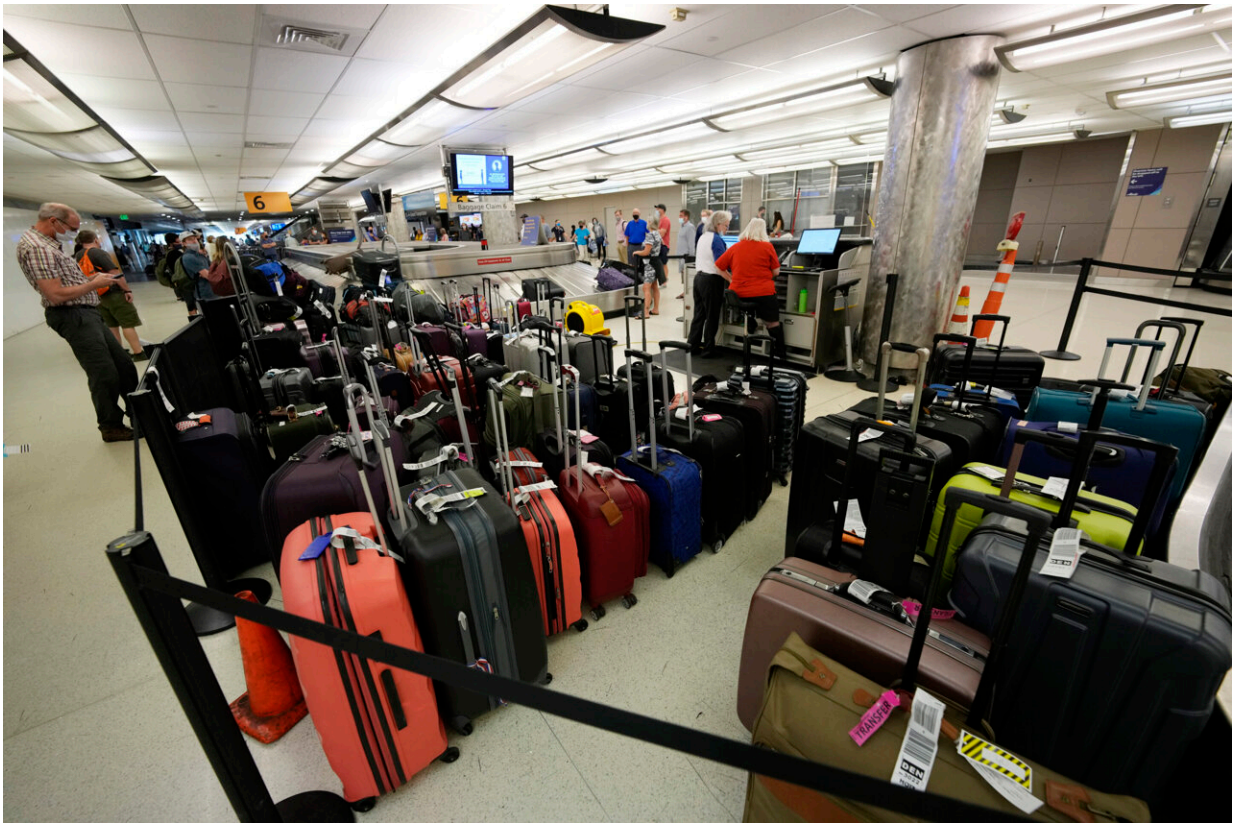


US plans to make airlines refund fees if bags are delayed

July 2 2021, by David Koenig



Baggage stacks up from delayed travellers in the baggage claim area in Denver International Airport Wednesday, June 16, 2021, in Denver. The Biden administration is planning to require that airlines refund fees on checked baggage if the bags get seriously delayed. The proposal would also require refunds for fees on extras like internet access if the airline fails to provide the service during the flight. Credit: AP Photo/David Zalubowski

The Transportation Department will propose that airlines be required to refund fees on checked baggage if the bags aren't delivered to passengers quickly enough.

The proposal, if made final after a lengthy regulation-writing process, would also require prompt refunds for fees on extras such as internet access if the airline fails to provide the service during the flight.

A department official said the agency will issue the proposal in the next several days, and it could take effect by next summer.

The proposal will require refunds if [airlines](#) fail to deliver a bag within 12 hours of the passenger's U.S. flight touching down or within 25 hours after an [international flight](#).

Current regulations require refunds only if bags are lost, although airlines must compensate passengers for "reasonable" incidental expenses incurred while their bags are delayed. The government does not know how often airlines keep fees even when bags are significantly delayed.

The bag-fee proposal is the first of several airline-consumer regulations coming from the Biden administration under an executive order that the president will soon sign, according to a senior Transportation Department official, who spoke on condition of anonymity to discuss a proposal that hasn't been made public. The order will be designed to boost competition and give [consumers](#) more power, the official said.

Kurt Ebenhoch, executive director of Travel Fairness Now, an airline consumer organization, called the bag-fees refund "one consumer-friendly item in a long list requiring DOT action." He said top priorities include refunds for pandemic-related cancellations, stronger rules to let families with small children sit together without paying extra, and more

transparency in flight schedules and fares.

John Breyault, a vice president with the National Consumer League, said Transportation Secretary Pete Buttigieg seems to be paying more attention to consumer issues than did Elaine Chao, who held the job during the Trump administration. But he said he would like the Biden administration to act more quickly.

"The proof will be in the pudding whether this DOT will make consumer protection a real priority after four years of benign neglect, at best, and active regulatory sabotage at worst," Breyault said.

Last year, more than 100,000 consumers complained to the government about airline service. Refunds were the biggest gripe, although most claimed airlines refused to give refunds to consumers who canceled trips because of the pandemic. The Transportation Department is seeking [a \\$25.5 million fine against Air Canada](#), but has not taken action against other carriers over refunds for canceled flights.

In 2019, the last full year before the pandemic, passengers paid U.S. airlines [\\$5.76 billion in fees on checked bags](#), according to the Transportation Department. That dropped to \$2.84 billion last year, when travel slumped because of the pandemic. The figures do not include fees for carry-on bags.

For many years, customers could check one or two bags on almost any airline without paying a fee. That began to change during a travel slump caused by the financial crisis of 2008. Now, most U.S. airlines other than Southwest charge even for a single bag, although fees are usually waived for customers who buy high-fare tickets or carry the airline's credit card.

American Airlines generated \$2 billion from checked-bag fees over the past two years, followed by Delta Air Lines and United Airlines, each

around \$1.5 billion. Because of their smaller size, discount airlines including Spirit and Frontier reap less money but get a higher percentage of revenue from the fees.

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