

June 5, 2015

Hon. Anthony Foxx

Data Quality Official Office of the Secretary

U.S. Department of Transportation 1200 New Jersey Ave, SE Washington, DC 20590

RE: Request for Correction of Information and Deletion of Misinformation in DOT "FLY RIGHTS" re compensation for flight delays

Dear Sir/Madam:

On behalf of Flyersrights.org, its 50,000+ members and the traveling public, the undersigned respectfully submits this request for correction of information, under Section 515 of the Treasury and General Government Appropriations Act for Fiscal Year 2001¹, known as the Information Quality Act² ("IQA"), and the Department of Transportation's ("DOT") Information Dissemination Quality Guidelines³ ("Guidelines") under it.

The objective of this request is to correct the following erroneous information currently disseminated on the website of DOT's Aviation Consumer Protection Division ("ACPD"):

Contrary to popular belief, airlines are not required to compensate passengers whose flights are delayed or canceled. As discussed in the chapter on overbooking, compensation is required by law only when you are "bumped" from a flight that is oversold.4

⁴ See Appendix, Item 2.

¹ Consolidated Appropriations–FY 2001, PL 106-554, December 21, 2000.

² The Information Quality Act passed through the United States Congress in Section 515 of the Consolidated Appropriations Act of 2001 (Pub. L. 106-554). Because the Act was a two-sentence rider in a spending bill, it had no name given in the actual legislation. The Government Accountability Office calls it the Information Quality Act while others call it the Data Quality Act. For purposes of this memo it is called the Information Quality Act.

³ U.S. Department of Transportation, Guidelines for Ensuring and Maximizing the Quality, Objectivity, Utility and Integrity of Information Disseminated by the Department of Transportation, http://www.rita.dot.gov/bts/sites/rita. dot.gov.bts/files/subject_areas/statistical_policy_and_research/data_quality_guidelines/html/guidelines.html.

Contrary to the belief of some, airlines are not required to compensate passengers for "damages" when flights are delayed or canceled. Compensation is required by law only when you are "bumped" from a flight that is oversold.⁵

FlyersRights.org has made multiple informal requests since 2013 to the DOT requesting that they edit the language on the "Fly Rights" section of their website to accurately state the law regarding delay compensation for airline passengers which has provided for compensation rights for international air travel for over a decade. This was followed by an email to DOT's Office of Aviation Enforcement on February 26, 2015, a formal letter to the Secretary of Transportation on April 10, 2015 and another email on May 7, 2015. See Attachments 1, 2, & 3. To date, DOT has acknowledged receiving our requests but no action has been taken to correct this longstanding disinformation being disseminated to the traveling public.

The information published on DOT's website is discretionary agency speech falling under the IQA and DOT guidelines. However, it is particularly ironic and egregious that the taxpayer funded government agency charged with protecting airline passengers from deceptive practices has itself engaged in such a practice and has so far failed and refused to correct it.

As part of the guidelines, DOT and DOT organizations must ensure the quality of the information they disseminate. OMB's guidelines define "quality" as an encompassing term comprising "utility, objectivity, and integrity." Objectivity means that disseminated information needs to be "accurate, clear, complete, and unbiased." DOT's failure to communicate the rights belonging to airline passengers under the Montreal Convention, and its outright misinformation regarding delay compensation, via their "Fly Rights" site, which holds itself out as a "consumer guide to air travel," certainly violates this standard. None of the exceptions listed under Section IV of the Guidelines apply.

FlyersRights.org is the largest nonprofit airline passenger organization in the United States with over 50,000 members and supporters nationwide. It was the principal advocate of the 2009 Three Hour Rule ending tarmac confinements, for truth in scheduling regulations by the Department of Transportation, and for the inclusion of airline passenger rights provisions in the 2012 FAA Modernization and Reform Act. FlyersRights.org continues to advocate on the behalf of its members and the flying public.

FlyersRights.org typically receives several complaints a week from airline passengers who are uninformed or misinformed about their ability to seek compensation for flight delays and cancellations. Some of these passengers, and many others, initially seek information on their

⁵ See Appendix, Item 4. ⁶ *Id*.

⁸ Department of Transportation, Fly Rights, http://www.dot.gov/airconsumer/fly-rights.

situation themselves and invariably read through the "Delayed and Cancelled Flights" section of DOT's "Fly Rights" publication. For many, their inquiry may end there, with them believing that airlines are never required to compensate passengers for delays and cancellations. Others are lucky enough to stumble upon the correct information or to contact FlyersRights and learn the truth of the matter.

We estimate that upwards of 40 million enplanements a year, originating in, flying to, or flying through the US, potentially qualify for compensation under the Montreal Convention. Accordingly, the erroneous information being widely disseminated by DOT is causing substantive harm to the traveling public. It is conservatively estimated to be costing passengers over \$2 billion per year in lost compensation, and may be encouraging airlines not to take reasonable actions to prevent or avoid delays on international flights.

Specific Reasons the Information is in Error and does not Comply with OMB or DOT Guidelines

Montreal Convention

A. History

The Montreal Convention came into force on November 4, 2003. It serves as an update and replacement for the uniform system of liability regulation introduced by its predecessor, the 1929 Convention for the Unification of Certain Rules Relating to International Carriage by Air ("Warsaw Convention"). The drafters of the Montreal Convention intended for it to replace not only the Warsaw Convention but also the latter's attendant protocols and voluntary agreements between air carriers. There are currently 111 parties to the Montreal Convention with which the United States ratified on September 5, 2003. The Montreal Convention provides a liability system for the delay, loss, or damage to baggage or cargo as well as the delay, injury, or death of passengers arising from international air carriage on a modified strict liability basis.

⁹ Int'l Civil Aviation Org., *List of Parties to the Convention for the Unification of Certain Rules for International Carriage by Air*, http://www.icao.int/secretariat/legal/List%20of%20Parties/Mtl99_EN.pdf (last visited Apr. 7, 2015). Stated Purpose- RECOGNIZING the importance of ensuring protection of the interests of consumers in international carriage by air and the need for equitable compensation based on the principle of restitution.

¹⁰ Convention for the Unification of Certain Rules Relating to International Carriage by Air, opened for signature Oct. 12, 1929, 49 Stat. 3000, 137 L.N.T.S. 11 [hereinafter Warsaw Convention].

¹¹ See S. Rep. No. 108-8 at 2 (2003).

¹² Int'l Civil Aviation Org., *List of Parties to the Convention for the Unification of Certain Rules for International Carriage by Air*, http://www.icao.int/secretariat/legal/List%20of%20Parties/Mtl99_EN.

B. Application

The Montreal Convention "applies to all international carriage of persons, baggage or cargo performed by aircraft for reward." It defines "international carriage" as:

Any carriage in which, according to the agreement between the parties, the place of departure and the place of destination, whether or not there be a break in the carriage or a transshipment, are situated either within the territories of two State Parties, or within the territory of a single State Party if there is an agreed stopping place within the territory of another State, even if that State is not a State Party.¹⁴

Thus, any passenger who books a flight with an international segment either between two signatory countries, or a flight in and out of the United States with a layover in another country, will have their rights governed by the terms of the Montreal Convention. This remains true even if the delay or injury takes place on the domestic segment of an otherwise international flight.

C. Passenger Delay

Article 19 of the Montreal Convention provides:

The carrier is liable for damage occasioned by delay in the carriage by air of passengers, baggage or cargo. Nevertheless, the carrier shall not be liable for damage occasioned by delay if it proves that it and its servants and agents took all measures that could reasonably be required to avoid the damage or that it was impossible for it or them to take such measures.¹⁵

Where an air carrier is found not to have taken all reasonable measures then the carrier is liable and the plaintiff is permitted recovery of compensatory damages.¹⁶ Thus, the cost of lost days at a resort, a car rental, and hotel nights are potentially recoverable, but damages for any purely emotional or mental impact of the delay are not.¹⁷ Economic damages due to lost work and compensation for physical harms and illnesses are also recoverable.¹⁸ Pain and suffering damages are only compensable when flowing from a physical injury or illness occasioned by a

¹³ Convention for the Unification of Certain Rules for International Carriage by Air art. 19, opened for signature May 28, 1999, 2242 U.N.T.S. 309, *reprinted in S.* Treaty Doc. No. 106-45, 1999 WL 33292723 (2000) art. 1(1). [hereinafter Montreal Convention].

¹⁴ *Id.* at art. 1(2).

¹⁵*Id*. at art. 19.

¹⁶ See Daniel v. Virgin Atlantic Airways Ltd., 59 F. Supp. 2d 993, 986 (N.D. Cal. 1998).

¹⁷ See, e.g., Lee v. Am. Airlines, Inc., 2004 WL 18008 (5th Cir. Jan. 14, 2004) (holding that nonrefundable vacation expenses are recoverable under Article 19, but the loss of a "refreshing memorable vacation" and other "so-called inconvenience damages" are simply a re-characterization of emotional damages, which are not recoverable).

¹⁸ See Rubin v. Air China Ltd., 2011 WL 2463271 at *3-4 (N.D. Cal. June 21, 2011).

flight delay. 19 Courts have split on whether certain "inconvenience" damages are recoverable. 20 Passengers may not recover the cost of their airfare. ²¹ Litigation expenses may also be recoverable. However, if an airline satisfies the "all reasonable measures" standard then the passenger, no matter how much out-of-pocket expense they have incurred from the flight delay, is left without recourse.

What exactly constitutes "all reasonable measures" has been the subject of litigation. Significantly, it has been interpreted to mean an airline need only do what is reasonable; airlines need not do everything in their power to avoid delay. ²² As to what exactly constitutes all reasonable measures in a specific case is left for the fact finder. Several courts have asked whether such reasonable measures were taken at two different points in time: 1) measures taken to prevent the original delay-causing event, if possible; and 2) measures taken to rebook the passengers on another flight to minimize the delay.²³ Under such a standard, taking reasonable measures to prevent the original delay might not be enough if airlines fail to act reasonably in rebooking the delayed passenger on another flight.

Ultimately, each case presents unique facts to be weighed, but courts have generally found that airlines behaved reasonably when delay situations were caused by enhanced security measures, mechanical failures, and weather events.²⁴ However, even though an airline may be confronted with unpreventable delays due to acts of God, an airline's failure to take appropriate measures to rebook passengers may be deemed unreasonable.²⁵

¹⁹ *Id*.

²⁰ Compare Onwuteaka v. Northwest Airlines, Inc., 2007 WL 1406419 (S.D. Tex. May 10, 2007) with Daniel, 59 F. Supp. 2d at 994 (N.D. Cal. 1998) ("[D]amages for inconvenience do not fall within the rubric of 'emotional distress.' Time is money, after all, and the Court finds that the inconvenience of being trapped for hours in an unfamiliar airport is a compensable element of damages for delay in air travel.")

²¹ See Rubin, 2011 WL 2463271 at *5; Fields v. BWIA Int'l Airways Ltd., 2000 WL 1091129 at *5 (E.D.N.Y. July 7, 2000) ("Fields actually flew to Barbados the following day, BWIA therefore, performed its obligations under the contract (albeit one day late) and Fields cannot claim total nonperformance.").

²² See, e.g., Verdesca ex rel. Estate of Verdesca v. Am. Airlines, Inc., No. 3-99-CV-2022-BD, 2000 WL 1538704 at *3 (N.D. Tex. Oct. 17, 2000) ("[T]he carrier need only show that it took all precautions that in sum are appropriate to the risk, i.e. measures reasonably available to defendant and reasonably calculated, in cumulation, to prevent the subject loss."); Helge Mgmt., Inc. v. Delta Air Lines, Inc., 2000 WL 2990728 at *4 (D. Mass. July 19, 2012) ("The failure to take any particular precaution that might have prevented the loss does not necessarily prevent the carrier from relying on this defense; not every possible precaution must be taken."). ²³ Helge, 2000 WL 2990728 at *4.

²⁴ See Peralta v. Continental Airlines, Inc., 1999 WL 193393, at *2 (N.D. Cal. March 30, 1999) (air carrier not liable for delay caused by security measures); Helge, 2000 WL 2990728 (air carrier not liable for delay costs due to mechanical failures); Cohen v. Delta Air Lines, Inc., 751 F. Supp. 2d 677 (S.D.N.Y. 2010) (air carrier not liable for delay costs due to weather).

²⁵ See Giannopoulos v. Iberia Lineas Aereas de Espana, 2012 WL 5499426 (N.D. Ill. Nov. 9, 2012).

Additionally, courts have held that claims based on an airline's refusal to fly passengers fall under nonperformance, not delay, and therefore are not governed by Article 19.²⁶ Thus, bumping claims are often neither preempted nor governed by the Montreal Convention.²⁷ However, there are many cases where courts have held that bumping is a "delay" where either 1) the airline provided or offered substitute transportation or 2) the plaintiff either secured alternative transportation without waiting to find out whether the defendant airlines would transport them or refused an offer of a later flight.²⁸

D. Liability Cap

However, the Montreal Convention does provide a monetary limit for passenger delays.²⁹ On December 30, 2009, the original liability limit for delay (4,150 Special Drawing Rights) was increased to 4,694 Special Drawing Rights, currently worth more than \$5,700.³⁰ An air carrier's liability may exceed this limit if a passenger can prove reckless misconduct on the part of the carrier.³¹

European Union Rules

The European Union maintains a variety of air passenger rights including financial compensation for cancelled and delayed flights. These rules apply to flights within the EU or between a EU airport and non-EU airport. For flights delayed more than three hours or cancelled, passengers are due automatic compensation between €250 and €600 depending on the distance of the flight. For delayed flights, the compensation may be reduced by 50% if the airline offered you an alternative flight with a similar schedule. For cancelled flights, you won't receive compensation if: the cancellation was due to extraordinary circumstances, such a bad weather; you were informed at least two weeks prior to the flight; or you were offered an alternative flight along the same route with a similar schedule. The same route with a similar schedule.

²⁶ See Wolgel v. Mexicana Airlines, 821 F.2d 442 (7th Cir. 1987); In re Nigeria Charter Flights Contract Litigation, 520 F. Supp. 2d 447 (E.D.N.Y. 2007); Weiss v. El Al Israel Airlines, Ltd., 433 F. Supp. 2d 361, 364-5 (S.D.N.Y. 2006).

²⁷ Weigand, *supra* note 14, at 453.

²⁸ See, e.g., Ikekpeazu v. Air France, 2004 WL 2810063 (D. Conn., Dec. 6, 2004); Fields v. BWIA Int'l Airways, Ltd., 2000 WL 1091129 at *3 (E.D.N.Y. July 7, 2000); Wolgel, 821 F.2d 442; Sassouni v. Olympic Airways, 769 F. S75, 538 (S.D.N.Y. 1991); Igwe v. Northwest Airlines, Inc., 2007 WL 43811 (S.D. Tex., Jan. 4, 2007).

²⁹ Montreal Convention, *supra* note 12, art. 22.

³⁰ Inflation Adjustments to Liability Limits Governed by the Montreal Convention Effective Dec. 30, 2009, 74 F.R. 59017-18 (Nov. 16, 2009).

Montreal Convention, *supra* note 12, art. 22(5).

³² European Union, *Air Passenger Rights*, http://europa.eu/youreurope/citizens/travel/passengerrights/air/index_en.htm.

³³ *Id*.

³⁴ *Id*.

³⁵ *Id*.

³⁶ *Id*.

DOT Information in Error

DOT's ACPD is the subdivision of DOT that receives complaints from passengers, verifies airline compliance with DOT consumer protection requirements, "provides guidance to ... members of the public on consumer protection matters" and "makes available to the public information on pertinent consumer matters." ACPD publishes a "Consumer Guide to Air Travel" on its website under the title of "Fly Rights." There, DOT includes a wide variety of information relating to air travel and the rights and limitations of passengers, including a section on delays and cancellations. However, no mention is made of passengers' cause of action under the Montreal Convention for international flight delays and the damages to which they may be entitled. No mention is made of the EU rules.

Instead, passengers are informed that "[c]ontrary to popular belief, airlines are not required to compensate passengers whose flights are delayed or canceled." It is further stated that "compensation is required by law only when you are "bumped" from a flight that is oversold." These two sentences communicate to the public that there is never, under any circumstance, possible compensation from airlines for delayed or cancelled flights. That the only time compensation is ever legally required is for involuntary bumping, never for delays or cancellations. Nothing else is mentioned about possible causes of action against airlines for passenger delay compensation. The only mention of the Montreal Convention within "Fly Rights" is in regards to the limitation of liability for airlines that damage luggage. ⁴¹

ACPD does separately provide information on inflation adjustments to the liability limits of the Montreal Convention, ⁴² but provides no further information as to which causes of action these limits apply. ⁴³ ACPD provides additional information on flight delays, ⁴⁴ including ten tips for passengers. ⁴⁵ However, these tips reiterate the same erroneous message that airlines are never required to compensate passengers for flight delays and again fail to mention the Montreal Convention or the EU rules. ⁴⁶

7

³⁷ Department of Transportation, *About Us*, http://www.dot.gov/airconsumer/about-us

³⁸ Department of Transportation, Fly Rights, http://www.dot.gov/airconsumer/fly-rights

³⁹ See Appendix, Item 2.

⁴⁰ See Appendix, Item 2.

⁴¹ See Appendix, Item 1.

⁴² Department of Transportation, *Inflation Adjustments*, http://www.dot.gov/individuals/air-consumer/inflation-adjustments-montreal-convention-liability-limits

⁴³ See Appendix, Item 3.

⁴⁴ Department of Transportation, *Fly Rights*, http://www.dot.gov/airconsumer/fly-rights

⁴⁵ Department of Transportation, *Plane Talk: Coping with Flight Delays*, http://www.dot.gov/airconsumer/plane-talk-coping-flight-delays

⁴⁶ See Appendix, Item 4.

This information, both in "Fly Rights" and "Plane Talk: Coping with Flight Delays," is clearly erroneous. It is directly disseminated by DOT under ACPD and is readily available to, and intended for, the general public. The information is substantive advice on what rights passengers have and what options are available to them.

The Specific Recommendations for Correcting the Information

The information in question must be corrected so that the flying public is aware of their full range of rights. However, the corrected information should accurately depict these rights and not give the impression that they extend farther than they do. To accomplish this goal perfectly would require multiple pages of information discussing the Montreal Convention and case law interpreting the Convention.

Considering the nature of the "Fly Rights" and "Plane Talk" publications and their intended audiences, the corrected information needs to fit into a handful of sentences that adequately inform readers that a right to compensation exists, that right is not automatic, and the compensation in question is capped.

We believe the following should be substituted for the two sentences in question for both "Fly Rights" and "Plane Talk: Coping with Flight Delays" ⁴⁸:

For domestic flights within the US, there is generally no right to compensation for flight delays unless contained in the airline's contract of carriage, or pursuant to the DOT bumping (oversales) rule or another DOT regulation.

Airlines, however, are liable for damages caused by delay in the transporting of passengers or cargo on international trips up to about \$5,700, unless the airline proves that it took all reasonable measures to prevent the damage caused by delay or that it was impossible for them to take such measures. For details see the Montreal Convention Article 19 at

http://www.jus.uio.no/lm/air.carriage.unification.convention.montreal.1999/doc.html

Compensation for flight delays over three hours may also be available for flights within, to or from the European Union (EU). See

http://europa.eu/youreurope/citizens/travel/passenger-rights/air/index_en.htm

⁴⁷ See Appendix, Item 2 "Contrary to popular belief, airlines are not required to compensate passengers whose flights are delayed or canceled. As discussed in the chapter on overbooking, compensation is required by law only when you are 'bumped' from a flight that is oversold."

⁴⁸ See Appendix, Item 4 "Contrary to the belief of some, airlines are not required to compensate passengers for 'damages' when flights are delayed or canceled. Compensation is required by law only when you are 'bumped' from a flight that is oversold."

Remedial Action is Necessary

Given the longstanding and egregious nature of the erroneous information disseminated by the DOT, and the fact there is a two year statute of limitations for a passenger to file a demand or bring suit for passenger delay compensation under the Montreal Convention, it is further requested that the DOT issue a press release highlighting the correction and affirmatively notify any complaining passengers of the correction that were misinformed regarding delay compensation rights over the past two years by DOT staff.

This request for correct is being submitted by Paul Hudson on behalf of FlyersRights.org (aka as Flyers' Rights Education Fund, Inc., a nonprofit corporation incorporated under the laws of the District of Columbia).

Sincerely,

Paul Hudson

President

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 \mathbf{Cc}

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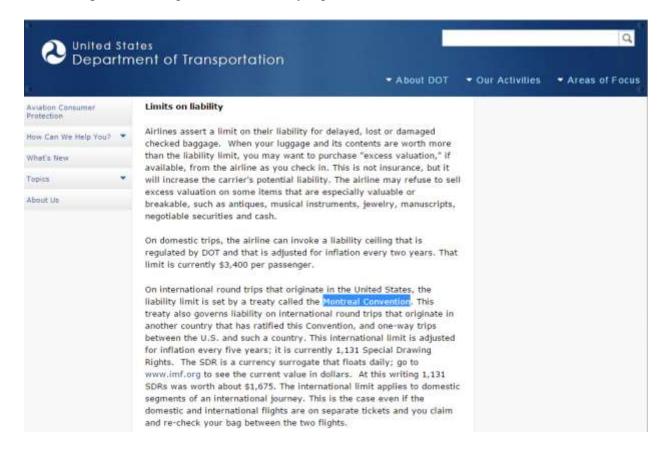
Norman Strickman, Director, Aviation Consumer Protection Division

Susan Kurland, DOT Assistant Secretary for Aviation and International Affairs

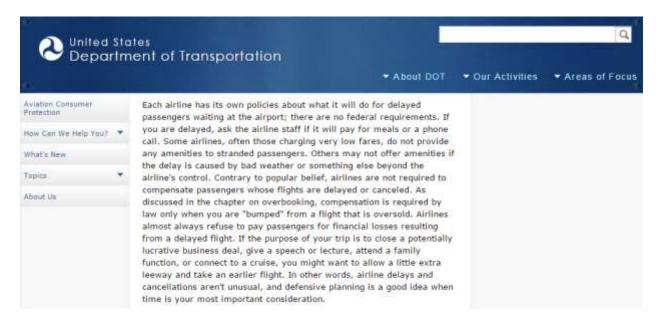
Calvin Scovel III, DOT Inspector General

Appendix

Item 1: http://www.dot.gov/airconsumer/fly-rights



Item 2: http://www.dot.gov/airconsumer/fly-rights



Item 3: http://www.dot.gov/individuals/air-consumer/inflation-adjustments-montreal-convention-liability-limits



Item 4: http://www.dot.gov/airconsumer/plane-talk-coping-flight-delays

