

United States Senate

WASHINGTON, DC 20510

May 2, 2022

The Honorable Peter Buttigieg
Secretary
U.S. Department of Transportation
1200 New Jersey Ave., SE
Washington, D.C. 20590

Dear Secretary Buttigieg,

Thank you for your work and commitment to ensure reliable and safe air service for the U.S. flying public. As part of the Committee on Commerce, Science, and Transportation’s ongoing oversight of the U.S. airline industry, we are writing to request that the Department of Transportation (“DOT”) take further action to make the process for obtaining refunds more transparent and efficient for U.S. airline passengers, in response to the increase in passenger refund complaints during the COVID-19 pandemic.

We are encouraged that DOT is planning to issue new consumer protections for airline ticket refunds after the COVID-19 pandemic has caused major disruptions for air travel. According to a report by your Department, “airlines had difficulty processing, in a timely manner, the significant volume of refund requests” they received in the early months of the emergency.¹ In addition, “[m]any airlines were also initially reluctant to provide the required refunds,” causing consumers to send the DOT “a flood of complaints” regarding airlines’ failures to compensate their customers for flight cancellations.² In 2020, DOT specifically received 29,687 refund complaints against U.S. airlines, a 4,634% increase over 2019. And while refund complaints dipped drastically in 2021, they were still 959% higher than in 2019. Thanks in large part to the efforts of DOT, U.S. airlines have now provided approximately \$20 billion in consumer refunds, but more can be done.

The DOT should clarify and codify current policies requiring carriers and ticket agents to provide prompt refunds to passengers when a carrier cancels or significantly changes a flight to, from, or within the United States. This rulemaking must make clear that refunds are due promptly when a carrier cancels a flight or when a flight is subject to a significant delay or schedule change.

More must also be done to define the terms “cancellation,” “significant delay,” and “significant change” to address whether new delays of a certain length or additional stops constitute a significant delay or change meriting a refund. By setting a common standard for the length of a

¹ *Report to the White House Competition Council: U.S. Department of Transportation’s Investigatory, Enforcement and Other Activities Addressing Lack of Timely Airline Ticket Refunds Associated With the COVID-19 Pandemic*, U.S. Dept. of Transportation (Sept. 9, 2021), <https://www.transportation.gov/individuals/aviation-consumer-protection/dot-report-airline-ticket-refunds>.

² *Id.*

The Honorable Buttigieg

May 2, 2022

Page 2

delay that triggers a refund, the Department can increase transparency and accountability in air transportation on behalf of consumers. In 2020 one airline changed its definition of “significant delay”—both prospectively and retroactively—from two hours to six. It was only when the Department opened an investigation into this airline that the carrier reverted to its prior policy.

DOT should also spell out the rights of consumers, if any, who are unable to travel and cancel their own tickets due to government restrictions or the declaration of a public health emergency by the Secretary of Health and Human Services.

In addition, we urge the Department to consider a number of additional measures, including requiring airlines to conspicuously disclose and publicize to passengers that, under federal regulation, consumers have to submit a *written request* to trigger the refund requirement. We are concerned that passengers may not realize that they must act proactively to obtain a refund, even in the event of an airline cancellation, and that absent such a request airlines are under no federal obligation to make passengers whole.

To further increase transparency, the Department should also require airlines to set up user-friendly and easy-to-find refund portals where consumers can request refunds. Finally, the Department should require airlines to report to the Bureau of Transportation Statistics the value of the refunds and vouchers provided to consumers each month. This will enable stakeholders, including Congress, to carefully track progress under the new rules.

Thank you for your attention to this important matter and for ensuring that the consumer rights of American travelers are fully protected under the law. We look forward to your timely response to our inquiry.

Sincerely,



Edward J. Markey
Senator



Richard Blumenthal
Senator



Maria Cantwell
Senator