



**U.S. SENATE COMMITTEE ON
COMMERCE, SCIENCE & TRANSPORTATION**
Senator Maria Cantwell, Chair

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**Senate Committee on Commerce, Science, and Transportation
Hearing: Enhancing Consumer Protections and Connectivity in Air Transportation**

Thursday, March 23, 2023

Opening Statement

[VIDEO](#)

Cantwell: Today we will be discussing the importance of strengthening consumer protections, expanding access for travelers and commuters across America.

The American consumer has had a rough flying experience over the past few years. In 2020, the Department of Transportation received nearly 30,000 airline refund complaints, more than a 4,600 percent increase from 2019. The following year, in 2021, DOT received over 6,600 complaints, still nearly a 1000 percent increase over pre-pandemic levels.

And last year, by November 2022, U.S. consumer complaints were already 603 percent higher than in November 2019.

And then we had the massive disruptions that left nearly 2 million Southwest Airlines passengers delayed and stranded across the country.

In these situations, the U.S. consumer is left with limited information, hardly any choices, and very little recourse.

In this year's FAA reauthorization, I hope we can work together on a new passenger bill of rights that gets a better deal for the U.S. consumer. Consumers deserve a concrete definition of significant delays or cancelations of your flight and they deserve a very timely refund.

We must take down the hurdles to getting your money back when you don't receive the service you paid for. Any travel credit if accepted in lieu of a refund should never expire. That's your money and should be in your bank account.

We also need to have real time, real person communication when a system breaks down like in the Southwest situation. That system failure left consumers stranded without any information and no one to talk to. In this kind of a massive shutdown, we need a better communication system.

Second, Congress must end unfair and hidden fees known as “junk fees” that’s taking real money out of the pockets of Americans.

We should force the rebooking fees [to end], when your flight is cancelled or delayed by the airline itself, and stop that practice. We should make sure that families aren’t charged just for sitting next to each other at the very beginning of a flight when there are many flight options. I look forward to hearing from Bill McGee on this issue this morning.

Many passengers with disabilities, especially those with wheelchairs, are cut off from their families and opportunities just because of these issues. Sara Nelson, head of the Association of Flight Attendants, and Heather Ansley, from Paralyzed Veterans of America, will provide more information on this topic.

We also need to address, thirdly, that Congress gave the FAA the specific task of establishing what is a minimum seat size for airlines. The FAA has failed to take action on this. And this Committee should help resolve that issue.

To make this new Passenger Bill of Rights stick, we should formally authorize, fully fund and staff up the Department of Transportation Office of Aviation and Consumer Protection. This makes sense, given the incredible increase in workload and surge from consumer complaints.

Secretary Buttigieg has taken important steps to protect consumers, but we need more policemen on the beat to execute these tools.

We should consider tripling the civil penalties for non-compliance, the cost of bad actors continuing to do [bad] things.

We must improve the consumer experience.

But today we also must talk about enabling the rural markets and small markets who are trapped because of the lack of air transportation systems. Most economic development happens within 10 miles of an airport. So if we’re hampering our airports, we are hampering our economic development.

I am proud that Trent Moyers, Director of Airports at the Chelan Douglas Port Authority, who will talk about why Wenatchee – the Apple Capital of the World – needs to have good air transportation.

Next to the airport, Microsoft is building a 41,000-square-foot data center that will employ 50 full-time employees. This a \$400 million investment that would not be possible without the airport connection to the larger Washington economy.

So we have to have our communities like Wenatchee thrive. And for Wenatchee to thrive, they need good air transportation connectivity.

This Committee also needs to deal with this issue and help rural America have good air transportation service.

Q&A Portion

VIDEO

Witnesses:

Trent Moyers, Director of Airports, Chelan Douglas Regional Port Authority

Sara Nelson, Intl President, Association of Flight Attendants-CWA, AFL-CIO

William McGee, Senior Fellow Aviation and Travel, American Economic Liberties Project

Cantwell: Mr. Moyers, back to the situation of rural communities and how essential air service is. The community air service program that you mentioned in your testimony, and I think you mentioned you think we should fully fund that, and obviously essential programs, but is the issue coming down to pilots? Is the issue that airlines, if you have pilot capacity and you can fly from Seattle to Hawaii, you probably make a little bit more money on that flight than Seattle to Wenatchee?

And so what do we do, do you think? Because I don't think...one SCASDP, focused on the market, and then one focused on essential service. What's the best way for us to get at this underlying problem?

Moyers: I can't disagree with you about a revenue on a flight to Hawaii versus to Wenatchee. And that's the challenge those business decisions are being made that marginalize a small market. It's hard for me to compete for service in Wenatchee versus of service from some other destination where there's a greater yield or return on their investment. And a startup service as well for bringing new service in. That airline is going to incur some costs of bringing ground handling equipment, ground crew, the ticket agents, all of those expenses. They're looking to the airports, how can you help us with that startup? And so there's some questions there as far as infrastructure and equipment that I can't answer fully right now. That is the big challenge for us in competition in other markets.

From a rural standpoint, I think everyone's agreed that everyone deserves accessibility. I don't think there's a question there. It's how do we get to it.

The SCASDP programs are in place right now. With, I think, the last announcement was for \$15 million, is that enough to go as far as it needs to for enough communities to benefit from it? If an applicant is going to ask now for a couple million dollars, whereas before it was \$700,000 or \$800,000, those dollars aren't going to go as far and fewer markets will benefit.

Cantwell: Well, I guarantee you, we did the CHIPS and Science bill with our colleague, Senator Wicker, with the notion that we were going to spread out innovation.

And when you talk about the innovation that's happening in Wenatchee, which is amazing, people probably didn't get all the digestion of your comments about being in the diamond manufacturing business now. But you used to be an aluminum smelter

there and now you're manufacturing diamonds. And the community decided they wanted to do that. And as you said, the community told them that you would have air service. And I'm pretty sure you probably told Microsoft the same thing.

So the question is, we're going to hamper economic growth and development in other parts of the country. We're going to hamper innovation because innovation can happen in other places. But it has to happen here... And I just think we're going to have to figure out working together how to how to bridge this gap somehow.

So do you think it's back to Essential Air Service then?

Moyers: I don't know that it's Essential Air Service. I think there are markets where that does make sense. But from the standpoint of Wenatchee, I couldn't say that I need a Essential Air Service. I don't think...we wouldn't fit that criteria. There may be places where that's viable. So to just scrap that program, I couldn't sit here today and tell you that would be my suggestion.

Cantwell: Okay.

Ms. Nelson, thank you for being here. You've mentioned in your testimony about chaotic scheduling by airlines that strain the system. I know a lot of people, I hear from our colleagues, we're definitely flyers. So we hear lots of different things about people who capture a market by saying they're going to leave every half an hour, and then they don't leave every half an hour, and then they get so congested and backed up, but have they captured the market – yes. They just haven't delivered the service.

Do you agree that DOT should be carefully examining whether airlines are publishing unrealistic schedules and leaving workers and consumers in a bind? That was the DOT [rule on] unfair and deceptive practices.

Nelson: Yes, yes, I agree with that wholeheartedly. And it was because of pressure from lawmakers and from DOT, that the airlines rolled back that unrealistic service this last summer.

So there needs to continue to be a real transparency on that, and oversight on that, to make sure that we're not over promising because the people on the frontlines are left to hold the bag. And we also are not getting home to our loved ones.

We also don't have the infrastructure at the airlines. In some cases, they haven't purchased the new scheduling programs that allow them to respond immediately. And they don't have the staff behind the scenes to be able to pick up the phone.

So when the operation falls apart like that, many times the people on the front lines are left on hold for five, six hours to try to get through to a scheduler in order to get rescheduled. So it takes the proper investment in infrastructure for the airlines. It takes the proper staffing, both in terms of the frontlines and the back end to support that frontline crew. And it can't be, as Senator Welch said, just driven to share price because that is what we end up with, when that's the only objective at the airline.

Cantwell: Mr. McGee, your testimony was clear. So I'm pretty sure you think that passengers deserve refunds in a timely fashion. But do you think we should also up the oversight by DOT on this so that you actually are forcing the airlines to comply with this?

McGee: Yes, thank you, Senator.

Cantwell: Do we have enough infrastructure to oversee that as well?

McGee: I guess, you know, it's clear we don't. We're in constant touch with the DOT. And they expressed in 2020, when they received a record number of complaints from consumers on refunds, a total of some 29,000, that their staff was overwhelmed just processing it. And understand, that's not acting on the refunds, that's just processing it.

The bottom line is that when you look at the refund problem, there are multiple layers to it. One is the fact that we do have an existing DOT rule that says you are entitled to a cash refund if your flight is canceled for any reason, whether it's the airline's fault or not.

It is clear that U.S. airlines and some foreign airlines have blatantly violated that rule. And there has not been enough enforcement on that.

But an additional problem, sitting right behind me is my colleague Matt Stoller, he had a flight canceled last summer. He was entitled to a cash refund, he and his wife, and he forwarded me a text from Delta Airlines that said 'we're sorry your flight was canceled, you're entitled to a credit.' That's unacceptable. In our view, that should absolutely not have happened.

We live by the fact that about 87% of Americans fly less than once every 18 months. How are they supposed to know these rules? Who knows?

Now, Matt was lucky enough to have an aviation geek on speed dial. So he was able to text me and I said, 'WHOA' in all caps, 'do not accept that credit.' And I gave him the rule. He went to Delta and they said, 'fine,' but that is an unfair and deceptive practice.

And then of course, we have the problem with the with the credits then expiring. And you know, Southwest and others have gotten credit for not letting them expire. All U.S. airlines should be mandated. But yes, we need more enforcement here.

Cantwell: It'd be one thing if you then could get them on the phone and talk about it. But they may not even have the details of the case. So then they would just tell you it's expired. And then you'd say no, no, no, I got this because my flight was canceled. Who [can] get me this? I should have it. Then you try to get somebody on the phone. You spend a lot of time getting that money back.

McGee: And don't forget that Frontier Airlines just shut down its call center. You cannot even call that airline. Let's hope that's a trend that doesn't continue.