117TH CONGRESS 2D Session

To provide for cash refunds for canceled airline flights and tickets.

## IN THE SENATE OF THE UNITED STATES

Mr. MARKEY introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

## A BILL

To provide for cash refunds for canceled airline flights and tickets.

1 Be it enacted by the Senate and House of Representa-

2 tives of the United States of America in Congress assembled,

**3 SECTION 1. SHORT TITLE.** 

4 This Act may be cited as the "Cash Refunds for5 Flight Cancellations Act of 2022".

6 SEC. 2. CASH REFUNDS FOR CANCELED AIRLINE FLIGHTS
7 AND TICKETS.

8 (a) IN GENERAL.—Chapter 417 of title 49, United
9 States Code, is amended by adding at the end the fol10 lowing:

| 1  | "SEC. 41727. CASH REFUNDS FOR CANCELED AIRLINE     |
|----|--|
| 2  | FLIGHTS AND TICKETS.                               |
| 3  | "(a) Cash Refunds.—                                |
| 4  | "(1) REQUIREMENT.—                                 |
| 5  | "(A) IN GENERAL.—Subject to subpara-               |
| 6  | graph (B), a covered carrier or ticket agent who   |
| 7  | sells a ticket for a passenger to take a covered   |
| 8  | flight, and either such flight is canceled or sig- |
| 9  | nificantly delayed (as defined by the Secretary    |
| 10 | of Transportation) by the covered carrier or       |
| 11 | such ticket is canceled by the passenger at least  |
| 12 | 48 hours before the scheduled departure of the     |
| 13 | flight, shall offer the passenger a full cash re-  |
| 14 | fund for such ticket, including any ancillary      |
| 15 | fees paid, within 30 days of the passenger mak-    |
| 16 | ing the request.                                   |
| 17 | "(B) LIMITATION.—A covered carrier or              |
| 18 | ticket agent shall only be required to offer a     |
| 19 | cash refund under subparagraph (A) for 1           |
| 20 | flight booked by a passenger on any city-pair      |
| 21 | itinerary on any given date.                       |
| 22 | "(2) Alternative form of compensation.—            |
| 23 | "(A) IN GENERAL.—A covered carrier or              |
| 24 | ticket agent may offer an alternative form of      |
| 25 | compensation determined appropriate by the         |
| 26 | covered carrier or ticket agent, including a       |

| 1  | andit a vouchar or other mechanism to com             |
|----|---|
|    | credit, a voucher, or other mechanism to com-         |
| 2  | pensate a passenger, provided that any such           |
| 3  | offer includes a clear and conspicuous notice of      |
| 4  | a passenger's right to a cash refund under            |
| 5  | paragraph (1).  |
| 6  | "(B) NO EXPIRATION DATE.—An alter-                    |
| 7  | native form of compensation provided pursuant         |
| 8  | to subparagraph (A) shall remain valid and re-        |
| 9  | deemable by the passenger indefinitely.               |
| 10 | "(3) Retroactive refunds.—In the case of a            |
| 11 | passenger who—  |
| 12 | "(A) received an alternative form of com-             |
| 13 | pensation during the period beginning on              |
| 14 | March 1,2020, and ending on the day prior to          |
| 15 | the date of enactment of this Act for a covered       |
| 16 | flight or ticket for a covered flight canceled by     |
| 17 | the covered carrier or by the passenger; and          |
| 18 | "(B) has not fully used such alternative              |
| 19 | compensation,   |
| 20 | such passenger may request a cash refund to replace   |
| 21 | the alternative compensation, or the remaining alter- |
| 22 | native compensation if the passenger has used part    |
| 23 | of the alternative compensation, and the covered car- |
| 24 | rier or ticket agent shall comply with such request   |
| 25 | within 30 days of receiving such request.             |

"(4) REIMBURSEMENT TO TICKET AGENT.—A
ticket agent who provides a cash refund to a passenger under this section, including a retroactive refund under paragraph (3), shall be entitled to
prompt reimbursement from any covered carrier for
the portion of the ticket price paid to that carrier.
"(b) FUNDING.—

"(1) IN GENERAL.—Subject to paragraph (2), a 8 9 covered carrier or ticket agent may use amounts ap-10 propriated or otherwise made available to the com-11 mercial airline industry in any appropriations en-12 acted on or after March 1, 2020, in response to COVID-19 to pay for the cash refunds under sub-13 14 section (a), including retroactive refunds under para-15 graph (3) of such subsection.

"(2) LIMITATION.—A covered carrier may not 16 17 use amounts appropriated under section 4112 of the 18 Coronavirus Economic Stabilization Act of 2020 19 (title IV of division A of the Coronavirus Aid, Relief, 20 and Economic Security Act (Public Law 116–136)) 21 to pay for the cash refunds under subsection (a), in-22 cluding retroactive refunds under paragraph (3) of 23 such subsection.

24 "(c) DISCLOSURE.—

"(1) PRIOR TO PURCHASE.—Prior to the sale of
a ticket for passenger to take a covered flight, a covered carrier or ticket agent shall disclose, in writing
in written or electronic communication, that the passenger has a right to cancel their ticket at any time
for any reason and receive a full cash refund.

7 "(2) CANCELLED OR SIGNIFICANTLY DELAYED 8 FLIGHT.—In the case of a covered carrier or ticket 9 agent who sells a ticket for a passenger to take a 10 covered flight, if such flight is canceled or signifi-11 cantly delayed (as defined by the Secretary of 12 Transportation) by the covered carrier or such ticket 13 is canceled by the passenger at least 48 hours before 14 the scheduled departure of the flight, the covered 15 carrier or ticket agent shall disclose, in writing in 16 written or electronic communication, that the pas-17 senger has a right to receive a full cash refund for 18 their ticket.

19 "(3) REQUIREMENTS FOR DISCLOSURE.—Any
20 written or electronic disclosure under paragraph (1)
21 or (2) shall be in a clear and conspicuous format.

22 "(d) DEFINITIONS.—In this section:

23 "(1) AIR CARRIER, FOREIGN AIR CARRIER,
24 TICKET AGENT, AND UNITED STATES.—The terms
25 'air carrier, foreign air carrier, ticket agent, and

| 1  | United States' have the meanings given those terms         |
|----|--|
| 2  | in section 40102.  |
| 3  | "(2) COVERED CARRIER.—The term 'covered                    |
| 4  | carrier' means—  |
| 5  | "(A) any passenger air carrier that had an                 |
| 6  | operating revenue in 2018 that exceeded                    |
| 7  | \$1,500,000,000 according to the Bureau of                 |
| 8  | Transportation Statistics; or                              |
| 9  | "(B) any passenger foreign air carrier op-                 |
| 10 | erating a flight to or from the United States.             |
| 11 | "(3) COVERED FLIGHT.—The term 'covered                     |
| 12 | flight' means a flight of a covered carrier that is        |
| 13 | scheduled to depart from, or arrive at, an airport lo-     |
| 14 | cated in the United States.".                              |
| 15 | (b) Enforcement.—Section 46301 of title 49,                |
| 16 | United States Code, is amended by adding at the end the    |
| 17 | following new subsection:                                  |
| 18 | "(j) Penalties Relating to Cash Refunds for                |
| 19 | CANCELED AIRLINE FLIGHTS AND TICKETS.— An air              |
| 20 | carrier or ticket agent that violates section 41727 shall  |
| 21 | be liable to the Government for a civil penalty of \$1,000 |
| 22 | for each violation.".                                      |
| 23 | (c) Clerical Amendment.—The analysis for chap-             |
| 24 | ter 417 of title 49, United States Code, is amended by     |
| 25 | adding at the end the following:                           |

"41727. Cash refunds for canceled airline flights and tickets.".

(d) EFFECTIVE DATE.—The amendments made by
 this section shall take effect of the date of the enactment
 of this Act.