



The Honorable Susan Collins, Chairman  
The Honorable Jack Reed, Ranking Member  
Subcommittee on Transportation, Housing and  
Urban Development, and Related Agencies  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

March 16, 2018

Dear Senators Collins and Reed:

Consumers Union, the advocacy division of Consumer Reports,<sup>1</sup> and Consumer Federation of America<sup>2</sup> commend you for your leadership in spurring the Department of Transportation to continue with its rulemaking proceedings to promote transparency and competition in airline industry practices on distribution and display of information on fares, schedules, and seat availability, and ancillary fees. We have asked the Department to reverse its unfortunate decision to withdraw these proceedings. We urge you to continue your efforts to restart them and get them back on track.

The passenger airline marketplace has become increasingly more concentrated and less competitive over a number of years, with four airline giants now controlling more than 80 percent of all domestic air travel, resulting in fewer choices, higher costs, and poorer service. And airlines are making it harder for consumers to comparison shop – by adding ancillary fees on top of the base fare; by charging consumers for previously free services, such as checked luggage, carry-on luggage, and advanced seat reservations; and by establishing new and confusing fare classes such as basic economy, with even more fees attached. The challenge of finding affordable and convenient flights is further complicated for consumers when the airlines refuse to provide timely and accurate information on flight schedules, fares and fees, and seat availability to independent third-party ticket sellers, where consumers can search across multiple

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<sup>1</sup> Consumers Union is the advocacy division of Consumer Reports, an expert, independent, non-profit organization whose mission is to work for a fair, just, and safe marketplace for all consumers and to empower consumers to protect themselves. Consumers Union works for pro-consumer policies in the areas of transportation, financial services, food and product safety, health care, telecommunications and technology, privacy and data security, antitrust and competition policy, and other consumer issues, in Washington, D.C., in the states, and in the marketplace. Consumer Reports is the world's largest independent product-testing organization, using its dozens of labs, auto test center, and survey research department to rate thousands of products and services annually. Founded in 1936, Consumer Reports has over 7 million subscribers to its magazine, website, and other publications.

<sup>2</sup> Consumer Federation of America is an association of over 250 non-profit consumer groups that was established in 1968 to advance the consumer interest through research, advocacy, and education.

airlines at once. The expanded use of these fees, and the lack of transparency in pricing, is part of a disturbing trend we are seeing of surprise add-on fees more broadly in the marketplace.

We were encouraged when the Department took steps to address this growing problem in two related proceedings – one to obtain information on airline industry practices regarding distribution of this information to independent ticket sale platforms,<sup>3</sup> and another to require that airline ancillary fee information be made available and disclosed to consumers on all ticket sale platforms.<sup>4</sup> Consumers Union had been calling for such an undertaking for many years, and we were actively participating.<sup>5</sup> Unfortunately, as you know, these two proceedings were suspended last March, and were withdrawn in December.<sup>6</sup>

We greatly appreciate your decision last summer to include section 106 in S. 1655, the Transportation, Housing, and Urban Development Appropriations Act, directing the Department to reopen the suspended inquiry into how fare, schedule, and seat availability information is made available. We have recently written the Department to urge that it reinstate its proceedings.<sup>7</sup> We hope you will also continue to press the Department to pursue useful access to this basic information by independent ticket sellers, so that people shopping for plane tickets can effectively exercise what choice is left in this concentrated marketplace.

Thank you for your leadership on this important issue for consumers in your states and throughout the country.

Sincerely,



William J. McGee  
Aviation Adviser  
Consumer Reports



George P. Slover  
Senior Policy Counsel  
Consumers Union



Susan Grant  
Director of Consumer  
Protection and Privacy  
Consumer Federation  
of America

cc: Members, Senate Appropriations Committee

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<sup>3</sup> <https://www.federalregister.gov/documents/2016/12/22/2016-30830/exploring-industry-practices-on-distribution-and-display-of-airline-fare-schedule-and-availability>.

<sup>4</sup> <https://www.federalregister.gov/documents/2017/01/19/2017-00904/transparency-of-airline-ancillary-service-fees>.

<sup>5</sup> <https://consumersunion.org/research/comments-of-consumers-union-and-us-pirg-to-dept-of-transportation-re-ensuring-access-to-reliable-airline-flight-information/>.

<sup>6</sup> <http://consumersunion.org/news/consumers-union-strongly-disagrees-with-dots-move-to-scuttle-airline-passenger-protection-rules/>.

<sup>7</sup> <https://consumersunion.org/research/cu-comments-to-department-of-transportation-on-regulatory-review-of-airline-issues/>.