

United States Senate

WASHINGTON, DC 20510-1304

October 5, 2023

Mr. Robert Isom
Chief Executive Officer
American Airlines
P.O. Box 619616
DFW Airport, TX 75261-9616

Dear Mr. Isom:

I am writing to express my concern regarding ongoing challenges that airline passengers face, and to inquire what American Airlines is doing to address these complaints from the American people.

According to the U.S. Department of Transportation's (DOT) Air Travel Consumer Report of full-year 2022 data, air carriers reported higher rates of mishandled baggage and higher numbers of passengers who were involuntarily denied boarding, due to oversold flights or bumps, compared to pre-pandemic levels in 2019. This is despite the fact that passenger volumes in 2022 were still eight percent lower than pre-pandemic levels. In addition, despite U.S. airline passenger traffic increasing by only about 30 percent from 2021 to 2022—from 658 million passengers to 853 million passengers—the aforementioned report notes that tarmac delays greater than three hours increased by 142 percent in the same time period.

In addition to the above issues that consumers experienced during travel, my constituents have shared concerns about nontransparent prices and excessive fees. As you know, in 2008, American was the first airline to institute a fee for checked baggage, a move that proved profitable and made the industry more than \$1 billion in excess baggage fees that year alone. In the years since, this practice of instating new fees has swelled significantly, leading to additional charges for add-ons like seat assignments, early boarding access, food and drinks, Wi-Fi service, and more.

In 2017, airlines generated roughly \$57 billion in add-on fees from passengers. These fees often leave consumers to select a ticket price they deem affordable, only to get hit with back-end fees as they navigate the increasingly confusing process of booking a flight, resulting in higher costs than ever before. And these increases do not appear to be slowing down; according to the Federal Reserve of St. Louis, the price of airline tickets increased by 25 percent from 2022 to 2023—the largest jump since it began tracking such prices.

Because of the concerns about airline booking and travel issues I have been hearing from my constituents, I have been taking a closer look at legislation introduced by my colleagues and Senator Richard Blumenthal of Connecticut and Senator Edward Markey of Massachusetts, the *Airlines Passengers' Bill of Rights* (S. 178). As you may know, their bill would expand an array of protections for air travelers by ensuring that airlines provide passengers with refunds and

compensation for delays and cancellations caused by the airlines, as well as for those who are denied boarding. It also would prohibit unnecessary fees and ensure consumers understand the true costs of flying.

I would like to know what American Airlines is doing to address the aforementioned issues, and would appreciate your timely response to the following questions:

1. The latest DOT Air Travel Consumer Report shows that only 68 percent of American Airlines flights were on time in June 2023. Additionally, from January to June 2023, American had one of the highest rates of passengers involuntarily denied boarding due to an oversold flight of all 15 reporting carriers, with 3,092 involuntary denied boardings. What is American doing to ensure its passengers are refunded or compensated for delayed and cancelled flights, as well as involuntary denied boardings?
 - a. Does this include funding for meals or lodging?
2. The same most recent Air Travel Consumer Report shows that American Airlines had one of the highest rates of mishandled bags out of the 10 reporting carriers, with roughly one mishandled bag per 100 enplanements. What is the reason for this high rate of mishandling, and what measures does American have in place to improve this metric?
3. As of July, American Airlines reported quarterly profit of more than \$1.3 billion. What is American doing to ensure consumers are not saddled with excessive or unnecessary fees throughout their booking and travel experience?
 - a. How is American ensuring that this profit is not earned at the expense of a fair, pleasant, and affordable travel experience for consumers?

I appreciate your attention to this matter and look forward to your response.

Sincerely,



Richard J. Durbin
United States Senator