

Aviation Group Client Update

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DOT ISSUES NPRM ON AIR CHARTER BROKERS

On September 30, 2013, Department of Transportation issued a [Notice of Proposed Rulemaking](#) concerning Enhanced Consumer Protection for Charter Air Transportation. The NPRM contains four proposals designed to strengthen legal protection for consumers of air charter transportation, including:

- Requiring air taxis and commuter air carriers that sell charter air transportation provided by others to provide consumers with additional disclosure recommended by the National Transportation Safety Board (NTSB). Such information includes: (1) name of the company in operational control of the aircraft and any other “doing business” names which it holds itself out to the public; (2) capacity in which the air taxi is acting in contracting for air transportation; (3) existence of any corporate or other pre-existing business relationship with the direct air carrier that will be in operational control of the aircraft; (4) make and mode of the aircraft; (5) total cost of the air transportation, including carrier-imposed fees and government-imposed fees and taxes; and (6) existence of additional fees charged by third parties, if known, including fuel, landing fees, aircraft parking/hangaring, etc.
- Creating a new class of indirect air carriers called “air charter brokers”. While DOT would not require air charter brokers to apply for economic authority (essentially, air charter brokers would self-identify as such), it would establish rules for the provision of indirect air transportation of passengers by air charter brokers. These rules would permit air charter brokers to act as principals to engage in single entity charter air transportation aboard large and small aircraft. DOT also proposes to define “single entity charter” to allow individuals who self-aggregate to form a single entity even if they are bearing some part of the cost of the charter.
- Codifying existing exemption authority granted to indirect air carriers related to the sale of air ambulance services.
- Clarifying and codifying that certain contract air services for the Federal Government are considered common carriage.

Comments are due by **November 29, 2013**. If you have any questions regarding the proposed rule change, or if you would like assistance in the preparation or submission of comments, please contact our office.

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