

AMENDMENT NO. _____ Calendar No. _____

Purpose: To require the Comptroller General of the United States to study the impact of international airline alliances.

IN THE SENATE OF THE UNITED STATES—114th Cong., 2d Sess.

S. 2658

To amend title 49, United States Code, to authorize appropriations for the Federal Aviation Administration for fiscal years 2016 through 2017, and for other purposes.

Referred to the Committee on _____ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. BLUMENTHAL *and Mr. Markey*

Viz:

1 At the appropriate place, insert the following:

2 **SEC. ____ . GAO STUDY OF INTERNATIONAL AIRLINE ALLI-**
3 **ANCES.**

4 (a) IN GENERAL.—The Comptroller General of the
5 United States shall conduct a study of certain cooperative
6 agreements between United States air carriers and non-
7 United States air carriers (referred to in this section as
8 “alliances”), which—

9 (1) have been created pursuant to section
10 41309 of title 49, United States Code; and

1 (2) have been exempted from antitrust laws (as
2 defined in the first section of the Clayton Act (15
3 U.S.C. 12)) pursuant to section 41308 of title 49,
4 United States Code.

5 (b) SCOPE.—The study conducted under subsection
6 (a) shall assess—

7 (1) the consequences of alliances, including re-
8 duced competition, stifling new entrants into mar-
9 kets, increasing prices in markets, and other adverse
10 consequences;

11 (2) the representations made by air carriers to
12 the Secretary of Transportation for the necessity of
13 an antitrust exemption;

14 (3) the Department of Transportation's expec-
15 tations of public benefits resulting from alliances, in-
16 cluding whether such expected benefits were actually
17 achieved;

18 (4) the adequacy of the Department of Trans-
19 portation's efforts in the approval and monitoring of
20 alliances, including possessing relevant experience
21 and expertise in the fields of antitrust and consumer
22 protection;

23 (5) whether there has been sufficient trans-
24 parency in the approval of alliances, including oppor-
25 tunities for public review and feedback;

1 (6) the role of the Department of Justice in the
2 oversight of alliances;

3 (7) whether there are alternatives to antitrust
4 immunity that could be conferred that would also
5 produce public benefits;

6 (8) whether alliances should be required to ex-
7 pire;

8 (9) the level of competition between air carriers
9 who are members of the same alliance;

10 (10) the level of competition between alliances;

11 (11) whether the Department of Transportation
12 should amend, modify, or revoke any exemption from
13 the antitrust laws granted by the Secretary of
14 Transportation in connection with an alliance; and

15 (12) the effect of alliances on the number and
16 quality of jobs for United States air carrier flight
17 crew employees, including the share of alliance flying
18 done by such employees.

19 (c) RECOMMENDATIONS.—Not later than 180 days
20 after the date of the enactment of this Act, the Comp-
21 troller General shall submit to Congress the results of the
22 study conducted under subsection (a), which shall include
23 recommendations on the reforms needed to improve com-
24 petition and enhance choices for consumers, including—

1 (1) whether oversight of alliances should be ex-
2 ercised by the Department of Justice rather than by
3 the Department of Transportation; and

4 (2) whether antitrust immunity for alliances
5 should expire.