
 23 of how an airline reservation system described in sub-
 24 section (a) would affect the method by which consumers

1 purchase tickets for air transportation, including the ef-
2 fects of such a system on ticket agents.

3 (c) REPORTS.—Not later than 90 days after the date
4 of enactment of this Act, the Comptroller General shall
5 transmit to Congress a report on the results of the study.

6 **SEC. 108. FEDERAL POLICIES ON SLOTS AT HIGH DENSITY**
7 **AIRPORTS.**

8 (a) STUDY.—The Comptroller General shall conduct
9 a study on current and evolving Federal policies on slots
10 at high density airports.

11 (b) CONTENTS.—In conducting the study, the Comp-
12 troller General shall assess—

13 (1) the significance of Department of Transpor-
14 tation policies and practices on the control and allo-
15 cation of slots at high density airports, including the
16 impact of permitting air carriers to control slots on
17 air carrier competition, system capacity, and indus-
18 try restructuring; and

19 (2) the potential for replacing airline ticket
20 taxes with scarcity-reflective pricing of slots (includ-
21 ing appropriate policies to preserve competition and
22 service to small- and medium-sized communities).

23 (c) REPORT.—Not later than 18 months after the
24 date of enactment of this Act, the Comptroller General

1 shall transmit to Congress a report on the results of the
2 study.

3 **TITLE II—AIRLINE PASSENGER** 4 **PROTECTION**

5 **SEC. 201. FAIR TREATMENT OF AIRLINE PASSENGERS.**

6 Section 41712, as amended by section 102(a) of this
7 Act, is amended by adding at the end the following:

8 “(d) SPECIFIC PRACTICES.—For purposes of sub-
9 section (a), the terms ‘unfair or deceptive practice’ and
10 ‘unfair method of competition’ include each of the fol-
11 lowing:

12 “(1) ACCESS TO FARES; CONSISTENTLY DE-
13 LAYED FLIGHTS.—Regardless of the method used by
14 a consumer to contact an air carrier or foreign air
15 carrier, the failure of the carrier—

16 “(A) to inform the consumer of the lowest
17 available fare from the carrier for the air trans-
18 portation requested by the consumer on the
19 date and in the class of service specified by the
20 consumer, as well as the number of seats avail-
21 able at that fare;

22 “(B) to provide the consumer with full ac-
23 cess to all fares for air transportation provided
24 by the carrier; or

1 “(C) to inform the consumer if the air
2 transportation requested by the consumer in-
3 cludes a flight segment that in the preceding
4 calendar month, at least 40 percent of the time,
5 was either canceled or delayed by 30 minutes or
6 more past the flight segment’s scheduled arrival
7 time.

8 “(2) PRICING POLICIES.—Any action of an air
9 carrier or foreign air carrier—

10 “(A) to prohibit a person (including a gov-
11 ernmental entity) that purchases air transpor-
12 tation from only using a portion of the air
13 transportation purchased (including using the
14 air transportation purchased only for 1-way
15 travel instead of round-trip travel); or

16 “(B) to assess an additional fee on or
17 charge to—

18 “(i) such a person; or

19 “(ii) any ticket agent that sold the air
20 transportation to such person.

21 “(3) TERMINATION OF TICKET AGENTS.—In
22 the case of a termination, cancellation, nonrenewal,
23 or substantial change in the competitive cir-
24 cumstances of the appointment of a ticket agent by

1 an air carrier or foreign air carrier, the failure of
 2 the air carrier or foreign air carrier—

3 “(A) to provide the ticket agent with writ-
 4 ten notice, and a full statement of reasons for
 5 the action, on or before the 90th day preceding
 6 the action; and

7 “(B) to provide the ticket agent with at
 8 least 60 days to correct any deficiency claimed
 9 in the written notice,
 10 except in cases of insolvency, an assignment for the
 11 benefit of creditors, bankruptcy, or nonpayment of
 12 sums due under the appointment.”.

13 **SEC. 202. CLARIFICATION REGARDING ENFORCEMENT OF**
 14 **STATE LAWS.**

15 Section 41713(b)(1) is amended by striking “related
 16 to a price, route, or service of an air carrier that may pro-
 17 vide air transportation under this subpart” and inserting
 18 “that directly prescribes a price, route, or level of service
 19 for air transportation provided by an air carrier under this
 20 subpart”.

21 **SEC. 203. AIRLINE PASSENGER PROTECTION.**

22 (a) IN GENERAL.—Subchapter I of chapter 417, as
 23 amended by section 106(a) of this Act, is amended by add-
 24 ing at the end the following:

1 **“§ 41724. Air carrier passenger protection**

2 “(a) EMERGENCY PLANS.—

3 “(1) IN GENERAL.—An air carrier shall ensure
4 access to necessary services and conditions, including
5 food, water, restroom facilities, and the ability to
6 deplane in the event of a weather or other emer-
7 gency, for all passengers boarded on a flight seg-
8 ment of the air carrier in air transportation.

9 “(2) SUBMITTAL OF PLANS.—The Secretary of
10 Transportation shall require each air carrier to sub-
11 mit to the Secretary an emergency plan containing
12 a detailed description of actions that will be taken
13 by the carrier to comply with paragraph (1).

14 “(3) FAILURE TO SUBMIT PLANS.—The Sec-
15 retary shall suspend the authority of an air carrier
16 to provide air transportation if the carrier fails to
17 submit a plan in accordance with paragraph (2).
18 The suspension shall continue until the carrier sub-
19 mits the plan.

20 “(4) REGULATIONS.—Not later than 180 days
21 after the date of enactment of this section, the Sec-
22 retary shall issue final regulations to require plans
23 under paragraph (2).

24 “(b) RIGHT TO EXIT AIRCRAFT.—No air carrier op-
25 erating an aircraft in air transportation shall prevent or
26 hinder (including by failing to assist) any passenger from

1 exiting the aircraft (under the same circumstances as any
2 member of the flight crew is permitted to exit the aircraft)
3 if—

4 “(1) the aircraft is parked at an airport ter-
5 minal gate with access to ramp or other facilities
6 through which passengers are customarily boarded
7 and deplaned;

8 “(2) the aircraft has remained at the gate more
9 than 1 hour past its scheduled departure time; and

10 “(3) the captain of the aircraft has not been in-
11 formed by air traffic control authorities that the air-
12 craft can be cleared for departure within 15 min-
13 utes.

14 “(c) DELAY, CANCELLATION, OR DIVERSION.—

15 “(1) EXPLANATION REQUIRED.—An announce-
16 ment by an air carrier of (A) a delay or cancellation
17 of a flight segment, or (B) a diversion of a flight
18 segment to an airport other than the airport at
19 which the flight segment is scheduled to land, shall
20 include an explanation of the reason or reasons for
21 the delay, cancellation, or diversion.

22 “(2) PROHIBITION ON FALSE OR MISLEADING
23 EXPLANATIONS.—No air carrier shall provide an ex-
24 planation under paragraph (1) that the air carrier
25 knows or has reason to know is false or misleading.

1 “(3) TIMELINESS OF INFORMATION.—

2 “(A) IN GENERAL.—An air carrier shall
3 provide a passenger with timely notice of a
4 delay or cancellation of the flight segment.

5 “(B) INFORMATION MONITORS AT AIR-
6 PORTS.—In complying with subparagraph (A),
7 an air carrier shall ensure that information
8 monitors at the airport concerned display timely
9 and accurate arrival and departure information.

10 “(C) ADVANCE NOTICE OF DELAYS AND
11 CANCELLATIONS.—In complying with subpara-
12 graph (A), an air carrier, whenever practicable,
13 shall attempt to provide a passenger with notice
14 of a delay or cancellation of a flight segment
15 before the passenger departs for the airport.

16 “(4) REGULATIONS.—Not later than 1 year
17 after the date of enactment of this section, the Sec-
18 retary shall issue regulations to carry out this sub-
19 section.

20 “(d) EXCESSIVE DEPARTURE AND ARRIVAL
21 DELAY.—

22 “(1) LIABILITY IMPOSED.—An air carrier shall
23 be liable to each passenger on a flight segment of
24 the air carrier in air transportation for an excessive
25 departure or arrival delay of the aircraft.

1 “(2) AMOUNT OF LIABILITY.—

2 “(A) DELAYS OF MORE THAN 2 BUT LESS
3 THAN 3 HOURS.—If the excessive departure or
4 arrival delay is more than 2 but less than 3
5 hours, the amount of liability under paragraph
6 (1) shall be 200 percent of the price paid by the
7 passenger for transportation by the air carrier.

8 “(B) DELAYS OF 3 HOURS OR MORE.—If
9 the excessive departure or arrival delay is 3
10 hours or more, the amount of liability under
11 paragraph (1) shall be—

12 “(i) the amount determined under
13 subparagraph (A), plus

14 “(ii) an additional 100 percent of the
15 price paid by the passenger for such trans-
16 portation multiplied by the number of
17 hours (or portion thereof) that such period
18 exceeds 3 hours.

19 “(3) EXCESSIVE DEPARTURE OR ARRIVAL
20 DELAY.—In paragraph (1), the term ‘excessive de-
21 parture or arrival delay’ means a period of time in
22 excess of 2 hours—

23 “(A) in the case of departure delay, begin-
24 ning when the door of an aircraft is closed at
25 an airport and ending when the aircraft takes

1 off from the airport or when the door of the air-
2 craft is open for deplaning of passengers at the
3 airport; and

4 “(B) in the case of arrival delay, beginning
5 upon touchdown of an aircraft at an airport
6 and ending when the door of the aircraft is
7 open for deplaning of passengers at the airport.

8 “(4) TREATMENT OF CERTAIN DELAYS.—Not-
9 withstanding paragraph (3), a departure delay in ex-
10 cess of 2 hours shall not be treated as an excessive
11 departure delay for purposes of paragraph (1) if the
12 Administrator of the Federal Aviation Administra-
13 tion determines that the departure delay was the re-
14 sult of—

15 “(A) an air traffic control directive and
16 that the carrier did not receive notification that
17 it would receive such directive prior to the
18 scheduled departure time of the flight; or

19 “(B) a mechanical problem with the air-
20 craft or other safety concern.

21 “(e) OVERBOOKING.—

22 “(1) COMPENSATION.—In addition to com-
23 pensation required on the date of enactment of this
24 subsection under part 250 of title 14, Code of Fed-
25 eral Regulations, an air carrier shall provide, at a

1 minimum, to a passenger who is denied boarding in-
2 voluntarily from an oversold flight segment in air
3 transportation on which the passenger has a con-
4 firmed seat—

5 “(A) alternate transportation to the pas-
6 senger’s final destination;

7 “(B) reasonable and immediate compensa-
8 tion for food; and

9 “(C) if the scheduled departure time of the
10 alternate transportation is not within the same
11 day as the passenger’s originally scheduled de-
12 parture time, reasonable and immediate com-
13 pensation for hotel costs.

14 “(2) CHECK IN TIME.—A passenger shall be eli-
15 gible for involuntary denied boarding compensation
16 under this section and applicable regulations of the
17 Department of Transportation with respect to a
18 flight segment of an air carrier if the passenger
19 checks in for the flight segment at the appropriate
20 airport gate at any time before the door of the air-
21 craft for the flight segment is closed at the airport
22 gate.

23 “(3) REGULATIONS.—Not later than 90 days
24 after the date of enactment of this section, the Sec-
25 retary shall modify regulations contained in part 250

1 of title 14, Code of Federal Regulations, to conform
 2 with the requirements of this subsection and to ad-
 3 just the maximum dollar amounts specified in sec-
 4 tion 250.5 of such title to account for inflation.”.

5 (b) CONFORMING AMENDMENT.—The analysis for
 6 subchapter I of chapter 417, as amended by section
 7 106(b) of this Act, is amended by adding at the end the
 8 following:

“41724. Airline passenger rights.”.

9 (c) PASSENGER RIGHTS PUBLICATION.—Not later
 10 than 180 days after the date of enactment of this Act,
 11 the Secretary shall, by rule—

12 (1) issue a statement that outlines consumer
 13 rights of air passengers, including each of the rights
 14 specified in section 41724 of title 49, United States
 15 Code, as added by this section; and

16 (2) requires an air carrier to provide the state-
 17 ment to each passenger of the carrier, by con-
 18 spicuous written material included—

19 (A) on a safety placard given to the pas-
 20 senger on board an aircraft;

21 (B) on information available to the pas-
 22 senger at each ticket counter of the air carrier;
 23 and

24 (C) on or with the passenger’s ticket.

