Department of Transportation

SUPPORTING STATEMENT

**Enhancing TRANSPARENCY OF AIRLINE ANCILLARY SERVICE FEES**

OMB Control Number 2105-0588

INTRODUCTION

This is to request that the Office of Management and Budget (OMB) approve clearance of a new information collection titled Enhancing Transparency of Airline Ancillary Service Fees(OMB Control No. 2105-0588). This information collection implements requirements in the Department of Transportation’s (Department or DOT) final rule, Enhancing Transparency of Airline Ancillary Service Fees, which was published in the Federal Register on April 30, 2024.

On October 20, 2022, DOT published a Notice of Proposed Rulemaking (NPRM) titled, “Enhancing Transparency of Airline Ancillary Service Fees” (87 FR 63718), in which the agency proposed new information collections for disclosure by ticket agents and U.S. and foreign air carriers of applicable fee and policy information for the first and second checked baggage, carry-on baggage, for changing and cancelling reservations, and for the seat fee, if any, for a child passenger to be seated next to an accompanying adult (“family seating fees”). The Department also proposed to require disclosure by airlines to partner carriers and ticket agents of information on ancillary service fees and policies to enable partner carriers and ticket agents to accurately provide such information to consumers. In the NPRM, the public was notified of a 60-day period to comment on the proposed information collections.

After considering the comments received on the NPRM, which are addressed in both the Department’s final rule and this supporting statement, on March 4, 2024, DOT submitted its final rule to OIRA. The preamble to that final rule includes estimates of the burdens of the information collection requirements that were proposed in the NPRM and maintained in the final rule. The final rule requires three information collections: (1) U.S. air carriers, foreign air carriers, and ticket agents must disclose, during the online booking process, applicable fee and policy information for the first and second checked baggage and for carry-on baggage, and applicable fee and policy information for changing and cancelling reservations; (2) U.S. air carriers, foreign air carriers, and ticket agents in offline (in-person and telephone) transactions must disclose that bag, change, or cancellation fees apply to a quoted itinerary, if that is the case, and disclose such fees upon request by the consumer, and (3) U.S. air carriers and foreign air carriers must ensure that entities to which they provide fare, schedule, and availability information that display or sell the carrier’s flights directly to consumers receive information regarding baggage and ticket change and cancellation fees and policies.

**Part A. Justification.**

1. Circumstances that make collection of information necessary.*EXPLAIN THE CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY. IDENTIFY ANY LEGAL OR ADMINISTRATIVE REQUIREMENTS THAT NECESSITATE THE COLLECTION. ATTACH A COPY OF THE APPROPRIATE SECTION OF EACH STATUTE AND REGULATION MANDATING OR AUTHORIZING THE COLLECTION OF INFORMATION.*

The Department’s final rule amends 14 CFR 399.85 to strengthen protections for consumers by ensuring that they have access to fee and policy information for critical ancillary services, identified as first and second checked baggage and carry-on baggage and changing and cancelling reservations. This requirement is necessary so that consumers can determine the true cost of air transportation during their itinerary search and select air transportation that meets their needs. The final rule also requires carriers to provide information regarding fees and policies for these critical ancillary services to any entity that is required to disclose critical ancillary service fee information to consumers, so that those entities are able to meet their legal obligations to share that information with consumers.

This final rule is issued in response to Executive Order 14036 on Promoting Competition in the American Economy, which directs the Department to consider initiating a rulemaking to ensure consumers have ancillary fee information at the time of ticket purchase and is also issued under the Department’s authority under 49 U.S.C. 41712 to prohibit unfair and deceptive practices in air transportation and the sale of air transportation.

2. How, by whom, and for what purpose is the information used.*INDICATE HOW, BY WHOM, AND FOR WHAT PURPOSE THE INFORMATION IS TO BE USED. EXCEPT FOR A NEW COLLECTION, INDICATE THE ACTUAL USE THE AGENCY HAS MADE OF THE INFORMATION RECEIVED FROM THE CURRENT COLLECTION.*

Under 14 CFR 399.85, as amended by the Department’s final rule, the required disclosures by carriers and ticket agents to consumers of the fees and policies for transporting baggage and changing or canceling a flight to consumers will be used by consumers to understand the true cost of air transportation being offered and select the air transportation that best meets their needs. The required disclosure of baggage and ticket change and cancellation fees and policies by carriers to entities to which they provide fare, schedule, and availability information that display or sell the carrier’s flights directly to consumers will enable those entities to have the necessary information to make the required disclosures of fees and policies for critical ancillary services to consumers.

3. Extent of automated information collection.*DESCRIBE WHETHER, AND TO WHAT EXTENT, THE COLLECTION OF INFORMATION INVOLVES THE USE OF AUTOMATED, ELECTRONIC, MECHANICAL, OR OTHER TECHNOLOGICAL COLLECTION TECHNIQUES OR OTHER FORMS OF INFORMATION TECHNOLOGY, E.G. PERMITTING ELECTRONIC SUBMISSION OF RESPONSES, AND THE BASIS FOR THE DECISION FOR ADOPTING THIS MEANS OF COLLECTION. ALSO DESCRIBE ANY CONSIDERATION OF USING INFORMATION TECHNOLOGY TO REDUCE BURDEN.*

This final rule does not require any submission of information to the government. Respondents are expected to modify existing systems to provide the disclosures required by this rule. Existing internet-based systems generally provide means for automated disclosure through online displays of fare and schedule information upon inquiry by consumers. This rule would require that critical ancillary fee and policy information also be provided to consumers in online displays, which can be provided through the existing internet-based automated process. For offline (in-person and telephone) transactions, airline reservation agents and ticket agents generally access fare and schedule information using proprietary internet-based automated processes that already include critical ancillary fee and policy information or can be modified if necessary.

For disclosures to consumers (information collections 1 and 2), carriers and ticket agents must provide the information in the medium through which the consumer conducts the search for air transportation (i.e., provided online for searches conducted online, and provided by phone or in-person for searches conducted using those methods). In response to public comments received on the NPRM, the final rule provides additional flexibility for online disclosures by carriers and ticket agents beyond what was proposed. The final rule requires carriers and ticket agents to disclose critical ancillary service fees and policies through any method that is clear and conspicuous, except that fees may not be disclosed using hyperlinks. The final rule also requires carriers and ticket agents to display policy information any time before ticket purchase, rather than at the time of first search as proposed in the NPRM.

For sharing of critical ancillary fee and policy information by carriers to entities to which carriers provide fare, schedule, and availability information (information collection 3), the final rule does not require carriers to provide the data in any particular format. Instead, the final rule uses a flexible performance-based, rather than prescriptive, standard and requires that the fee and policy information be provided in a manner that is “useable, current, and accurate,” and “dynamic, non-static.” In addition, the final rule does not require data sharing to be conducted through any particular method. For example, the final rule permits, but does not require, airlines to distribute the required information through Global Distribution Systems, third parties that are commonly used by most carriers to distribute fare and schedule information.

4. Efforts to identify duplication. *DESCRIBE EFFORTS TO IDENTIFY DUPLICATION. SHOW SPECIFICALLY WHY ANY SIMILAR INFORMATION ALREADY AVAILABLE CANNOT BE USED OR MODIFIED FOR USE FOR THE PURPOSES DESCRIBED IN ITEM 2 ABOVE.*

None of the information being required in the final rule is currently required to be provided by other means during the booking process when it is relevant to consumers’ purchasing decisions.

The new requirements in 14 CFR 399.85, as revised by the final rule, that carriers and ticket agents disclose baggage and change and cancellation fees when fare and schedule information is provided and policies before online ticket purchase (information collection 1) replace a predecessor requirement in 14 CFR 399.85 for carriers to disclose in online transactions that baggage fees may apply and where consumers may go to obtain these fees. Information on change and cancellation fees and policies was not previously required to be provided before ticket purchase for online transactions. These new requirements are necessary for consumers to understand the true price of the air transportation being offered during the itinerary search and selection process. The Department retains existing requirements that passengers receive disclosures of change and cancellation and baggage fees and policies after ticket purchase contained in 14 CFR 399.85 and 14 CFR 253.7. These written disclosures serve as an important record for consumers to have at the time of travel. Because disclosures during the booking process and in a confirmation serve different consumer needs, the collections are not duplicative.

The final rule eliminates a requirement in existing 14 CFR 399.85(a) that carriers disclose any increase in applicable fees for carry-on or first or second checked bags promptly and prominently, along with any change in baggage allowances, on the homepages of their websites for at least three months after the change becomes effective. Because baggage fees may not be increased from the fees that were disclosed at the time of purchase, this disclosure is of limited usefulness and has been eliminated in the final rule, reducing burden.

The required disclosures under 14 CFR 399.85 of the final rule by carriers and ticket agents of baggage and ticket change and cancellation fees in offline transactions upon request by the consumer (information collection 2) and by carriers of their fees and policies for baggage and ticket changes and cancellations to entities that display or sell the carrier’s flights directly to consumers (information collection 3), are new requirements that are not duplicative of any existing requirements.

5. Efforts to minimize the burden on small businesses**.** *IF THE COLLECTION OF INFORMATION IMPACTS SMALL BUSINESSES OR OTHER SMALL ENTITIES, DESCRIBE ANY METHODS USED TO MINIMIZE BURDEN.*

The rule will have some impact on U.S. air carriers, foreign air carriers and ticket agents that qualify as small entities. A carrier is a small entity if it provides air transportation exclusively with small aircraft, defined as any aircraft originally designed to have a maximum passenger capacity of 60 seats or less or a maximum payload capacity of 18,000 pounds or less, as described in 14 CFR 399.73. In 2020, 28 carriers meeting these criteria reported passenger traffic data to the Bureau of Transportation Statistics.[[1]](#footnote-3) A ticket agent is a small entity if it has total annual revenues below $25 million.[[2]](#footnote-4) This amount excludes funds received in trust for an unaffiliated third party, such as bookings or sales subject to commissions, but includes commissions received. In 2017, the latest year with available data, 7,827 travel agency establishments had annual revenues of less than $25 million.[[3]](#footnote-5) This number overestimates the number of small entities because it represents the total number of establishments, of which many entities may have multiple. Many entities with multiple establishments may exceed, in the aggregate, the annual revenue threshold to qualify as a small business. This number also overestimates the number of entities subject to this information collection, as many entities do not market air transportation to consumers in the United States.

In the final rule, the Department made changes from the proposed rule that will reduce the compliance burden on all carriers and ticket agents, including small entities. Notably, the final rule does not require disclosure of family seating fees, provides flexibility in the manner of displaying fees for critical ancillary services and allows policies to be displayed before ticket purchase (rather than when fare and schedule information is first provided as proposed) for online transactions. The final rule also provides an extended compliance period for ticket agents that meet the definition of small entity in recognition that those entities may benefit from additional time for compliance. The final rule does not require less disclosure by small entities than is required by large carriers and ticket agents because the Department concludes that consumers should have equal access to fee and policy information regardless of the avenue of purchase, whether through a large or small carrier or ticket agent.

6. Impact of less frequent collection of information**.** *DESCRIBE THE CONSEQUENCE TO FEDERAL PROGRAM OR POLICY ACTIVITIES IF THE COLLECTION IS NOT CONDUCTED OR IS CONDUCTED LESS FREQUENTLY, AS WELL AS ANY TECHNICAL OR LEGAL OBSTACLES TO REDUCING BURDEN.*

All of the collections in this request are required by the Department’s final rule, Enhancing Transparency of Airline Ancillary Service Fees.

If carriers and ticket agents are not required to make the first two disclosures ((1) providing applicable fee and policy information for the first and second checked baggage and for carry-on baggage, and applicable fee and policy information for changing and cancelling reservations during the online booking process, and (2) disclosing that bag, change, or cancellation fees apply to a quoted itinerary in offline transactions and disclosing such fees upon request), consumers will be deprived of necessary information to determine the true cost of air transportation. The frequency of the collections is dependent on the number of itinerary searches for air transportation that are conducted by consumers and the number of instances that a consumer selects an itinerary for further review or purchase. Because the information must be passenger- and itinerary-specific, it must be provided for each search and cannot be provided less frequently.

If carriers are not required to make the third disclosure (providing information regarding baggage fee rules and policies as well as ticket change and cancellation fees and policies to entities to which they provide fare, schedule, and availability information that display or sell the carrier’s flights directly to consumers), those entities will not have the information necessary to comply with the requirements of the Department’s final rule, and consumers purchasing tickets from ticket agents will be deprived of necessary information to determine the true cost of air transportation. The final rule requires that carriers provide their critical ancillary fee information to other entities that sell tickets for the carriers’ flights in a non-static, dynamic fashion in response to each itinerary search by a consumer on the seller’s online platform or offline channel. The frequency of the collection is dependent on the number of itinerary searches for air transportation that a consumer conducts for a respondent’s flights using the channel of a third party (i.e. not the respondent’s).

7. Special circumstances.*EXPLAIN ANY SPECIAL CIRCUMSTANCES THAT WOULD CAUSE AN INFORMATION COLLECTION TO BE CONDUCTED IN A MANNER:*

* *REQUIRING RESPONDENTS TO REPORT INFORMATION TO THE AGENCY MORE OFTEN THAN QUARTERLY;*

This rulemaking does not require respondents to report information to the agency. In addition, it is anticipated that once respondents make any necessary changes to their automated processes, they will not need to modify their systems for each disclosure; rather, they will need to update their system to reflect changes each time there is a change to carrier fees or policies to ensure accurate information is disclosed to consumers.

For information collections involving disclosure of information to consumers, the information is collected by respondents and provided directly to consumers as part of the airline ticket search and purchase process. The frequency of the collections is dependent on the number of itinerary searches for air transportation that are conducted by consumers and the number of instances that a consumer selects an itinerary for further review or purchase. Disclosures of critical ancillary service fees are required during every itinerary search process conducted by a consumer on the respondent’s online platform or offline channels, and disclosure requirements regarding critical ancillary service policies are required before ticket purchase on the respondent’s online platform (generally, after a consumer has selected an itinerary).

For the information collection involving the transfer of critical ancillary fee information, the information is collected by respondents (carriers) and provided directly to sellers of air transportation, including other carriers and ticket agents. Airline tickets are sold by carriers and ticket agents. The rule requires that carriers provide their critical ancillary fee information to other entities that sell tickets for the carriers’ flights in a non-static, dynamic fashion in response to each itinerary search by a consumer on the seller’s online platform or offline channel. The frequency of the collection is dependent on the number of itinerary searches for air transportation that a consumer conducts for a respondent’s flights using the channel of a third party (i.e. not the respondent’s).

* *REQUIRING RESPONDENTS TO PREPARE A WRITTEN RESPONSE TO A COLLECTION OF INFORMATION IN FEWER THAN 30 DAYS AFTER RECEIPT OF IT;*

The information collections identified in this document are expected to occur as part of automated processes transmitting data in real-time. The collections are generally made in response to itinerary search inputs made by consumers when they search for air transportation. Respondents were made aware of these collections as part of the rulemaking process and will be given an opportunity during the implementation period to modify existing systems to comply with the rule’s requirements.

* *REQUIRING RESPONDENTS TO SUBMIT MORE THAN AN ORIGINAL AND TWO COPIES OF ANY DOCUMENT;*
* *REQUIRING RESPONDENTS TO RETAIN RECORDS, OTHER THAN HEALTH, MEDICAL, GOVERNMENT CONTRACT, GRANT-IN-AID, OR TAX RECORDS FOR MORE THAN THREE YEARS;*
* *IN CONNECTION WITH A STATISTICAL SURVEY, THAT IS NOT DESIGNED TO PRODUCE VALID AND RELIABLE RESULTS THAT CAN BE GENERALIZED TO THE UNIVERSE OF STUDY;*
* *REQUIRING THE USE OF A STATISTICAL DATA CLASSIFICATION THAT HAS NOT BEEN REVIEWED AND APPROVED BY OMB;*
* *THAT INCLUDES A PLEDGE OF CONFIDENTIALITY THAT IS NOT SUPPORTED BY AUTHORITY ESTABLISHED IN STATUE OR REGULATION, THAT IS NOT SUPPORTED BY DISCLOSURE AND DATA SECURITY POLICIES THAT ARE CONSISTENT WITH THE PLEDGE, OR WHICH UNNECESSARILY IMPEDES SHARING OF DATA WITH OTHER AGENCIES FOR COMPATIBLE CONFIDENTIAL USE; OR*
* *REQUIRING RESPONDENTS TO SUBMIT PROPRIETARY TRADE SECRET, OR OTHER CONFIDENTIAL INFORMATION UNLESS THE AGENCY CAN DEMONSTRATE THAT IT HAS INSTITUTED PROCEDURES TO PROTECT THE INFORMATION'S CONFIDENTIALITY TO THE EXTENT PERMITTED BY LAW.*

The information collections referenced in this document do not contain any of these requirements.

8. Compliance with 5 CFR 1320.8:*PROVIDE AN ELECTRONIC COPY AND IDENTIFY THE DATE, VOLUME NUMBER AND PAGE NUMBER OF THE PUBLICATION IN THE FEDERAL REGISTER OF THE AGENCY'S NOTICE (FOR A 60-DAY AND A 30-DAY NOTICE), REQUIRED BY 5 CFR 1320.8(d), SOLICITING COMMENTS ON THE INFORMATION COLLECTION PRIOR TO SUBMISSION TO OMB.*

The Department sought comment on the information collections as part of its NPRM, Enhancing Transparency of Airline Ancillary Service Fees, 87 FR 63718 (Oct. 20, 2022). The NPRM is available at this link: https://www.govinfo.gov/content/pkg/FR-2022-10-20/pdf/2022-22214.pdf, and information on the expected costs and burden hours is provided on pages 63734–5.

Notice and public comment were solicited with publication in the Federal Register of the NPRM in the docket DOT-OST-2022-0109. In the NPRM, the Department proposed three information collections: 1) U.S. air carriers, foreign air carriers, and ticket agents would disclose, during the booking process, applicable fee information for the first and second checked baggage and for carry-on baggage, applicable fee and policy information for changing and cancelling reservations, and, for bookings that involve a passenger 13 or under, the seat fee, if any, for the child passenger to be seated next to an accompanying adult (“family seating fee”), 2) U.S. air carriers, foreign air carriers, and ticket agents would disclose their policy on 24-hour ticket hold or cancellation, and 3) U.S. air carriers and foreign air carriers would ensure that ticket agents receive information regarding certain baggage fees, change and cancellation fees and policies, and family seating fee so that the ticket agents can accurately provide such information to consumers and so that the family seating fee can be transactable at the point of ticket purchase. For information collections 1 and 2 in the NPRM, the Department estimated the collections would each impact 206 carriers and 600 ticket agents (under the assumption that approximately 5% of all ticket agents in the United States would be impacted by the requirements). The Department estimated 80 hours of burden per respondent for each of information collections 1 and 2. For information collection 3 in the NPRM, the Department estimated the collection would required 16 hours of burden each for 206 carriers.

The Department received over 700 comments in response to the NPRM, which were analyzed and considered for the final rule. Most comments from consumers and consumer groups were supportive of the proposed rule’s substantive requirements, while industry comments expressed concern about the need for the rule and the feasibility of the Department’s proposals. The final rule, which can be found at <https://www.govinfo.gov/content/pkg/FR-2024-04-30/pdf/2024-08609.pdf>, addresses the comments and the Department’s response as relevant to the particular subjects addressed in the rule. While most comments referenced the NPRM’s substantive proposals, some industry commenters addressed the cost and hour burdens related to the collection of information. These industry comments are attached to the PRA package submitted to OMB and are discussed in more detail below.

Industry commenters generally expressed the view that the proposed rule’s disclosure requirements would impose significant burdens on industry. Many airlines stated that the disclosure requirements would require a reconfiguration of their processes. One industry-commissioned study of the NPRM estimated $33 billion in costs to airlines over 10 years, with an initial implementation cost of $86.5 million and $9 million annually for maintenance and additional development. One airline stated that over 100,000 engineering hours would be required to begin reworking the search process on the airline’s desktop website and other platforms. For the data sharing proposal, one airline association estimated that $8.8 million would be spent to supply data to agents.

Ticket agents stated that the Department’s PRA analysis in the NPRM greatly underestimated burdens for planning, development, and programming by ticket agents to provide online displays of ancillary fee information on their websites. In addition, one ticket agent estimated that the initial costs of engineering and testing the required displays, including to ensure readability and timeliness, would be multiple millions of dollars per entity for initial development. Another ticket agent stated that the 80 hours per entity that DOT estimated in its NPRM for programming, data management, website modification, and other related costs was an underestimate, and that the hourly wage of $45.90/hour used by the Department for web and interface designs was too low. The entity did not give an estimate on the number of burden hours it believed would be imposed by the rule.

Ticket agents disagreed with the Department’s assumption that no costs for ongoing website maintenance would be incurred by the rule’s requirements. One ticket agent estimated that the proposal would impose annual maintenance costs of hundreds of thousands of dollars per entity/ticket agent, stating that the proposal would require ticket agents to employ “multiple full time engineers/developers, a project manager, and a full-time quality assurance associate to ensure that dynamic displays continue to operate appropriately” and to periodically update and maintain hardware associated with the searches, for example, as carriers update and change their ancillary service fee policies.

One ticket agent stated that the Department underestimated the number of ticket agents who would be required to comply with the rule’s requirements, given the rule’s applicability to offline transactions. Ticket agents also disagreed with the Department’s assessment in the NPRM that orally conveying the proposed ancillary fee information in offline transactions would involve only a “marginal increase in time” with minimal burden. One ticket agent organization estimated that 17.2 million offline transactions are completed each year by ticket agents and that the proposed disclosures for offline transactions would add at least 20 seconds to each offline transaction at an estimated cost of $21.3 million per year in “talk time” for ticket agents.

In addition to written comments, multiple stakeholders provided input at public meetings held in connection with the proposed rule. The Department held multiple meetings of the Aviation Consumer Protection Advisory Committee (ACPAC) to discuss the NPRM’s proposals, and members of the public were able to provide initial feedback at the ACPAC’s December 8, 2022 meeting. A public hearing was also held on March 30, 2023 to discuss concerns raised by airline and ticket agent commenters. In requesting a public hearing, a ticket agent association asserted that the proposed disclosures were technically infeasible.

In response to comments received, the Department made significant changes from the NPRM to the final rule, including changes that will reduce the burdens of the final rule such as increased flexibility in the way displays and offline disclosures of information are made. In addition, the Department increased its PRA burden estimates in response to comments.

In its final rule, the Department chose to merge information collection 2 from the NPRM (24-hour disclosure) into information collection 1 on fee and policy disclosures. The Department then separated offline fee disclosures, which were considered part of information collection 1 in the NPRM, into a separate information collection, numbered 2 in the final rule.

The Department then considered changes in the final rule that would have an impact on the burdens of the information collections. Elimination of the family seating fee disclosure requirement and increased flexibility in presenting fee and policy information reduced the estimated burden on carriers and ticket agents. The extension of disclosure requirements to all online platforms increased the estimated burden of the requirements. The Department also accepted commenters’ assertions that the cost of maintenance of the disclosure requirements was not de minimis, so the Department added an additional burden to account for ongoing yearly maintenance. After initially concluding that the burdens for offline disclosures would be minimal in the NPRM, the Department chose to separately quantify the burdens for such disclosures in the final rule in response to public comments.

The Department also revised its estimate on the number of impacted ticket agents by expanding the number of such entities beyond the 5% estimate that had been made under the NPRM. The Department also revised labor costs in calculating total annual costs to respondents, increasing the cost of labor to account for employee benefits.

9. Payments or gifts to respondents.*EXPLAIN ANY DECISION TO PROVIDE A PAYMENT OR GIFT TO RESPONDENTS, OTHER THAN ENUMERATION OF CONTRACTORS OR GRANTEES.*

There are no payments or gifts in this rule.

10. Assurance of confidentiality: *DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS AND THE BASIS FOR THE ASSURANCE IN STATUTE, REGULATION, OR AGENCY POLICY.*

This requirement does not require submission of any potentially confidential information to any party; consequently there are no such assurances in this rule.

11. Justification for collection of sensitive information: *PROVIDE ADDITIONAL JUSTIFICATION FOR ANY QUESTIONS OF A SENSITIVE NATURE, SUCH AS SEXUAL BEHAVIOR AND ATTITUDES, RELIGIOUS BELIEFS, AND OTHER MATTERS THAT ARE COMMONLY CONSIDERED PRIVATE. THIS JUSTIFICATION SHOULD INCLUDE THE REASONS WHY THE AGENCY CONSIDERS THE QUESTIONS NECESSARY, THE SPECIFIC USES TO BE MADE OF THE INFORMATION, THE EXPLANATION TO BE GIVEN TO PERSONS FROM WHOM THE INFORMATION IS REQUESTED, AND ANY STEPS TO BE TAKEN TO OBTAIN THEIR CONSENT.*

The information collections referenced in this document do not contain any questions of this nature.

12. Estimate of burden hours for information requested: *PROVIDE ESTIMATES OF THE HOUR BURDEN OF THE COLLECTION OF INFORMATION. THE STATEMENT SHOULD:*

* *INDICATE THE NUMBER OF RESPONDENTS, FREQUENCY OF RESPONSES, CALCULATION FOR THE INDIVIDUAL BURDENS AND FOR THE TOTAL ANNUAL HOUR BURDEN, AND AN EXPLANATION OF HOW THE BURDEN WAS ESTIMATED.*
* *PROVIDE ESTIMATES OF ANNUALIZED COST TO RESPONDENTS FOR THE HOURLY BURDENS FOR COLLECTIONS OF INFORMATION, IDENTIFYING AND USING APPROPRIATE WAGE RATE CATEGORIES.* **Table 1: Data for Collection of Information, Enhancing Transparency of Airline Ancillary Service Fees** (OMB Control Number 2105-0588) (Rounded to the nearest dollar)

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Disclosure of Ancillary Fees and Policies During the Air Transportation Booking Process** | **Disclosure of Ancillary Fees During the Offline Booking Process** | **Disclosure of Critical Ancillary Fee Information to Other Entities Required to Disclose Fee Information to Consumers** |
| Total # of Respondents | 206 carriers and 7497 ticket agents | 206 carriers and 7497 ticket agents | 206 carriers |
| Frequency | Continuous based on number of itinerary searches conducted by consumers through online platforms | Continuous based on number of itinerary searches conducted by consumers through offline channels | Continuous based on number of itinerary searches conducted by consumers through ticket agent channels |
| Burden per Respondent | 133 hours (120 hours of initial display updates and 13 hours for ongoing maintenance) | 4.3 hours[[4]](#footnote-6) | 30 hours |
| Total Annual Burden (in minutes and hours) | 1,024,499 hours total | 33,123 hours total | 6,180 Hours total |
| Total Burden Costs (Salary) | $49,240,657.00 ($5,334,404 per year after the first year) | $1,042,050.00 | $409,734.00 |

*1. Title:* Disclosure of Ancillary Fees and Policies During the Air Transportation Booking Process

*Number of Respondents:* 206 U.S. and foreign carriers and 7,497 ticket agents (estimated).

Frequency of Responses: The frequency of the collections is dependent on the number of itinerary searches for air transportation that are conducted by consumers and the number of instances that a consumer selects an itinerary for further review or purchase. Disclosures of critical ancillary service fees are required during every itinerary search process conducted by a consumer on the respondent’s online platform or offline channels, and disclosure requirements regarding critical ancillary service policies are required before ticket purchase on the respondent’s online platform (generally, after a consumer has selected an itinerary).

*Estimated Annual Burden on Respondents:* The rule would result in an estimated 120 burden hours per respondent to provide initial display updates and 13 burden hours per respondent for ongoing maintenance. This information collection only imposes costs on respondents that already develop and maintain online platforms for the advertising and sale of air transportation. The burden estimates of this information collection represent the expected increase in costs for respondents to bring their online platforms into compliance with the rule. We base our estimate on the following information and assumptions: the primary costs to respondents for the disclosure requirement would arise from programming, data management, website modification, and other related costs to carriers and ticket agents to display the required ancillary fee information.

*Estimated Total Annual Burden:* This rule would result in an estimated 1,024,499 hours for all respondents, based on an assumption of 27,398 hours for carriers (24,720 hours for the initial upgrade and 2,678 hours for ongoing costs) and 997,101 hours for ticket agents (899,640 hours for the initial upgrade and 97,461 hours for ongoing maintenance costs).

*2. Title:* Disclosure of Ancillary Fees During the Offline Booking Process

*Number of Respondents:* 206 U.S. air carriers and foreign air carriers and 7,497 ticket agents (estimated)

Frequency of Responses: This information collection imposes an additional cost for carriers and ticket agents for each interaction between a consumer and the carrier or ticket agent’s in-person or telephone reservation agents, specifically when a consumer requests information on critical ancillary fees. The rule requires that in-person or telephone reservation agents disclose whether a fee applies for a critical ancillary service for a quoted itinerary, and then, upon request of the consumer, disclose the fee. Not all quoted itineraries will result in a consumer asking for fee information, and some quoted itineraries may not have a fee associated with critical ancillary services.

*Estimated Annual Burden on Respondents*: The Department estimates that the burden on respondents is 4.3 hours per respondent (rounded to 4 hours for purposes of ROCIS).

*Estimated Total Annual Burden:* This information collection would result in an estimated annual burden of 33,123 hours based on an assumption of 886 hours for carriers and 32,237 hours for ticket agents.

*3. Title:* Disclosure of critical ancillary fee information to other entities required to disclose fee information to consumers.

*Number of Respondents:* 206 U.S. air carriers and foreign air carriers (estimated)

Frequency of Responses: This information collection imposes an additional cost for carriers to provide information on critical ancillary fees to ticket agents required to disclose this information to consumers. The collection only applies to those entities with whom carriers choose to provide fare, schedule, and availability information.

*Estimated Annual Burden on Respondents*: The Department expects that the burden on respondents is 30 hours.

*Estimated Total Annual Burden:* This information collection would result in an estimated annual burden of 6,180 hours.

13. Estimate of total annual costs to respondents*. PROVIDE AN ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS OR RECORDKEEPERS RESULTING FROM THE COLLECTION OF INFORMATION.*

For information collection 1, we estimate a total cost of $49,240,657 ($1,316,834 for carriers and $47,923,823 for ticket agents) for the first year. This is based on a total estimated burden of 24,720 hours for carriers and 899,640 hours for ticket agents, multiplied by the estimated median hourly wage of $53.27 for web and digital interface designers.[[5]](#footnote-7) Note that after the initial costs are incurred, the annual cost will decrease to an estimated $142,657 per year for carriers and $5,191,747 per year for ticket agents, based on an annual estimated burden of 2,678 hours for carriers and 97,461 hours for ticket agents.

For information collection 2, we estimate a total annual cost of $1,042,050 ($27,874 for carriers and $1,014,176 for ticket agents), based on 33,123 total burden hours multiplied by the estimated median hourly wage of $31.46 for travel agents. [[6]](#footnote-8)

For information collection 3, we estimate a total annual cost of approximately $409,734, based on a total estimated annual burden of 6,180 hours multiplied by the estimated mean hourly wage of $66.30 for computer programmers. [[7]](#footnote-9)

14. Estimate of cost to the Federal government.*PROVIDE ESTIMATES OF ANNUALIZED COST TO THE FEDERAL GOVERNMENT.*

There is no annualized cost to the federal government resulting from these information collections. The information collections will not use government infrastructure.

15. Explanation of program changes or adjustments.*EXPLAIN THE REASONS FOR ANY PROGRAM CHANGES OR ADJUSTMENTS REPORTED IN ITEMS 13 OR 14.*

The information collections in this rule impose new requirements on respondents. Some respondents may already meet the requirements of the rule based on current practices that have been engaged based on commercial or competitive interests, which may mitigate the costs of complying with this rule for those entities. The burden estimates in this document may overstate the burden for such respondents.

16. Publication of results of data collection.*FOR COLLECTIONS OF INFORMATION WHOSE RESULTS WILL BE PUBLISHED, OUTLINE PLANS FOR TABULATION, AND PUBLICATION. ADDRESS ANY COMPLEX ANALYTICAL TECHNIQUES THAT WILL BE USED. PROVIDE THE TIME SCHEDULE FOR THE ENTIRE PROJECT, INCLUDING BEGINNING AND ENDING DATES OF THE COLLECTION OF INFORMATION, COMPLETION OF REPORT, PUBLICATION DATES, AND OTHER ACTIONS.*

The Department does not plan to publish the information collections referenced in this supporting statement. This rule requires that carriers and ticket agents disclose ancillary fee information to consumers when applicable to the itinerary and fare being offered. The rule also requires that carriers share ancillary fee data with entities that are required to disclose this information to consumers. Respondent technological systems must be able to produce accurate information on the applicable fees and policies for each itinerary that is offered with a fare and schedule.

The information collections take effect in stages: the requirement for carriers to disclose data on fee rules to sellers of their tickets (information collection 3) takes effect six months after the publication date of the rule; the requirement for carriers to disclose critical ancillary fees to consumers during the itinerary search process takes effect 12 months after the publication date of the rule; the requirement for large ticket agents to disclose critical ancillary fees to consumers during the itinerary search process takes effect 18 months after the publication date of the rule; and the requirement for small ticket agents to disclose critical ancillary fees to consumers during the itinerary search process takes effect 24 months after the publication date of the rule. The time frame for these information collections is indefinite.

17. Approval for not displaying the expiration date of OMB approval. *IF SEEKING APPROVAL TO NOT DISPLAY THE EXPIRATION DATE FOR OMB APPROVAL OF THE INFORMATION COLLECTION, EXPLAIN THE REASONS THAT DISPLAY WOULD BE INAPPROPRIATE.*

Not applicable.

18. Exceptions to certification statement.*EXPLAIN EACH EXCEPTION TO THE CERTIFICATION STATEMENT IDENTIFIED IN ITEM 19, "CERTIFICATION FOR PAPERWORK REDUCTION ACT SUBMISSIONS," OF OMB FORM 83-I.*

Not applicable.

1. Bureau of Transportation Statistics. No date. “T1: U.S. Air Carrier Traffic and Capacity Summary by Service Class.” [https://transtats.bts.gov/](https://transtats.bts.gov/tables.asp?gnoyr_VQ=FIL). [↑](#footnote-ref-3)
2. See <https://www.sba.gov/document/support--table-size-standards>, NAICS Code 561510. [↑](#footnote-ref-4)
3. U.S. Census Bureau. 2022. “Economic Census.” <https://www.census.gov/programs-surveys/economic-census.html>. [↑](#footnote-ref-5)
4. The Department has rounded this number to 4 hours for purposes of entering the data into ROCIS. [↑](#footnote-ref-6)
5. The median base wage for web and digital interface developers in 2022 was $37.78, https://www.bls.gov/oes/current/oes151254.htm. We multiply this by 1.41 to account for benefits https://www.bls.gov/news.release/archives/ecec\_09202022.pdf. [↑](#footnote-ref-7)
6. The median base wage for travel agents in 2022 was $22.31, https://www.bls.gov/oes/current/oes413041.htm. We multiply this by 1.41 to account for benefits https://www.bls.gov/news.release/archives/ecec\_09202022.pdf. [↑](#footnote-ref-8)
7. The median base wage for computer programmers in 2022 was $47.02,https://www.bls.gov/oes/current/oes151251.htm. We multiply this by 1.41 to account for benefits https://www.bls.gov/news.release/archives/ecec\_09202022.pdf. [↑](#footnote-ref-9)