

103^D CONGRESS
1ST SESSION

H. R. 342

To amend the Federal Trade Commission Act to provide for regulation by the Federal Trade Commission of advertisements by air carriers, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 5, 1993

Mr. SCHUMER introduced the following bill; which was referred jointly to the Committees on Energy and Commerce and Public Works and Transportation

A BILL

To amend the Federal Trade Commission Act to provide for regulation by the Federal Trade Commission of advertisements by air carriers, and for other purposes.

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 “Airfare Advertising
5 Reform Act of 1993”.

1 **SEC. 2. FEDERAL REGULATION OF ADVERTISEMENTS BY**
2 **AIR CARRIERS.**

3 (a) REGULATION BY FTC.—Section 5(a) of the Fed-
4 eral Trade Commission Act (15 U.S.C. 45(a)) is amended
5 by adding at the end the following new paragraph:

6 “(4) Notwithstanding paragraph (2), the Commission
7 is empowered and directed to prevent air carriers and for-
8 eign air carriers subject to the Federal Aviation Act of
9 1958 from disseminating, or causing dissemination of, any
10 advertisement in violation of paragraph (1), including any
11 false, misleading, or deceptive advertisement.

12 (b) AMENDMENT TO FEDERAL AVIATION ACT.—Sec-
13 tion 411 of the Federal Aviation Act of 1958 (49 U.S.C
14 App. 1381) is amended—

15 (1) in subsection (a) by striking “The Board”
16 and inserting “Subject to subsection (c), the
17 Board”; and

18 (2) by adding at the end the following new sub-
19 section:

20 “(c) LIMITATION WITH RESPECT TO ADVERTISE-
21 MENTS BY AIR CARRIERS.—No action may be taken under
22 this section with respect to a violation of this section if
23 the violation also constitutes a violation of section 5(a)(1)
24 of the Federal Trade Commission Act and the Federal
25 Trade Commission is empowered to take an action with

1 respect to the violation pursuant to section 5(a)(4) of such
2 Act.”.

3 **SEC. 3. ADVERTISEMENT OF RATES FOR AIR TRANSPOR-**
4 **TATION BY AIR CARRIERS.**

5 (a) ISSUANCE OF FINAL RULE.—Not later than 90
6 days after the date of the enactment of this Act, the Fed-
7 eral Trade Commission shall pursuant to section 18(a)(1)
8 of the Federal Trade Commission Act issue a final rule
9 which identifies methods of advertising rates for air trans-
10 portation by an air carrier or foreign air carrier which con-
11 stitute unfair or deceptive acts or practices in or affecting
12 commerce (within the meaning of section 5(a)(1) of such
13 Act).

14 (b) MINIMUM REQUIREMENT.—The final rule issued
15 pursuant to subsection (a) shall at a minimum provide
16 that disseminating, or causing dissemination of, any writ-
17 ten advertisement for air transportation between 2 points
18 by an air carrier or foreign air carrier which contains a
19 rate for such air transportation shall constitute an unfair
20 or deceptive act or practice in or affecting commerce
21 (within the meaning of section 5(a)(1) of the Federal
22 Trade Commission Act) unless—

23 (1) the advertisement clearly and conspicuously
24 discloses all material restrictions governing the offer
25 to provide such air transportation at such rate;

1 (2) such rate includes all costs for obtaining
2 such air transportation (including any taxes, fees,
3 fuel, and other surcharges and mandatory charges)
4 and is the round trip rate (if purchase of a round
5 trip ticket is required for obtaining such rate); and

6 (3) the advertisement also contains (in print
7 which is adjacent to the print stating such rate and
8 which is not smaller than $\frac{1}{4}$ of the size of the print
9 stating such rate) the minimum number of seats per
10 flight to which such rate applies.

11 For the purposes of paragraph (3), such rule shall provide
12 that the minimum number of seats referred to in such
13 paragraph may be stated separately for flights occurring
14 on different days of a week.

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