October 2, 2020

ATTORNEY GENERAL RAOUL URGES CONGRESS TO ADOPT NEW CONSUMER PROTECTIONS TO PROTECT AIRLINE INDUSTRY CUSTOMERS

Chicago — Attorney General Kwame Raoul, as part of a bipartisan coalition of 40 attorneys general, sent a letter urging Congress to enact new consumer protection measures for airline industry customers as part of a financial relief package or in separate legislation as soon as possible.

"The COVID-19 pandemic has negatively impacted many industries, including airlines as people limit travel during the pandemic," Raoul said. "Congress should act to prevent layoffs and furloughs for Illinois airline workers. However, any relief for the airline industry must also include protections for consumers, particularly those who voluntarily cancel their flights for reasons related to the pandemic."

The United States passenger and cargo airline industry received nearly \$60 billion in federal stimulus funding through the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Congress is currently considering extending federal support by another six months and granting the industry an additional \$28 billion in payroll support.

In a letter to House Speaker Nancy Pelosi, Senate Majority Leader Mitch McConnell, House Minority Leader Kevin McCarthy and Senate Minority Leader Charles Schumer, Raoul and the attorneys general called on Congress to enact the following consumer protections either in conjunction with additional financial support to prevent airline industry layoffs and furloughs, or as soon as possible thereafter:

- Requiring carriers that receive federal financial relief to provide full refunds to customers who voluntarily cancel their flight reservations for reasons related to COVID-19.
- Strengthening existing laws requiring refunds for flight cancellations to be remitted in full and according to federal law, and preventing delays in the issuance of refunds or expirations that effectively cancel the value reimbursed.
- Authorizing state attorneys general to enforce federal airline consumer protection laws, thereby broadening consumer violation enforcement beyond a single federal agency.

In enacting the CARES Act, Congress included several consumer protections connected to federal stimulus funds the airline industry received. Since passage of the CARES Act, however, Raoul and the attorneys general note that consumers continue to experience issues with certain airlines. Consumer complaints range from failure to expeditiously provide refunds, as required by law, when flights were cancelled or significantly delayed; to failing to provide customers a means to promptly redeem vouchers or credits; and to not providing a reliable way for customers to resolve such problems. These problems resulted in consumers losing thousands of dollars in flight credits.

Finally, Raoul and the coalition request that if attorneys general are not provided dual consumer enforcement authority, the federal government provide a more transparent and robust consumer complaint process. In particular, Raoul and the attorneys general request authority for the consumer complaint investigation process to be removed from the U.S. Department of Transportation and moved to an agency more focused on consumer protection, such as the U.S. Department of Justice or the Federal Trade Commission.

Joining Attorney General Raoul are attorneys general from Arizona, California, Colorado, Connecticut, Delaware, the District of Columbia, Guam, Hawaii, Idaho, Indiana, Iowa, Kentucky, Maine, Maryland,

Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Northern Mariana Islands, Ohio, Oklahoma, Oregon, Pennsylvania, Puerto Rico, Rhode Island, South Dakota, Vermont, Virginia, Washington and Wisconsin.