

Regulation Z of the Board of Governors of the Federal Reserve System (12 CFR part 226), implementing the provisions of Title I (Truth in Lending) and Title V (General Provisions) of the Consumer Credit Protection Act, as amended (15 U.S.C. 1601 *et seq.*) other than the advertising requirements under §226.10 of regulation Z. This evidence shall be preserved for no less than 2 years after the date each disclosure is required to be made and shall be made available for inspection by authorized representatives of the DOT.

[ER–1214, 46 FR 25415, May 6, 1981, as amended at 60 FR 66726, Dec. 26, 1995]

PART 250—OVERSALES

Sec.

- 250.1 Definitions.
- 250.2 Applicability.
- 250.2a Policy regarding denied boarding.
- 250.2b Carriers to request volunteers for denied boarding.
- 250.3 Boarding priority rules.
- 250.5 Amount of denied boarding compensation for passengers denied boarding involuntarily.
- 250.6 Exceptions to eligibility for denied boarding compensation.
- 250.7 Provision to implement the Transparency Improvements and Compensation to Keep Every Ticketholder Safe Act of 2018.
- 250.8 Denied boarding compensation.
- 250.9 Written explanation of denied boarding compensation and boarding priorities, and verbal notification of denied boarding compensation.
- 250.10 Report of passengers denied confirmed space.
- 250.11 Public disclosure of deliberate overbooking and boarding procedures.

AUTHORITY: 49 U.S.C. 329 and chapters 41102, 41301, 41708, 41709, and 41712.

SOURCE: ER–1306, 47 FR 52985, Nov. 24, 1982, unless otherwise noted.

§ 250.1 Definitions.

Airport means the airport at which the direct or connecting flight, on which the passenger holds confirmed reserved space, is planned to arrive or some other airport serving the same metropolitan area, provided that transportation to the other airport is accepted (*i.e.*, used) by the passenger.

Alternate transportation means air transportation with a confirmed reservation at no additional charge, oper-

ated by a carrier as defined below, or other transportation accepted and used by the passenger in the case of denied boarding.

Carrier means: (1) a direct air carrier, except a helicopter operator, holding a certificate issued by the Department of Transportation pursuant to 49 U.S.C. 41102 or that has been found fit to conduct commuter operations under 49 U.S.C. 41738, or an exemption from 49 U.S.C. 41102, authorizing the scheduled transportation of persons; or (2) a foreign air carrier holding a permit issued by the Department pursuant to 49 U.S.C. 41302, or an exemption from that provision, authorizing the scheduled foreign air transportation of persons.

Class of service means seating in the same cabin class such as First, Business, or Economy class, or in the same seating zone if the carrier has more than one seating product in the same cabin such as Economy and Premium Economy class.

Confirmed reserved space means space on a specific date and on a specific flight and class of service of a carrier which has been requested by a passenger, including a passenger with a “zero fare ticket,” and which the carrier or its agent has verified, by appropriate notation on the ticket or in any other manner provided therefore by the carrier, as being reserved for the accommodation of the passenger.

Fare means the price paid for air transportation including all mandatory taxes and fees. It does not include ancillary fees for optional services.

Stopover means a deliberate interruption of a journey by the passenger, scheduled to exceed 4 hours, at a point between the place of departure and the final destination.

Zero fare ticket means a ticket acquired without a substantial monetary payment such as by using frequent flyer miles or vouchers, or a consolidator ticket obtained after a monetary payment that does not show a fare amount on the ticket. A zero

fare ticket does not include free or reduced rate air transportation provided to airline employees and guests.

[ER-1306, 47 FR 52985, Nov. 24, 1982, as amended by ER-1337, 48 FR 29680, June 28, 1983; 68 FR 52836, Sept. 8, 2003; Doc. No. OST-01-9325, 73 FR 21033, Apr. 18, 2008; Doc. No. DOT-OST-2010-0140, 76 FR 23161, Apr. 25, 2011]

§ 250.2 Applicability.

Except for § 250.7, this part applies to every carrier, as defined in § 250.1, with respect to scheduled flight segments using an aircraft that has a designed passenger capacity of 30 or more passenger seats, operating in interstate air transportation or foreign air transportation with respect to nonstop flight segments originating at a point within the United States. Section 250.7 applies to any air carrier or foreign air carrier as those terms are defined in 49 U.S.C. 40102.

[Doc. No. DOT-OST-2020-0251, 86 FR 2537, Jan. 13, 2021]

§ 250.2a Policy regarding denied boarding.

In the event of an oversold flight, every carrier shall ensure that the smallest practicable number of persons holding confirmed reserved space on that flight are denied boarding involuntarily.

§ 250.2b Carriers to request volunteers for denied boarding.

(a) In the event of an oversold flight, every carrier shall request volunteers for denied boarding before using any other boarding priority. A “volunteer” is a person who responds to the carrier’s request for volunteers and who willingly accepts the carriers’ offer of compensation, in any amount, in exchange for relinquishing the confirmed reserved space. Any other passenger denied boarding is considered for purposes of this part to have been denied boarding involuntarily, even if that passenger accepts the denied boarding compensation.

(b) Every carrier shall advise each passenger solicited to volunteer for denied boarding, no later than the time the carrier solicits that passenger to volunteer, whether he or she is in danger of being involuntarily denied boarding and, if so, the compensation

the carrier is obligated to pay if the passenger is involuntarily denied boarding. If an insufficient number of volunteers come forward, the carrier may deny boarding to other passengers in accordance with its boarding priority rules.

(c) If a carrier offers free or reduced rate air transportation as compensation to volunteers, the carrier must disclose all material restrictions, including but not limited to administrative fees, advance purchase or capacity restrictions, and blackout dates applicable to the offer before the passenger decides whether to give up his or her confirmed reserved space on the flight in exchange for the free or reduced rate transportation. If the free or reduced rate air transportation is offered orally to potential volunteers, the carrier shall also orally provide a brief description of the material restrictions on that transportation at the same time that the offer is made.

(d) Carriers must proactively offer to pay compensation to a passenger who is voluntarily or involuntarily denied boarding on an oversold flight, rather than waiting until the passenger requests the compensation.

[ER-1337, 48 FR 29680, June 28, 1983, as amended at 68 FR 52836, Sept. 8, 2003; Doc. No. OST-01-9325, 73 FR 21034, Apr. 18, 2008; Doc. No. DOT-OST-2010-0140, 76 FR 23161, Apr. 25, 2011; Docket No. DOT-OST-2014-0056, 81 FR 76827, Nov. 3, 2016; Doc. No. DOT-OST-2020-0251, 86 FR 2538, Jan. 13, 2021]

§ 250.3 Boarding priority rules.

(a) Every carrier shall establish priority rules and criteria for determining which passengers holding confirmed reserved space shall be denied boarding on an oversold flight in the event that an insufficient number of volunteers come forward. Such rules and criteria shall reflect the obligations of the carrier set forth in §§ 250.2a and 250.2b to minimize involuntary denied boarding and to request volunteers, and shall be written in such manner as to be understandable and meaningful to the average passenger. Such rules and criteria shall not make, give, or cause any undue or unreasonable preference or advantage to any particular person or subject any particular person to any unjust or unreasonable prejudice or

§ 250.5

disadvantage in any respect whatsoever.

(b) Boarding priority factors may include, but are not limited to, the following:

- (1) A passenger's time of check-in;
- (2) Whether a passenger has a seat assignment before reaching the departure gate for carriers that assign seats;
- (3) The fare paid by a passenger;
- (4) A passenger's frequent-flyer status; and
- (5) A passenger's disability or status as an unaccompanied minor.

[ER-1306, 47 FR 52985, Nov. 24, 1982, as amended by ER-1337, 48 FR 29680, June 28, 1983; Doc. No. OST-01-9325, 73 FR 21034, Apr. 18, 2008]

§ 250.5 Amount of denied boarding compensation for passengers denied boarding involuntarily.

(a) Subject to the exceptions provided in § 250.6, a carrier to whom this part applies as described in § 250.2 shall pay compensation in interstate air transportation to passengers who are denied boarding involuntarily from an oversold flight as follows:

(1) No compensation is required if the carrier offers alternate transportation that, at the time the arrangement is made, is planned to arrive at the airport of the passenger's first stopover, or if none, the airport of the passenger's final destination not later than one hour after the planned arrival time of the passenger's original flight;

(2) Compensation shall be at least 200 percent of the fare to the passenger's destination or first stopover, or \$775, whichever is lower, if the carrier offers alternate transportation that, at the time the arrangement is made, is planned to arrive at the airport of the passenger's first stopover, or if none, the airport of the passenger's final destination more than one hour but less than two hours after the planned arrival time of the passenger's original flight; and

(3) Compensation shall be at least 400 percent of the fare to the passenger's destination or first stopover, or \$1,550, whichever is lower, if the carrier does not offer alternate transportation that, at the time the arrangement is made, is planned to arrive at the airport of the passenger's first stopover, or if none, the airport of the passenger's

14 CFR Ch. II (1-1-25 Edition)

final destination less than two hours after the planned arrival time of the passenger's original flight.

(b) Subject to the exceptions provided in § 250.6, a carrier to whom this part applies as described in § 250.2 shall pay compensation to passengers in foreign air transportation who are denied boarding involuntarily at a U.S. airport from an oversold flight as follows:

(1) No compensation is required if the carrier offers alternate transportation that, at the time the arrangement is made, is planned to arrive at the airport of the passenger's first stopover, or if not, the airport of the passenger's final destination not later than one hour after the planned arrival time of the passenger's original flight;

(2) Compensation shall be at least 200 percent of the fare to the passenger's destination or first stopover, or \$775, whichever is lower, if the carrier offers alternate transportation that, at the time the arrangement is made, is planned to arrive at the airport of the passenger's first stopover, or if not, the airport of the passenger's final destination more than one hour but less than four hours after the planned arrival time of the passenger's original flight; and

(3) Compensation shall be at least 400 percent of the fare to the passenger's destination or first stopover, or \$1,550, whichever is lower, if the carrier does not offer alternate transportation that, at the time the arrangement is made, is planned to arrive at the airport of the passenger's first stopover, or if not, the airport of the passenger's final destination less than four hours after the planned arrival time of the passenger's original flight.

(c) Carriers may offer free or reduced rate air transportation in lieu of the cash or check due under paragraphs (a) and (b) of this section, if—

(1) The value of the transportation benefit offered, excluding any fees or other mandatory charges applicable for using the free or reduced rate air transportation, is equal to or greater than the cash/check payment otherwise required;

(2) The carrier fully informs the passenger of the amount of cash/check compensation that would otherwise be due and that the passenger may decline

the transportation benefit and receive the cash/check payment; and

(3) The carrier fully discloses all material restrictions, including but not limited to, administrative fees, advance purchase or capacity restrictions, and blackout dates applicable to the offer, on the use of such free or reduced rate transportation before the passenger decides to give up the cash/check payment in exchange for such transportation. (See also §250.9(c)).

(d) The requirements of this section apply to passengers with “zero fare tickets.” The fare paid by these passengers for purposes of calculating denied boarding compensation shall be the lowest cash, check, or credit card payment charged for a ticket in the same class of service on that flight.

(e) The Department of Transportation will review the denied boarding compensation liability limit amounts prescribed in this part every two years except for the first review, which will take place in 2012, to put the reviews specified in this section on the same cycle as the reviews of domestic baggage liability limits specified in 14 CFR 254.6. The Department will use any increase in the Consumer Price Index for All Urban Consumers (CPI-U) as of July of each review year to calculate the increased denied boarding compensation liability limit amounts. The Department will use the following formula:

(1) Current Denied Boarding Compensation liability limit in paragraph (a)(2) of this section multiplied by (a/b) rounded to the nearest \$25 where a = July CPI-U of year of current adjustment and b = the CPI-U figure in August 2011 when the inflation adjustment provision was added to this part.

(2) The Denied Boarding Compensation liability limit in paragraph (a)(3) of this section shall be twice the revised limit for paragraph (a)(2) of this section.

(3) The Denied Boarding Compensation liability limit in paragraph (b)(2) of this section shall be the same as the revised limit for paragraph (a)(2) of this section, and the Denied Boarding Compensation liability limit in paragraph (b)(3) of this section shall be twice the revised limit for paragraph (a)(2) of this section.

(f) In addition to the denied boarding compensation specified in this part, a carrier shall refund all unused ancillary fees for optional services paid by a passenger who is voluntarily or involuntarily denied boarding. The carrier is not required to refund the ancillary fees for services that are provided with respect to the passenger’s alternate transportation.

(g) Nothing in this part prohibits carriers from offering denied boarding compensations in an amount more than the amount calculated according to paragraphs (a) through (d) of this section, or more than the denied boarding compensation liability limit amounts effective at the time of denied boarding.

[Doc. No. DOT-OST-2010-0140, 76 FR 23162, Apr. 25, 2011, as amended by Doc. No. DOT-OST-2015-0104, 80 FR 30147, May 27, 2015; Doc. No. DOT-OST-2014-0056, 81 FR 76827, Nov. 3, 2016; Doc. No. DOT-OST-2020-0251, 86 FR 2538, Jan. 13, 2021; 86 FR 41381, Aug. 2, 2021]

EFFECTIVE DATE NOTE: At 89 FR 84818, Oct. 24, 2024, §250.5 was amended in paragraphs (a)(2) and (b)(2) by removing “\$775” and adding “\$1,075” in its place, and, in paragraphs (a)(3) and (b)(3), by removing “\$1,550” and inserting “\$2,150” in its place, effective Jan. 22, 2025.

§ 250.6 Exceptions to eligibility for denied boarding compensation.

A passenger denied boarding involuntarily from an oversold flight shall not be eligible for denied boarding compensation if:

(a) The passenger does not comply fully with the carrier’s contract of carriage or tariff provisions regarding ticketing, reconfirmation, check-in, and acceptability for transportation;

(b) The flight for which the passenger holds confirmed reserved space is unable to accommodate that passenger because of substitution of equipment of lesser capacity when required by operational or safety reasons; or, on an aircraft with a designed passenger capacity of 60 or fewer seats, the flight for which the passenger holds confirmed reserved space is unable to accommodate that passenger due to weight/balance restrictions when required by operational or safety reasons;

(c) The passenger is offered accommodations or is seated in a section of the aircraft other than that specified

§ 250.7

on the ticket at no extra charge, except that a passenger seated in a section for which a lower fare is charged shall be entitled to an appropriate refund; or

(d) The carrier arranges comparable air transportation, or other transportation used by the passenger at no extra cost to the passenger, that at the time such arrangements are made is planned to arrive at the airport of the passenger's next stopover or, if none, at the airport of the final destination not later than 1 hour after the planned arrival time of the passenger's original flight or flights.

[ER-1337, 48 FR 29680, June 28, 1983, as amended at Doc. No. OST-01-9325, 73 FR 21034, Apr. 18, 2008]

§ 250.7 Provision to implement the Transparency Improvements and Compensation to Keep Every Ticketholder Safe Act of 2018.

(a) *Boarded passengers.* A covered air carrier may not deny a revenue passenger traveling on a confirmed reservation permission to board, or involuntarily remove that passenger from the aircraft, once a revenue passenger has:

(1) Checked in for the flight prior to the check-in deadline; and

(2) Had their ticket or boarding pass collected or electronically scanned and accepted by the gate agent.

(b) *Limitations.* The prohibition pursuant to paragraph (a) of this section shall not apply when:

(1) There is a safety, security, or health risk with respect to that revenue passenger or there is a safety or security issue requiring removal of a revenue passenger; or

(2) The revenue passenger is engaging in behavior that is obscene, disruptive, or otherwise unlawful.

(c) *Rule of construction.* Nothing in this section may be construed to limit or otherwise affect the responsibility or authority of a pilot in command of an aircraft under 14 CFR 121.533, or limit any penalty under section 46504 of title 49, United States Code.

[Doc. No. DOT-OST-2020-0251, 86 FR 2538, Jan. 13, 2021]

14 CFR Ch. II (1-1-25 Edition)

§ 250.8 Denied boarding compensation.

(a) Every carrier shall tender to a passenger eligible for denied boarding compensation, on the day and place the denied boarding occurs, except as provided in paragraph (b), cash or an immediately negotiable check for the appropriate amount of compensation provided in § 250.5.

(b) Where a carrier arranges, for the passenger's convenience, alternate means of transportation that departs before the payment can be prepared and given to the passenger, tender shall be made by mail or other means within 24 hours after the time the denied boarding occurs.

[ER-1394, 49 FR 43625, Oct. 31, 1984]

§ 250.9 Written explanation of denied boarding compensation and boarding priorities, and verbal notification of denied boarding compensation.

(a) Every carrier shall furnish passengers who are denied boarding involuntarily from flights on which they hold confirmed reserved space immediately after the denied boarding occurs, a written statement explaining the terms, conditions, and limitations of denied boarding compensation, and describing the carriers' boarding priority rules and criteria. The carrier shall also furnish the statement to any person upon request at all airport ticket selling positions which are in the charge of a person employed exclusively by the carrier, or by it jointly with another person or persons, and at all boarding locations being used by the carrier.

(b) The statement shall read as follows:

COMPENSATION FOR DENIED BOARDING

If you have been denied a reserved seat on (name of air carrier), you are probably entitled to monetary compensation. This notice explains the airline's obligation and the passenger's rights in the case of an oversold flight, in accordance with regulations of the *U.S. Department of Transportation*.

VOLUNTEERS AND BOARDING PRIORITIES

If a flight is oversold (more passengers hold confirmed reservations than there are seats available), no one may be denied boarding against his or her will until airline personnel first ask for volunteers who will give

Office of the Secretary, DOT

§ 250.9

up their reservation willingly, in exchange for compensation of the airline's choosing. If there are not enough volunteers, other passengers may be denied boarding involuntarily in accordance with the following boarding priority of (name of air carrier): (In this space the carrier inserts its boarding priority rules or a summary thereof, in a manner to be understandable to the average passenger.)

COMPENSATION FOR INVOLUNTARY DENIED BOARDING

If you are denied boarding involuntarily, you are entitled to a payment of "denied boarding compensation" from the airline unless:

- (1) you have not fully complied with the airline's ticketing, check-in and reconfirmation requirements, or you are not acceptable for transportation under the airline's usual rules and practices; or
(2) you are denied boarding because the flight is canceled; or
(3) you are denied boarding because a smaller capacity aircraft was substituted for safety or operational reasons; or
(4) on a flight operated with an aircraft having 60 or fewer seats, you are denied boarding due to safety-related weight/balance restrictions that limit payload; or
(5) you are offered accommodations in a section of the aircraft other than specified in your ticket, at no extra charge (a passenger seated in a section for which a lower fare is charged must be given an appropriate refund); or
(6) the airline is able to place you on another flight or flights that are planned to reach your next stopover or final destination within one hour of the planned arrival time of your original flight.

AMOUNT OF DENIED BOARDING COMPENSATION

Domestic Transportation

Passengers traveling between points within the United States (including the territories and possessions) who are denied boarding involuntarily from an oversold flight are entitled to: (1) No compensation if the carrier offers alternate transportation that is planned to arrive at the passenger's destination or first stopover not later than one hour after the planned arrival time of the passenger's original flight; (2) at least 200 percent of the fare to the passenger's destination or first stopover, or \$775, whichever is lower, if the carrier offers alternate transportation that is planned to arrive at the passenger's destination or first stopover more than one hour but less than two hours after the planned arrival time of the passenger's original flight; and (3) at least 400 percent of the fare to the passenger's destination or first stopover, or \$1,550, whichever is lower, if the carrier does not offer al-

ternate transportation that is planned to arrive at the airport of the passenger's destination or first stopover less than two hours after the planned arrival time of the passenger's original flight.

Table with 2 columns: Delay duration and Compensation amount. Rows include: 0 to 1 hour arrival delay (No compensation), 1 to 2 hour arrival delay (200% of one-way fare, carriers may limit to \$775), and Over 2 hours arrival delay (400% of one-way fare, carriers may limit to \$1,550).

* Nothing in the Department of Transportation's regulation prohibits carriers from offering denied boarding compensations in an amount more than the amount calculated according to the chart above, or more than the denied boarding compensation liability limit amounts stated in the chart.

International Transportation

Passengers traveling from the United States to a foreign point who are denied boarding involuntarily from an oversold flight originating at a U.S. airport are entitled to: (1) No compensation if the carrier offers alternate transportation that is planned to arrive at the passenger's destination or first stopover not later than one hour after the planned arrival time of the passenger's original flight; (2) at least 200 percent of the fare to the passenger's destination or first stopover, or \$775, whichever is lower, if the carrier offers alternate transportation that is planned to arrive at the passenger's destination or first stopover more than one hour but less than four hours after the planned arrival time of the passenger's original flight; and (3) at least 400 percent of the fare to the passenger's destination or first stopover, or \$1,550, whichever is lower, if the carrier does not offer alternate transportation that is planned to arrive at the airport of the passenger's destination or first stopover less than four hours after the planned arrival time of the passenger's original flight.

Table with 2 columns: Delay duration and Compensation amount. Rows include: 0 to 1 hour arrival delay (No compensation), 1 to 4 hour arrival delay (200% of one-way fare, carriers may limit to \$775), and Over 4 hours arrival delay (400% of one-way fare, carriers may limit to \$1,550).

** Nothing in the Department of Transportation's regulation prohibits carriers from offering denied boarding compensations in an amount more than the amount calculated according to the chart above, or more than the denied boarding compensation liability limit amounts stated in the chart.

Alternate Transportation

"Alternate transportation" is air transportation with a confirmed reservation at no additional charge (by any scheduled airline licensed by DOT), or other transportation accepted and used by the passenger in the case of denied boarding.

§ 250.9, Nt.

14 CFR Ch. II (1–1–25 Edition)

METHOD OF PAYMENT

Except as provided below, the airline must give each passenger who qualifies for involuntary denied boarding compensation a payment by cash or check for the amount specified above, on the day and at the place the involuntary denied boarding occurs. If the airline arranges alternate transportation for the passenger's convenience that departs before the payment can be made, the payment shall be sent to the passenger within 24 hours. The air carrier may offer free or discounted transportation in place of the cash payment. In that event, the carrier must disclose all material restrictions on the use of the free or discounted transportation before the passenger decides whether to accept the transportation in lieu of a cash or check payment. The passenger may insist on the cash/check payment or refuse all compensation and bring private legal action.

PASSENGER'S OPTIONS

Acceptance of the compensation may relieve (name of air carrier) from any further liability to the passenger caused by its failure to honor the confirmed reservation. However, the passenger may decline the payment and seek to recover damages in a court of law or in some other manner.

(c) In addition to furnishing passengers with the carrier's written statement as specified in paragraphs (a) and (b) of this section, if the carrier orally advises involuntarily bumped passengers that they are entitled to receive free or discounted transportation as denied boarding compensation, the carrier must also orally advise the passengers of any material restrictions or conditions applicable to the free or discounted transportation and that they are entitled to choose a check instead (or cash if that option is offered by the carrier).

(Approved by the Office of Management and Budget under control number 3024-0003)

[ER-1306, 47 FR 52985, Nov. 24, 1982, as amended by ER-1337, 48 FR 29681, June 28, 1983; ER-1392, 49 FR 40401, Oct. 16, 1984; ER-1394, 49 FR 43625, Oct. 31, 1984; 68 FR 52836, Sept. 8, 2003; Doc. No. OST-01-9325, 73 FR 21034, Apr. 18, 2008; Doc. No. DOT-OST-2010-0140, 76 FR 23162, Apr. 25, 2011; Doc. No. DOT-OST-2015-0104, 80 FR 30147, May 27, 2015; Doc. No. DOT-OST-2020-0251, 86 FR 2538, Jan. 13, 2021]

EFFECTIVE DATE NOTE: At 89 FR 84818, Oct. 24, 2024, § 250.9 was amended by revising paragraph (b), effective Jan. 22, 2025. For the convenience of the user, the revised text is set forth as follows:

§ 250.9 Written explanation of denied boarding compensation and boarding priorities, and verbal notification of denied boarding compensation.

* * * * *

(b) The statement shall read as follows:

COMPENSATION FOR DENIED BOARDING

If you have been denied a reserved seat on (name of air carrier), you are probably entitled to monetary compensation. This notice explains the airline's obligation and the passenger's rights in the case of an oversold flight, in accordance with regulations of the *U.S. Department of Transportation*.

VOLUNTEERS AND BOARDING PRIORITIES

If a flight is oversold (more passengers hold confirmed reservations than there are seats available), no one may be denied boarding against his or her will until airline personnel first ask for volunteers who will give up their reservation willingly, in exchange for compensation of the airline's choosing. If there are not enough volunteers, other passengers may be denied boarding involuntarily in accordance with the following boarding priority of (name of air carrier): (In this space the carrier inserts its boarding priority rules or a summary thereof, in a manner to be understandable to the average passenger.)

COMPENSATION FOR INVOLUNTARILY DENIED BOARDING

If you are denied boarding involuntarily, you are entitled to a payment of "denied boarding compensation" from the airline unless:

- (1) you have not fully complied with the airline's ticketing, check-in and reconfirmation requirements, or you are not acceptable for transportation under the airline's usual rules and practices; or
- (2) you are denied boarding because the flight is canceled; or
- (3) you are denied boarding because a smaller capacity aircraft was substituted for safety or operational reasons; or
- (4) on a flight operated with an aircraft having 60 or fewer seats, you are denied boarding due to safety-related weight/balance restrictions that limit payload; or
- (5) you are offered accommodations in a section of the aircraft other than specified in your ticket, at no extra charge (a passenger seated in a section for which a lower fare is charged must be given an appropriate refund); or
- (6) the airline is able to place you on another flight or flights that are planned to reach your next stopover or final destination within one hour of the planned arrival time of your original flight.

AMOUNT OF DENIED BOARDING COMPENSATION

Domestic Transportation

Passengers traveling between points within the United States (including the territories and possessions) who are denied boarding involuntarily from an oversold flight are entitled to: (1) No compensation if the carrier offers alternate transportation that is planned to arrive at the passenger's destination or first stopover not later than one hour after the planned arrival time of the passenger's original flight; (2) at least 200 percent of the fare to the passenger's destination or first stopover, or \$1,075, whichever is lower, if the carrier offers alternate transportation that is planned to arrive at the passenger's destination or first stopover more than one hour but less than two hours after the planned arrival time of the passenger's original flight; and (3) at least 400 percent of the fare to the passenger's destination or first stopover, or \$2,150, whichever is lower, if the carrier does not offer alternate transportation that is planned to arrive at the airport of the passenger's destination or first stopover less than two hours after the planned arrival time of the passenger's original flight.

0 to 1 hour arrival delay: No compensation.
1 to 2 hour arrival delay: 200% of one-way fare (carriers may limit this amount to \$1,075 if it is higher than \$1,075).*

Over 2 hours arrival delay: 400% of one-way fare (carriers may limit this amount to \$2,150 if it is higher than \$2,150).*

International Transportation

Passengers traveling from the United States to a foreign point who are denied boarding involuntarily from an oversold flight originating at a U.S. airport are entitled to: (1) No compensation if the carrier offers alternate transportation that is planned to arrive at the passenger's destination or first stopover not later than one hour after the planned arrival time of the passenger's original flight; (2) at least 200 percent of the fare to the passenger's destination or first stopover, or \$1,075, whichever is lower, if the carrier offers alternate transportation that is planned to arrive at the passenger's destination or first stopover more than one hour but less than four hours after the planned arrival time of the passenger's original flight; and (3) at least 400 percent of the fare to the passenger's destination or first stopover, or \$2,150, whichever is lower, if the

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carrier does not offer alternate transportation that is planned to arrive at the airport of the passenger's destination or first stopover less than four hours after the planned arrival time of the passenger's original flight.

0 to 1 hour arrival delay: No compensation.

1 to 4 hour arrival delay: 200% of one-way fare (carriers may limit this amount to \$1,075 if it is higher than \$1,075).**

Over 4 hours arrival delay: 400% of one-way fare (carriers may limit this amount to \$2,150 if it is higher than \$2,150).**

ALTERNATE TRANSPORTATION

"Alternate transportation" is air transportation with a confirmed reservation at no additional charge (by any scheduled airline licensed by DOT), or other transportation accepted and used by the passenger in the case of denied boarding.

METHOD OF PAYMENT

Except as provided below, the airline must give each passenger who qualifies for involuntary denied boarding compensation a payment by cash or check for the amount specified above, on the day and at the place the involuntary denied boarding occurs. If the airline arranges alternate transportation for the passenger's convenience that departs before the payment can be made, the payment shall be sent to the passenger within 24 hours. The air carrier may offer free or discounted transportation in place of the cash payment. In that event, the carrier must disclose all material restrictions on the use of the free or discounted transportation before the passenger decides whether to accept the transportation in lieu of a cash or check payment. The passenger may insist on the cash/check payment or refuse all compensation and bring private legal action.

PASSENGER'S OPTIONS

Acceptance of the compensation may relieve (name of air carrier) from any further liability to the passenger caused by its failure to honor the confirmed reservation. However, the passenger may decline the payment and seek to recover damages in a court of law or in some other manner.

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**Nothing in the Department of Transportation's regulation prohibits carriers from offering denied boarding compensations in an amount more than the amount calculated according to the chart above, or more than the denied boarding compensation liability limit amounts stated in the chart.

§ 250.10

§ 250.10 Report of passengers denied confirmed space.

(a) Each reporting carrier as defined in § 234.2 of this chapter and any carrier that voluntarily submits data pursuant to § 234.7 of this chapter shall file, on a quarterly basis, the information specified in BTS Form 250. The reporting basis shall be flight segments originating in the United States operated by the reporting carrier. The reports must be submitted within 30 days after the end of the quarter covered by the report. The calendar quarters end March 31, June 30, September 30 and December 31. "Total Boardings" on Line 6 of Form 250 shall include only passengers on flights for which confirmed reservations are offered. Data shall not be included for inbound international flights.

(b) For air transportation taking place on or after January 1, 2018, each reporting carrier and voluntary reporting carrier shall file a separate BTS Form 250 for all flight segments originating in the United States marketed under only the reporting carrier's code, and operated by a code-share partner that is a certificated air carrier or commuter air carrier using aircraft that have a designed passenger capacity of 30 or more seats.

[Docket No. DOT-OST-2014-0056, 81 FR 76827, Nov. 3, 2016, as amended by Docket No. DOT-OST-2020-0251, 86 FR 41381, Aug. 2, 2021]

§ 250.11 Public disclosure of deliberate overbooking and boarding procedures.

(a) Every carrier shall cause to be displayed continuously in a conspicuous public place at each desk, station and position in the United States which is in the charge of a person employed exclusively by it, or by it jointly with another person, or by any agent employed by such air carrier or foreign air carrier to sell tickets to passengers, a sign located so as to be clearly visible and clearly readable to the traveling public, which shall have printed thereon the following statement in boldface type at least one-fourth of an inch high:

14 CFR Ch. II (1-1-25 Edition)

NOTICE—OVERBOOKING OF FLIGHTS

Airline flights may be overbooked, and there is a slight chance that a seat will not be available on a flight for which a person has a confirmed reservation. If the flight is overbooked, no one will be denied a seat until airline personnel first ask for volunteers willing to give up their reservation in exchange for compensation of the airline's choosing. If there are not enough volunteers, the airline will deny boarding to other persons in accordance with its particular boarding priority. With few exceptions, including failure to comply with the carrier's check-in deadline (carrier shall insert either "of _ minutes prior to each flight segment" or "(which are available upon request from the air carrier)" here), persons denied boarding involuntarily are entitled to compensation. The complete rules for the payment of compensation and each airline's boarding priorities are available at all airport ticket counters and boarding locations. Some airlines do not apply these consumer protections to travel from some foreign countries, although other consumer protections may be available. Check with your airline or your travel agent.

(b) Every carrier shall include with each ticket sold in the United States the notices set forth in paragraph (a) of this section, printed in at least 12-point type. The notice may be printed on a separate piece of paper, on the ticket stock, or on the ticket envelope. The last two sentences of the notice shall be printed in a type face contrasting with that of the rest of the notice.

(c) It shall be the responsibility of each carrier to ensure that travel agents authorized to sell air transportation for that carrier comply with the notice provisions of paragraphs (a) and (b) of this section.

(d) [Reserved]

(e) Any air carrier or foreign air carrier engaged in foreign air transportation that complies fully with this part for inbound traffic to the United States need not use the last two sentences of the notices required by paragraph (a) of this subsection.

(Approved by the Office of Management and Budget under control number 3024-0018)

[ER-1306, 47 FR 52985, Nov. 24, 1982, as amended by ER-1392, 49 FR 40401, Oct. 16, 1984; Doc. No. OST-01-9325, 73 FR 21035, Apr. 18, 2008]