


 Bruce N. Reed
12/09/99 12:49:32 PM

Record Type: Record

To: Thomas L. Freedman/OPD/EOP@EOP, Eric P. Liu/OPD/EOP@EOP
cc:
Subject: Re: Schedule of meetings this week on ATC reform

----- Forwarded by Bruce N. Reed/OPD/EOP on 12/09/99 12:49 PM -----


Karen Tramontano 12/08/99 06:44:13 PM

Record Type: Record

To: Bruce N. Reed/OPD/EOP@EOP
cc:
Subject: Re: Schedule of meetings this week on ATC reform

this is what dorothy has been working on --- i am going to ask gene & you to call a meeting and let's see if we can center this one and get figure out what and when we can do -- thanks

----- Forwarded by Karen Tramontano/WHO/EOP on 12/08/99 04:38 PM -----


 Dorothy Robyn
12/08/99 04:32:09 PM

Record Type: Record

To: Karen Tramontano/WHO/EOP@EOP
cc: Morley A. Winograd/OVP@OVP
Subject: Re: Schedule of meetings this week on ATC reform



1. Morley and i had a very good set of meetings last week with NATCA (Mike McNally), ALPA (duane Woerth), the airlines, and Mort and Jane. (Attached is summary i put in POTUS weekly rpt) In mtg's with outside groups, the theme that came thru in terms of structural change is that 1) a PBO is a good first step but it doesn't go far enough; 2) outright privatization goes too far (at least for now). There was general consensus among the outside groups that an independent govt. corp. makes the most sense. (Mike McNally was in many ways the most enthusiastic) Mort was initially down on that approach, b/c we proposed it in 1994 and it didn't go anywhere. But he's coming around, recognizing that the political situation is quite different now -- we have a crisis and the airlines see this issue as a priority. Also, we

badly botched the politics in 1994, and that overshadowed the substance. it wouldn't be a piece of cake to get it enacted, but an independent govt. corp. as a reform proposal has the potential to get support from industry, labor and the broader business community.

2. It's become very clear to me that we won't get the support described above for our ATC reform proposal if we go out with the same FAA budget we did last year. a) Specifically, we have to jettison user fees from our FAA budget proposal, so as not to alienate Southwest: without Southwest, we can't get ATA; and without ATA, we can't get ALPA. b) More challenging, we need to reverse at least somewhat a step we took in last year's budget, when we eliminated any general fund contribution to the FAA. (The two things are related; user fees were the offset for eliminating the GF contribution.) This is purely a money issue; in principle, we're okay putting GF money into FAA and, in fact, i think the Gore commission recommended a continuation of the longstanding GF contribution, on the grounds that safety and security are a broad public concern. But it's a big money issue: It would cost more than \$1 billion a year to restore the full GF contribution to the FAA. If that's impossible, we need to figure out how far we have to go to get ATA support. (See my description of problem attached.)

3. I think POTUS mtg w airline CEOs (or a subset of them) would be enormously helpful 1) in getting the CEOs to appreciate our concern/commitment, and 2) getting POTUS and others to appreciate the importance of the budget piece of this whole thing.

4. Altho our legislative proposal, as I envision it, would call for an independent govt. corp.,--to be announced in SOTU-- we're thinking of having POTUS announce simultaneously that FAA will be implementing a PBO in next (say) 60 days. That way he can say that we're doing everything we can to make ATC system operate like a business without legislation; and we're proposing a plan that congress needs to enact to get us full reform we need. Jane is busy working on that.

(Signature)

Crime We have two major strategic goals on crime over the next few months: First, an extended, high-profile rollout of our new crime bill to build the case for another 50,000 police beyond the 100,000 mark we'll reach in May. Second, a continued effort to keep republicans on the defensive on guns by stepping up our own efforts to crack down on illegal gun trafficking as the gun industry takes the tobacco industry's place in the press's sights.

A. 21st Century Crime Bill. The President's omnibus crime proposal will: add up to an additional 50,000 police on the street; give crime-fighting technologies to state and local law enforcement; provide more drug testing and treatment for offenders under criminal justice supervision; close the loophole on gun shows and extend the Brady waiting period; authorize new measures to combat international, juvenile, and white collar crime; and reauthorize popular anti-crime programs created in the 1994 Crime Act.

I. Legislative Status: We are preparing to introduce the President's omnibus crime legislation immediately after the congressional recess. Although we do not necessarily expect the crime bill to move right away, we want to take the offensive before Republicans gain any traction in attacking our budget or moving their own legislation.

- a. March: Commerce-Justice State appropriations hearings scheduled for March 9th, 11th and 17th. Also, the Senate Judiciary Committee plans to hold a hearing to criticize the our FY 2000 crime budget.
- b. April: The President's proposed legislation should be transmitted to Congress no later than the first week of April.
- c. June-July: Appropriations bills expected to be marked up by the full appropriations committees and sent to House and Senate floor for consideration.

II. Presidential Actions:

- March - April: Each week of this month we intend to build a drumbeat for the introduction of our crime bill with a series of events and press leaks on key components. We recommend that the President unveil the entire bill in a speech to a police academy class over the Easter recess. Possible events/leaks include:

- Health Care Fraud: Tougher criminal penalties for obstructing a fraud investigation, and a crackdown on illegal kickback schemes.
- Telemarketing Fraud: Legislation to give federal law enforcement some power to block telephone service, telemarketing scam artists that we already have for illegal gamblers.
- Bioterrorism: New penalties for possessing, using or failing to report biological agents and toxins. (The President should announce this to the Firefighters on March 15.)
- Money Laundering: Treasury is finalizing a national strategy to crackdown on money laundering.
- Gun Trafficking: New legislation to expand gun tracing of used firearms.
- May: During National Police Week (May 10-15), we propose that the President hold an event to commemorate funding of the 100,000th police officer under his COPS initiative. This represents one of the Administration's most important policy milestones -- on a par with reaching a budget deficit of zero. Additionally, thousands of police officers will already be in town that week to attend the Fraternal Order of Police's Peace Officers Memorial (5/15).
- June - August: Possible events/meetings with Mayors, law enforcement organizations, and other such groups that are holding annual conferences throughout the summer to help build support for the crime bill and continued funding for COPS.

III. Republican Agenda:

- **Juvenile crime:** Senate Republicans have re-introduced their juvenile crime legislation from last session, and have signaled that they are prepared to take it directly to the floor this spring. If they do, we should be prepared to propose the provisions in our crime bill as an alternative. With more money for police and prosecutors, tough gun provisions, and increased drug testing and treatment, our bill offers a broader and more popular alternative that should help unify Congressional Democrats -- many of whom did not support our juvenile crime bill.
- **Drugs:** Senate Republicans have also proposed the Drug-Free Century Act, which generally increases spending for drug interdiction and enhances penalties for certain drug offenses. As with the Republicans' juvenile crime legislation, we believe that our

omnibus crime bill offers a more comprehensive alternative that should be considered if the Senate Republicans bring the Drug-Free Century Act to the Senate floor.

B. Firearms Enforcement. The President's budget contains \$28.8 million in new funds for additional ATF agents and federal prosecutors to enforce our firearms laws. These funds are closely linked to the President's proposal to close the gun show loophole, as well as to a proposed directive on enhanced gun enforcement that we expect the President to sign soon.

I. Legislative Status: Appropriations hearings on the Treasury enforcement budget began in late February. Commerce-Justice appropriations hearings to fund additional federal prosecutor funding will be held in March. Consideration by the full appropriations committees and the full House and Senate will likely take place between June and July. Related legislation requiring all firearms sales at gun shows to include a background check will be included as part of the President's crime bill to be introduced in late March.

II. Presidential Actions:

- We have proposed that in his March 13th radio address, the President issue a directive to the Attorney General and Treasury Secretary to develop a strategy to strengthen federal firearms enforcement and prosecutions. Once the strategy is finalized, the President could release the strategy and again push to secure funding for this initiative.
- We are also reviewing other gun legislation, including proposals to limit sales on one gun a month and to subject gun manufacturers to greater scrutiny.

III. Republican Agenda: The firearms enforcement initiative will help us defend against the NRA's criticisms that U.S. Attorneys are not prosecuting enough firearms cases, and will provide us with an alternative to Republican/NRA amendments in the Commerce-Justice-State appropriations bill to simply mandate more federal firearms prosecutions. Unlike other firearms initiatives, this proposal should receive some measure of bipartisan support.

DRAFT

PRESS RELEASE (Draft 2, 4:11 p.m.)

**VICE PRESIDENT GORE AND SECRETARY OF TRANSPORTATION SLATER
ANNOUNCE AIRLINE PASSENGER FAIR TREATMENT INITIATIVE**

Vice President Gore and Secretary of Transportation Rodney E. Slater today unveiled the Airline Passenger Fair Treatment Initiative to ensure that airline passengers are treated fairly before, during and after a flight, to provide more information for passengers making ticket purchases and stiffening penalties for unfair treatment.

"Airline passengers must have their rights protected from their first contact with an airline until their last," Vice President Gore said. "When buying a ticket, passengers should know if they are getting the best fare. Before boarding, passengers should know their rights and should know the airline's record for treating passengers fairly. After a flight, passengers should receive swift responses and refunds. Our Initiative would provide fair treatment for passengers, full disclosure of essential information and real compensation for unfair treatment."

The Clinton-Gore initiative, a combination of legislative proposals and new regulatory authority, is based on an evaluation by the Department of Transportation of complaints about airline practices and existing legal protections for passengers. In addition, the initiative incorporates provisions of passenger rights bills introduced in Congress by Sen. John McCain, Rep. Bud Shuster, Sen. Ron Wyden and Rep. John D. Dingell.

The initiative requires fair treatment of passengers through development of airline policies on notification of passengers about flight delays, cancellations and diversions, providing food, water and restroom facilities for passengers during ground delays, evacuation procedures for extended delays, bumping and lost baggage, providing information on lower-priced ticket outlets and naming a person responsible for responding to consumer complaints.

The initiative mandates full disclosure of airlines' consumer response plans. Airlines would be required to make monthly filings with DOT of the number of complaints received in 13 categories. The complaint information would be released to the public. In addition, airlines would be required to disclose code-sharing and the need to change planes at time of a ticket sale.

Real compensation would be provided for passengers who are not treated fairly. The minimum payments required for lost baggage and bumping are doubled under the initiative. Airlines would be required to respond to all complaints within 60 days. Specific time limits would be set for refunds.

The Administration would ensure that the Initiative is implemented by increasing the size of the DOT enforcement staff. Also, each airline would be required to develop a plan for training workers to carry out the consumer response plan.

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News Media Plan - Rollout of the Airline Passenger Protection Act of 1999

MESSAGE

The Clinton Administration is taking strong action to ensure that airline passengers are treated fairly before, during and after a flight. Our approach: fair treatment, full disclosure, real compensation.

- Before you buy a ticket, you deserve to know if you are getting a good fare.
- Before you board the plane, you deserve to know your rights to be treated fairly, and deserve to know the record of an airline for treating all passengers fairly.
- After a flight, you deserve to be treated fairly too. That means complaints and refunds should be handled swiftly. That means compensation for "bumping" and lost luggage should be adequate.

SCHEDULE

Tuesday, March 9

- Give advancer story to national print reporter. Options:
 - New York Times (Larry Zuckerman)
 - USA Today (Alan Levin)
 - Wall Street Journal (Anna Mathews)
- Set up Today Show interview with Secretary Slater for Wednesday morning. Brief Today Show correspondent Robert Hager.

Wednesday, March 10

- Advancer story runs.
- Secretary Slater on Today Show.
- Secretary Slater cuts radio actuality for the DOT Radio Network (audio feed for radio stations around the country).
- The House Subcommittee on Aviation holds a hearing at 10 am on H.R. 700, the "Passenger Bill of Rights" Rayburn House Office Building, Room 2167. (Shuster is expected to have as witnesses Northwest passengers who were stuck on board aircraft during the Detroit New Year's weekend blizzard.

- Announcement with Secretary Slater, “airline passenger.” and the Vice President (1:00 pm), OEOB 450
- Afternoon backgrounder phone conference call with transportation and travel trade reporters (DOT Public Affairs).
- Slater appears on afternoon / evening television programs. To be pitched (by OST Public Affairs):
 - The PBS Newshour
 - Fox - Cavuto Business Report
 - CNN - Moneyline / Larry King Live
 - CNBC

Thursday, March 11

- Secretary Slater to do major market radio interviews (DOT Public Affairs).
- DOT to hold additional phone backgrounder conference call (if needed) aimed at national weekend travel writers (Betsy Wade, New York Times, et al).
- The Senate Commerce, Science and Transportation Committee will hold a hearing on “Airline Passenger Fairness Act, S.383... a bill to establish a national policy of fair treatment of airline passengers. Senators McCain and Ron Wyden (D-OR) introduced the bill on February 5. The hearing will be on Thursday, March 11, at 9:30 a.m. in room 253 of the Russell Senate Office Building. Senator McCain will preside” (from committee announcement). Airline passengers, Air Transport Association President Carol Hallett and DOT General Counsel Nancy McFadden are scheduled to testify.

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Attachment 2

Office of Aviation Enforcement and Proceedings and Aviation Consumer Protection Division

Aviation Consumer Protection Function

Federal law places the responsibility for ensuring consumer protection in air travel with the U.S. Department of Transportation. U.S. air travellers, of which there were more than 600 million passenger enplanements in 1998, do not have the right to sue airlines for customer service problems in state court except if there is a breach of contract. Thus, the only realistic remedy for an airline's unfair or deceptive practices is for a U.S. consumer to ask the airline to resolve the matter or come to the United States Department of Transportation for assistance.

The Department's Aviation Consumer Protection Division (ACPD) is staffed by seven individuals—3 professionals and 4 support staff. The ACPD plays an important role in assisting, educating, and protecting consumers. The office has primary responsibility for aviation consumer matters. ACPD undertakes a wide variety of tasks, such as reviewing, recording and responding to consumer complaints about air travel, responding to Congressional inquiries regarding constituent travel problems (approximately 600 in calendar year 1998), and conducting investigations of airlines for violations of DOT rules.

The ACPD maintains a 24-hour per day telephone system to enable consumers to register a complaint telephonically and to obtain information on how to file a written complaint. Complaints may also be registered by e-mail. During calendar year 1998, the ACPD registered 9,606 complaints in its computerized database. In addition, there are vast numbers of informal, oral inquiries, initiated by consumers, the industry, trade organizations, consultants, the media, and academics to which the ACPD staff responds as part of its daily work.

The ACPD speaks regularly by telephone and meets monthly in Washington with representatives of the major U.S. airlines to discuss their particular problems and questions, as well as general changes and trends in consumer protection issues. In addition, the ACPD issues monthly the Air Travel Consumer Report, which contains information about airline performance in the areas of flight delays, lost luggage, and oversales, as well as specific consumer complaint information on a carrier-by-carrier basis.

As travel funds permit, the ACPD meets at the headquarters of the major airlines to brief carrier management on the functions and focus of our aviation consumer protection program (in CY 1998, two such visits occurred down from as many as nine in 1995). ACPD also conducts, again as funds permit, on-site visits with new entrant airlines to develop an understanding of their operations and to familiarize these airlines with the DOT consumer protection program as well as what is expected of them. (In CY 1998, the lack of funding precluded any such visits; we conducted six new-entrant visits in 1995,

eight in CY 1996, and two in CY 1997). ACPD informally conveys to them its evaluation of their handling of consumer protection matters and compliance with federal regulatory requirements and suggested ways they could improve.

Prohibition of Discrimination in Air Travel

The Office of Aviation Enforcement and Proceedings (Enforcement Office) and its ACPD is charged with prohibiting discrimination by airlines and is committed to protecting consumers in this regard. Two areas that are of increasing concern and require an increasing amount of resources involve efforts to ensure (1) that individuals with disabilities obtain nondiscriminatory access to the air transportation system and (2) that the public is not subjected by airlines to unlawful discrimination based on race, color, national origin or sex during required security procedures.

ACPD administers a tracking system for monitoring carrier compliance with 14 CFR Part 382, DOT's rule implementing the Air Carrier Access Act (ACAA) that provides for nondiscrimination in the provision of air services to disabled persons. Airlines are notified that each complaint in this category, which evidences an apparent failure to comply with the rule, is being tracked and maintained indefinitely as a record of the airline's compliance. Evidence of a pattern or practice of violations is referred to the Enforcement Office for more formal action. In addition, on a daily basis the ACPD interprets the ACAA for disabled consumers, disability advocacy groups and the aviation community.

With regard to the second area of concern involving discrimination, among its more significant consumer protection initiatives recently begun, the ACPD began to monitor allegations of discrimination in connection with airline security screening programs. Instituted in June 1997, the program involves the individual processing of complex cases affecting highly sensitive areas of security. These cases remain the most sensitive, difficult, and time consuming to investigate and resolve. Discriminatory practices can best be prevented and remedied through positive, proactive compliance partnership efforts with industry coupled with an active enforcement program.

Participation in consumer protection rulemakings is another important activity of ACPD. There have been several recent rulemakings of significance in which ACPD participated. The ACPD assisted in the development of rules requiring carriers to compile and make available to the government passenger manifests in emergency situations—for both domestic and international flight operations. In a related area, ACPD participated in the implementation of the laws requiring carriers to file with the Department plans to assure proper treatment of families of victims of airline disasters. The ACPD developed a compliance policy regarding ticketless travel. In CY 97 and 98, the ACPD participated in final revisions to DOT's Public Charter rule, which was issued in CY 98. Also in CY 97 and 98, ACPD participated in drafting a significant amendment to the Department's rule ensuring non-discrimination for air travelers with disabilities, which was published in CY98. Finally, the ACPD has provided considerable input in the drafting of the proposed rulemaking concerning required consumer disclosures for change-of-gauge flights, as well as the code-share and increased baggage liability rules.

*File
passenger*

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CLINTON ADMINISTRATION'S AIRLINE CONSUMER PROTECTION PLAN

Background. The Department received 9,606 air travel consumer complaints in 1998. During the past two years, the number of airline consumer complaints to the Department has risen 35%. From 1997 to 1998 alone, the increase was 25%.

The Department places each complaint it receives into one of twelve categories: flight problems; over-sales; reservations/ticketing/boarding/disability; fares; refunds; baggage; customer service; smoking; advertising; credit; tours/charters; and other. Since 1996, the number of complaints held steady in nearly every category, except in "customer service" and "flight problems."

In the past two years, the number of "customer service" complaints increased 68%. The largest sub-categories of customer service complaints filed were (in order): poor attitude (e.g., rude or confrontational employees); information problems; seat assignment problems; and refusal to provide assistance. The number of complaints regarding "flight problems" increased 40% during the past two years. The largest sub-categories of flight problem complaints filed were (in order): cancelled flights, delayed flights, flight irregularities (e.g., diversions and over-flying a scheduled stop) and missed connections.

The number of complaints received by the Department is only a fraction of the number of complaints generated by airline passengers. Based on information available to DOT, major U.S. air carriers receive between 100 and 400 complaints for every complaint filed against them with the Department.¹

Three bills are now pending in Congress to address such issues. See "differences from pending proposals," *supra*, and Attachment 1 for a summary of the pending legislation. The Department is drafting legislation which could be offered as a free-standing bill. Such a proposal would need to be issued prior to Thursday, March 11, as both the House and Senate have scheduled hearings on their respective proposals.

DOT authority and staff. The Department has the responsibility to ensure that airlines are not involved in unfair and deceptive practices. To carry out this responsibility, the Department has an Office of Aviation Enforcement and Proceedings, which includes an Aviation Consumer Protection Division. There is a total staff of fifteen in the office; with fewer than 10 professional staff members. This level is down from over 100 in 1978 (the time of airline deregulation), and from approximately 40 in 1985 (when the Civil

¹ Each airline has its own methodology for determining the number of complaints it receives. For example, each airline often "charges" more than one complaint to a single contact. While for our records DOT counts as two complaints a single letter, phone call or e-mail if the two events complained about are clearly distinct, e.g., problems on two separate flights, or a flight delay and a bag problem on the same flight, an airline sometimes count two or three different aspects of a flight delay as separate complaints, because it attempts to track which departments were responsible for particular problems.

Aeronautics Board was transferred to the Department). Since 1985, a number of new consumer protection responsibilities have been placed on the Department, including enforcement of the Air Carrier Access Act, Passenger Manifest requirements, and air carrier accident plan requirements. See Attachment 1 for a further discussion.

Current DOT Initiatives. The Department is preparing to issue two final rules to ensure travelers receive sufficient information from air carriers before booking a flight.

- **Code-Share Disclosure:** The first of these rules will require an airline to disclose to a consumer inquiring about a flight that is a code-share flight the corporate name of its code-share partner prior to the purchase by the consumer of a ticket. Currently, major air carriers (such as United Airlines) enter into marketing agreements with smaller air lines (such as Air Wisconsin), permitting the smaller carrier to hold itself out as an affiliate of the major carrier (such as United Express). Many passengers complain that they are being given insufficient notice to distinguish between United Airlines and Air Wisconsin prior to arrival at the airport. The Department's rule will require such disclosure.
- **Change of Gauge:** This rule will require an airline to notify a consumer prior to the purchase of a ticket when a change of aircraft is required on a flight with a single flight number.

Framework of proposal. The Clinton Administration's Airline Consumer Protection legislation requires each U.S. scheduled air carrier that operates large aircraft² or code-shares with such an air carrier to submit a consumer protection plan to the Department of Transportation.³ The plan submitted by the airline must contain a detailed summary of the customer service and related information a passenger should receive from the airline, and the procedures the airline has in place to handle various kinds of consumer problems. For certain elements, the Administration's proposal sets forth specific requirements air carriers must meet in developing a comprehensive customer service plan. In other instances, the proposal permits the airline to determine the level of service it will provide its customers. Once the plan is submitted to the Department, DOT will hold the airline responsible for complying with each of the elements of its plan. Failure to comply with the plan would constitute a violation of the statute subject to civil penalties.

Purpose.

² A large aircraft is defined as an aircraft designed to have a maximum passenger capacity of more than 60 seats.

³ Each U.S. and foreign air carrier is currently required to submit to the Department a family assistance plan pursuant to the Aviation Disaster Family Assistance Act of 1996 and the Foreign Air Carrier Family Support Act of 1997, respectively. The impetus for the legislation was the manner in which the families of victims were treated in the aftermath of several recent aviation disasters. As the requirement for filing a family assistance plan is legislative, the Department was not required to undertake rulemaking to ensure each air carrier filed a plan. Today, the Department has on file nearly 500 plans, and the legislation has been hailed as a success by the airlines, the government, and the families of the victims of aviation disasters.

- To require the airlines to provide each of its passengers with accurate information upon which to base informed consumer decisions;
- To require the airlines to have a comprehensive plan to provide each passenger with non-discriminatory and responsive service; and,
- To ensure Departmental requirements provide an incentive to the airlines to improve customer service, and to allow easy comparison by consumers of airline plans and performance.

Consumer protection plan requirements.

- **Disclosure:** Each airline must--

- Assure that it will provide passengers accurate information in the most timely manner possible;
- Develop and make public a policy for handling any inability to board all passengers in the event of overbookings;

- **New consumer rights**

- Develop and make public a policy on how it will inform its customers of cancellations, diversions, departure delays, delays in departure after boarding, and delays in deplanements after landing;
- Assure that it will maintain a reservation at its originally offered price, for at least 48 hours, except for the last seven days before the flight, and that it will tell purchasers who ask for the lowest fare about the possibility of lower internet or "e-saver" fares;
- Develop and make public a plan to provide for the physical comfort and health of its passengers in the event of an extensive ground delay;
- Assure it will publicly list a consumer protection representative, with phone number and address;
- Assure that it will continue to provide the service of a code-share partner in the event of a strike;

- **Accountability:** Each airline must--

- Assure that it will provide a dispositive response to a written consumer complaint within 60 days of receipt;

- Develop and make public a policy for handling lost or damaged baggage and baggage claims;
- Assure that it will process and pay refunds promptly upon receipt of full supporting documentation;
- Assure it will not discriminate in the treatment of passengers;
- Assure that it will provide adequate training and commit sufficient resources to carry out the plan.

Non-discrimination in air travel. Air carriers may also not discriminate against an individual with a physical or mental impairment or against any person based on race, color, religion, national origin or sex. This provision improves upon and fills in the gaps in existing laws. (It is also contained in the Administration's proposed Federal Aviation Administration Reauthorization Act.)

Reporting requirements. Each air carrier must submit a monthly report to the Department. This report will detail all of the written complaints received by the air carrier in one of 22 specific categories and subcategories. This will permit consumers to determine which carrier receives the most complaints per passenger, as well as whether an air carrier is improving its customer service by seeing if the number of complaints received by the carrier is increasing or decreasing.

Frequent flyer award disclosure. Currently, consumers can not determine which airline frequent flier program provides the most rewards to its members. The Department is reviewing whether requiring each air carrier to report to the Department the percent of frequent flier tickets awarded in their top Origin-and-Destination markets will provide consumers with useful information.

Regulatory requirements. The Department has regulations concerning the liability limits of the air carriers in the event of lost baggage and involuntary denied boarding compensation. The proposal would:

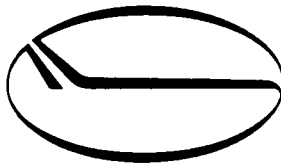
- Raise the minimum monetary liability for lost or mishandled baggage from \$1,250 to \$2,500. It would also prohibit the airlines from excluding valuables from the definition of luggage, or including assistive devices (e.g., wheelchairs) as baggage subject to a cap on liability.
- Raise the minimum denied boarding compensation from \$200/\$400 (depending on length of delay) to \$400/\$800.

Civil penalties. Currently, an air carrier is subject to a maximum civil penalty of \$1,100 per violation for violating airline consumer protection statutes and rules. The proposal would raise the civil penalties for violation of the statute from \$1,100 per violation to a maximum of \$10,000 per violation. It would also clarify that violations affecting

passengers can result in a maximum penalty of \$10,000 per passenger per violation. Failure to comply with the plan would constitute a violation of the statute subject to civil penalties.

Increased staffing. The proposal will call for an increase in resources and staffing for the Aviation Enforcement Office, including its Airline Consumer Protection Division. Specifically, 18 attorney and 48 Aviation Consumer Protection Division staff would be added over time to strengthen its compliance/enforcement program, implement the new consumer protection law, substantially improve its civil rights investigation and compliance activities and provide the legal resources to carry out its competition enforcement responsibilities. Costs, including staffing and expenses, would run approximately \$6 million. It is expected that this increase can be phased-in during Fiscal Years 1999 (through a supplemental appropriations bill) and 2000.

Differences from pending proposals. Three bills have been introduced in this Congress regarding airline consumer protection, by Rep. Shuster, Rep. Dingell, and by Sens. McCain and Wyden. Two proposals in the bills would affect how airlines price their tickets. The DOT proposal outlined above, however, would not affect the ability of the air carriers to utilize "yield management." The Department strategy for improving this situation is to "level the playing field" when it comes to airline competition, such as through the promulgation of "competition guidelines." Accordingly, the provisions in the Shuster and McCain/Wyden legislation which prohibit "hidden-city ticketing" and "back-to-back" ticketing are not included, because the Department believes that the unintended consequence of these provisions would be to raise air fares for leisure travelers. Also, the Shuster and McCain/Wyden legislation would impose inflexible regulatory standards that would be virtually impossible to enforce and are unlike any requirements faced by other service industries.



Air Transport Association

*Airline
passengers*

Airline Passenger Bill of Rights Act H.R. 700

By any measure, U.S. scheduled air transportation is the safest, fastest, most efficient most convenient, and least complaint generating way to get between two distant points. Airlines strive to provide the best possible service, never being satisfied and always looking for improvements. But that is not to say that it is perfect. However, notwithstanding external forces – weather and air traffic control to name but two – competitive market pressures are at work to eliminate every conceivable reason for delay, inconvenience, or unsatisfactory service.

At its core, though, the Airline Passenger Bill of Rights Act (APBRA) is based upon fundamental misperceptions, inadequate information and anecdotal reports about an industry that successfully carried over 615 million passengers in 1998 with a perfect record of safety – and fewer than 8000 complaints registered with the Department of Transportation. The industry is also acutely aware that every action it takes can be – an often is – the subject of wide, even disproportionate, media attention and that passenger service issues, which always warrant serious attention, have recently emerged as matter under intense public scrutiny.

The industry is deeply concerned with the risks posed by the APBRA – inartful and clumsy government regulation and bureaucracy, unintended consequence, adverse impacts on service, and fare increases to cover unnecessary governmentally imposed costs. The APBRA provisions would do that and more as the brief summary below illustrates.

Proposed Requirements

- Precluding U.S. air carriers from using a single flight number if there is a change of aircraft between flight segments.

This provision would put U.S. carriers at a competitive disadvantage to foreign air carriers in markets in which there is limited entry. U.S. air carriers often use a single flight number from points behind the gateway, connecting at the gateway, in order to compensate for the lack of slots available at the foreign airport. Whether the flight is international or domestic, computer reservation screens and ticket itineraries already disclose the necessity to change aircraft to passengers who may, or may not, choose such a flight.

Air Transport Association of America

1301 Pennsylvania Ave., NW – Suite 1100 Washington, DC 20004-1707
(202) 626-4000

- Subjecting airlines to civil penalties for erroneous announcements as to the reasons for a delay, cancellation, or flight diversion.

Airline employees are trained to convey to passengers the best information available to them. Complete information is not universally available to all airline employees at all times. Moreover, a delay, cancellation, or diversion may be occasioned by a complex series of events or a combination of factors. Thus a diversion to a secondary airport for refueling may be a result of an air traffic control slowdown due to weather. Should a pilot's quick reference only one of these reasons in reporting to passengers subject an air carrier to a substantial fine? Do we want air crews subjected to concern over the threat of a Department of Transportation investigation of precisely what was reported to passengers?

- Establishing significant financial penalties for delays in excess of two hours.

This provision raises a conflict between the Department of Transportation's delay statistics, FAA air traffic control queuing procedures, and safety considerations. Airlines do not want to incur delays. However flights close their doors and pushback from gates in order to obtain a place in the FAA's departure que. If weather intercedes after the departure has been initiated, the only way the airline could comply with the bill's requirements and avoid these onerous financial penalties would be to return to the gate within two hours and cancel the flight. Clearly no one would be the beneficiary of this action, although the airlines would be forced to do so in order to minimize its financial risk. Additionally, the provision has potential safety implications. Should a pilot speed up or forego a de-icing while in the departure que in order to avoid the financial penalties? Clearly the incentives already exist for airlines to move aircraft as safely and expeditiously as possible. Introducing financial penalties into the decision making process is not in the traveling public's interest.

- Permitting a passenger to use any ticket coupons in his ticket regardless of the reasons that other portions of the ticket are not used.

Airline pricing, though admittedly complicated, is a highly disciplined and evolved process of commodity pricing designed to get the greatest number of passengers on board every flight at a fair price. Government regulation of this system, as required by this provision, would necessitate a significant restructuring of a portion of this system which, unfortunately, would not serve the interests of the traveling public. The bill would thus reinstate government regulation of airline prices by making it unlawful for airlines to charge lower per mile fares in long haul markets than they charge on a per mile basis in shorter haul markets.

This occurs by virtue of the bill preventing airlines from enforcing provisions in their tariffs prohibiting hidden city ticketing. Hidden city ticketing is the practice of a passenger purchasing a ticket to a destination beyond his intended destination that is priced lower than his intended intermediate destination and simply throwing away the coupon for the unused segment. While it might seem logical that the fare for the connecting service would be greater than the fare for each of the component segments, the demand characteristics of each of the markets dictates what the fares will be. Frequently, (but not always), the demand characteristics of the connecting market are more elastic than those in the hub market, and thus dictating a lower fare than in one or both of the component segments.

A comparison of prices between Ft. Wayne, Indiana to the hubs of all seven network airlines, and beyond to Orlando, Florida, is a good example. All service between Ft. Wayne and Orlando is via a network carriers' hub. In the case of each of the seven network airlines, there is a significantly lower fare to Orlando than to the intermediate hub that would be attractive to a business person traveling to the hub, because the Orlando fare does not have a Saturday night stay requirement. If the airlines providing these services were required to permit passengers to travel to the hub at Orlando prices, that would significantly lower their revenues from passengers traveling nonstop on business to the hub cities, which invariably are large business centers. In every case, there are far more business passengers to the hub than there are passenger traveling beyond to Orlando.

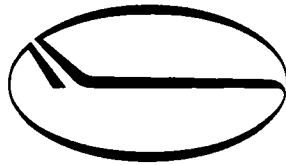
Thus, requiring airlines to permit passengers to travel nonstop to the hub at Orlando prices would most likely lead the carriers to raise Orlando fares, not lower hub fares. This would hurt everyone. The carriers would earn less total revenue, leisure passengers would suffer fare increases and take fewer trips; and business travelers would suffer fare increase as well, as the carrier would be forced to look to them to make up for lost leisure revenue.

- Requiring the disclosure of the number or percentage of frequent flyer seats redeemable on each flight.

Carriers already disclose a wealth of information about their frequent flyer programs and entrepreneurs and journalists have written many an article advising consumers about these frequent flyer program. However, the number of seats available for frequent flyers on each flight is dynamic and constantly changes depending upon already booked redemptions and purchases of seats. A frequent flyer needs to know whether seats are available on a specific flights, not how many are available or what percentage of the total number of seats is available. Seats which may be available one day, or percentages available one day, may not be available the next.

Good intentions gone bad. The APBRA seeks to provide additional consumer disclosure, beyond those which carriers currently provide, in a number of areas for which the practicality, costs, or other implications vastly outweigh any potential benefits. In those instances where the new requirements of this legislation could theoretically be accommodated, there could be significant costs in both financial and service terms. The question is: Is this a wise course? The airline industry thinks not. The industry is committed to and absolutely dependent upon pleasing its customers and believes that the best way to achieve this goal is to provide every competitor with the widest latitude. The last thing that is needed is the intrusion of government bureaucracy.

February 22, 1999



Air Transport Association

Airline Passenger Fairness Act S.383

By any measure, U.S. scheduled air transportation is the safest, fastest, most efficient, most convenient, and least complaint generating way to get between two distant points. Airlines strive to provide the best possible service, never being satisfied and always looking for improvements. But that is not to say that it is perfect. However, notwithstanding external forces -- weather and air traffic control to name but two -- competitive market pressures are at work to eliminate every conceivable reason for delay, inconvenience, or unsatisfactory service.

At its core, though, the Airline Passenger Fairness Act (APFA) is based upon fundamental misperceptions, inadequate information, and anecdotal reports about an industry that successfully carried over 615 million passengers in 1998 with a perfect record of safety -- and fewer than 8000 complaints registered with the Department of Transportation. The industry is also acutely aware that every action it takes can be -- and often is -- the subject of wide, even disproportionate, media attention and that passenger service issues, which always warrant serious attention, have recently emerged as matter under intense public scrutiny.

The industry is deeply concerned with the risks posed by the APFA -- inartful and clumsy government regulation and bureaucracy, unintended consequences, adverse impacts on service, and fare increases to cover unnecessary governmentally imposed costs. The APFA provisions would do that and more as the brief summary below illustrates.

Congressional Findings

To an unfortunate degree the proposed Congressional Findings are driven by an erroneous interpretation of the Department of Transportation's Domestic Airline Fare Consumer Report, which itself has been criticized by independent industry analysts, DOT complaint statistics, and quotes taken out of context from the report of the National Civil Aviation Review Commission.

Proposed Requirements

- To permit a passenger to use any ticket coupons in his ticket regardless of the reasons that other portions of the ticket are not used.

Airline pricing, though admittedly complicated, is a highly disciplined and evolved process of commodity pricing designed to get the greatest number of passengers on board every flight at a fair price. Government regulation of this system, as required by this

provision, would necessitate a significant restructuring of a portion of this system which, unfortunately, would not serve the interests of the traveling public. The bill would thus reinstate government regulation of airline prices by making it unlawful for airlines to charge lower per mile fares in long haul markets than they charge on a per mile basis in shorter haul markets.

This prohibition occurs by virtue of the bill preventing airlines from enforcing provisions in their tariffs prohibiting hidden city ticketing. Hidden city ticketing is the practice of a passenger purchasing a ticket to a destination beyond his intended destination that is priced lower than his intended intermediate destination and simply throwing away the coupon for the unused segment. While it might seem logical that the fare for the connecting service would be greater than the fare for each of the component segments, the demand characteristics of each of the markets dictates what the fares will be. Frequently, (but not always), the demand characteristics of the connecting market are more elastic than those in the hub market, and thus dictating a lower fare than in one or both of the component segments.

A comparison of prices between Ft. Wayne, Indiana to the hubs of all seven network airlines, and beyond to Orlando, Florida, is a good example. All service between Ft. Wayne and Orlando is via a network carriers' hub. In the case of each of the seven network airlines, there is a significantly lower fare to Orlando than to the intermediate hub that would be attractive to a business person traveling to the hub, because the Orlando fare does not have a Saturday night stay requirement. If the airlines providing these services were required to permit passengers to travel to the hub at Orlando prices, that would significantly lower their revenues from passengers traveling nonstop on business to the hub cities, which invariably are large business centers. In every case, there are far more business passengers to the hub than there are passengers traveling beyond to Orlando.

Thus, requiring airlines to permit passengers to travel nonstop to the hub at Orlando prices would most likely lead the carriers to raise Orlando fares, not lower hub fares. This would hurt everyone. The carriers would earn less total revenue, leisure passengers would suffer fare increases and take fewer trips; and business travelers would suffer fare increases as well, as the carriers would be forced to look to them to make up for lost leisure revenue.

- To provide a consumer full access to all fares regardless of the technology the consumer uses to access the fares.

Carriers provide a range of discount fares to different kinds of customers. For example, there are GSA contract discount fares applicable to government employees traveling on business, corporate discount fares (which generally must be purchased through a specific travel agent), senior citizen discounts based upon advance purchase or purchase of a certain number of trips, convention discounts, and comparable special discounts for specific groups. If all passengers qualified for the lowest fare in each market, irrespective of the conditions or methodology through which the fare was obtained, carrier revenues would decline substantially. The likelihood is that carriers would raise these lowest fares in as much as they would have to recover the revenues lost as a result of making all passengers eligible for these lowest fares.

- To provide reasonable prior notice to each passenger holding a confirmed reservation when a scheduled flight will be delayed for any reason.

The operational implications of this provision are nightmarish. Carriers do attempt to notify passengers when they have sufficient time and telephone numbers. However, in the majority of cases the passenger is not at the number given when the reservation was made. In others the delay is ascertained too close to departure time to telephone the passenger before departure to the airport. This provision assumes that passengers provide multiple telephone numbers where they can be reached, that airlines know how far in advance an individual is at the each specific telephone number, and that airlines know sufficiently in advance that there will be a delay. Industry practice is to notify passengers at the airport through flight information display screens and customer service agents. Not all information as to the reasons for a delay is available to gate agents at all times.

- To refund the full purchase price of an unused ticket if the passenger requests a refund within 48 hours after the ticket is purchased.

Carriers already provide refunds for last minute ticket purchases. Carrier compliance with this requirement for deeply discounted tickets will adversely affect the predictability of seat availability for deep discounts, resulting in either less deep discounting or a lower number of tickets available at deep discount. Carriers also allow customers to make reservations without having to make payment, for up to 24 hours after the reservation is made.

- To disclose information enabling consumers to make comparative decisions about frequent flyer programs including the number of seats redeemable on each flight and the percentage of successful and failed frequent flyer redemptions on each flight.

Carriers already disclose a wealth of information about their frequent flyer programs and entrepreneurs and journalists have written many an article advising consumers about these frequent flyer programs. However, the number of seats available for frequent flyers on each flight is dynamic and constantly changes depending upon already booked redemptions and purchases of seats. Similarly, the percentage of successful and failed redemptions on each flight is not a valuable statistic. A frequent flyer wants to know whether seats are available on a specific flights, not how frequently people can or cannot get tickets on a specific flight. Seats which may be available one day, or percentages available one day, may not be available the next.

Good intentions gone bad. The APFA seeks to provide additional consumer disclosures, beyond those which carriers currently provide, in a number of areas for which the practicality, costs, or other implications vastly outweigh any potential benefits. In most instances, the provision of this legislation could theoretically be accommodated, but at a significant cost in both financial and service terms. The question is: Is this a wise course. The airline industry thinks not. The industry is committed to and absolutely dependent upon pleasing its customers and believes that the best way to achieve this goal is to provide every competitor with the widest latitude. The last thing that is needed is the intrusion of government bureaucracy.



U.S. Department of
Transportation
Office of the Secretary
of Transportation

GENERAL COUNSEL

400 Seventh St., S.W.
Washington, D.C. 20590

*Av line
for changes*

FAX TRANSMISSION COVER SHEET

DATE: 3/6

TO: Dorothy 456-2223
Monley 456-2830

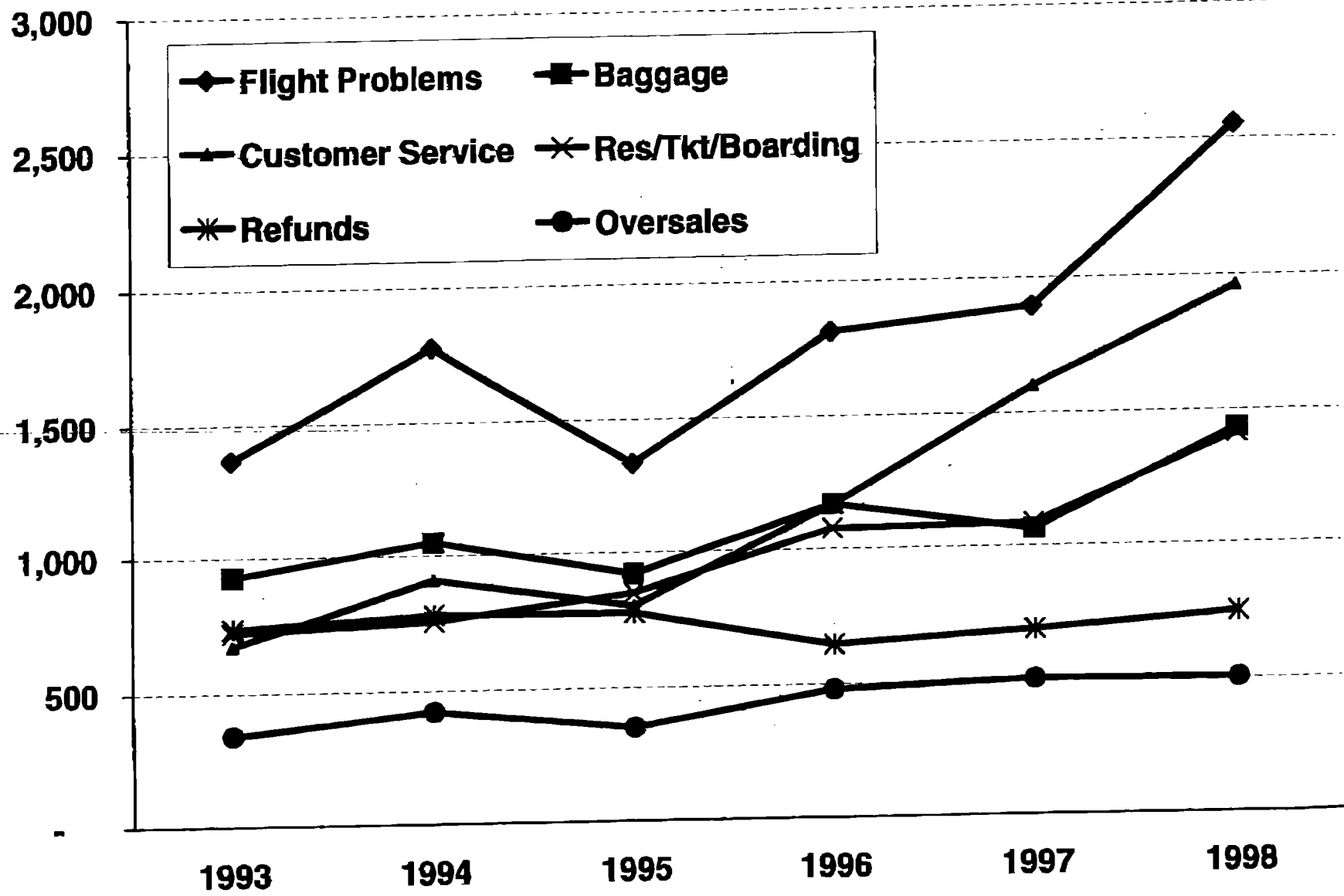
FAX NO: Tom 456-7431

FROM: STEVEN R. OKUN
Special Counsel
Office: (202) 366-0140
Fax: (202) 366-3388

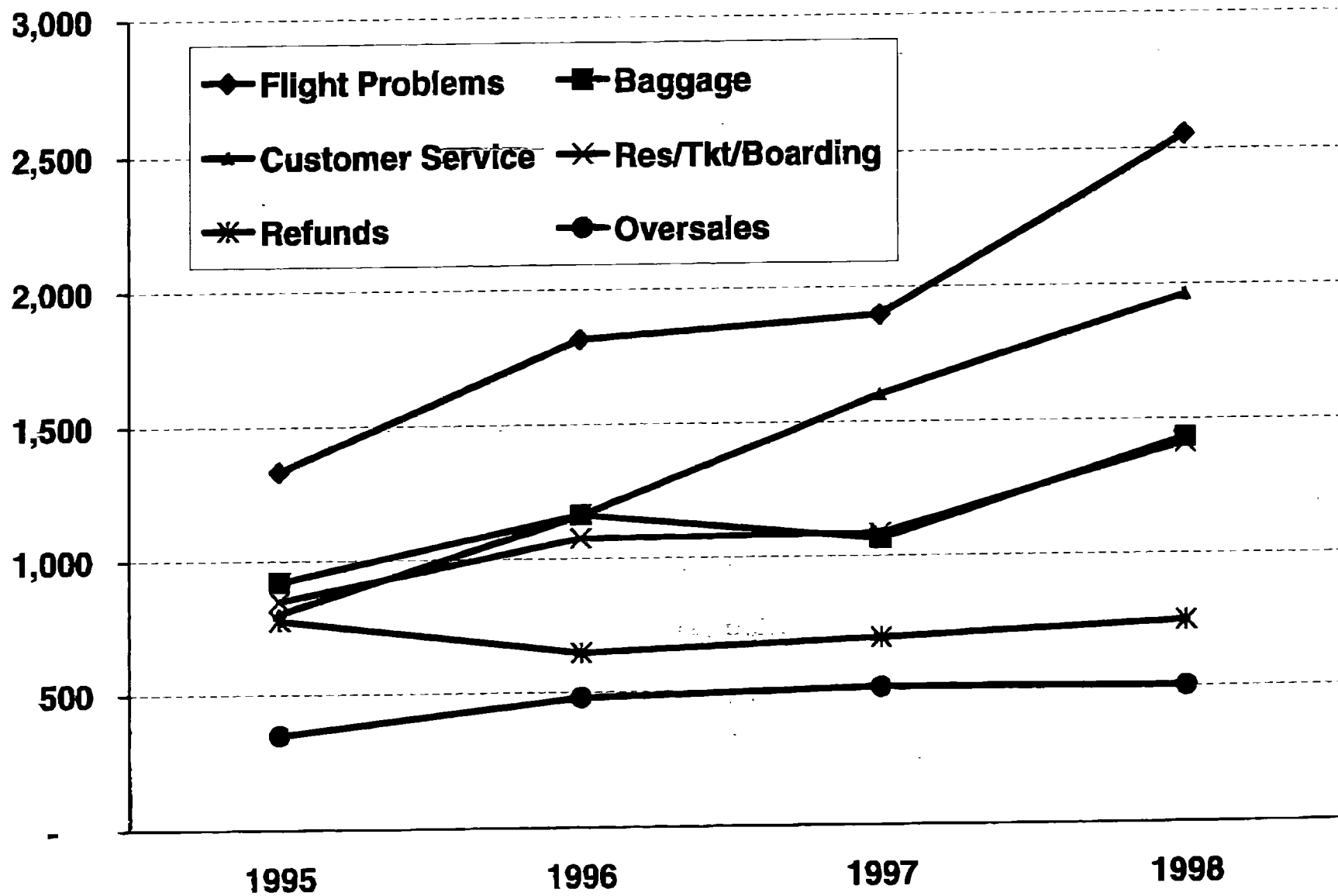
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MESSAGE: Can Dorathy please distribute
to others as appropriate? Thanks.

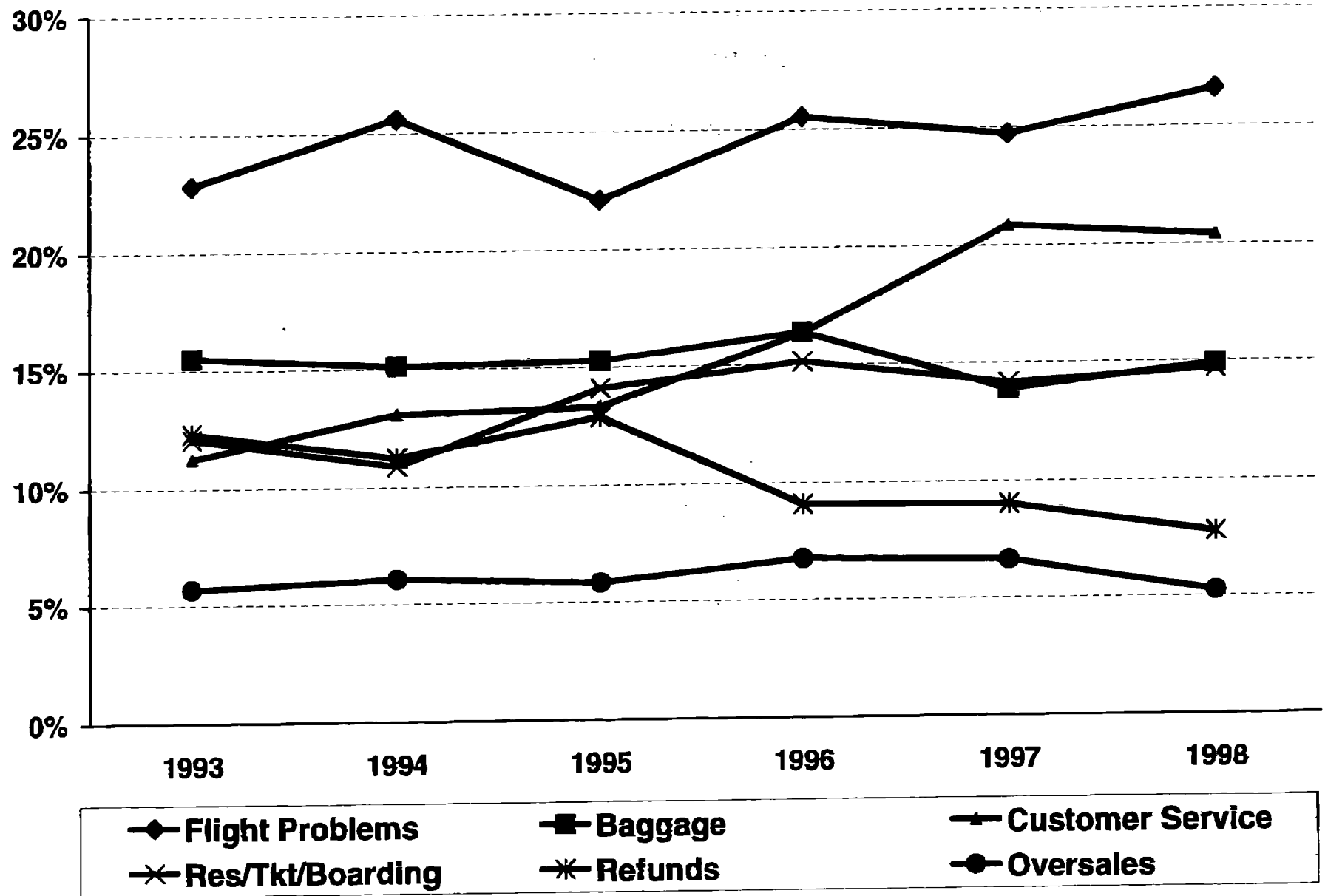
Number of Complaints - Top 6 Complaint Categories



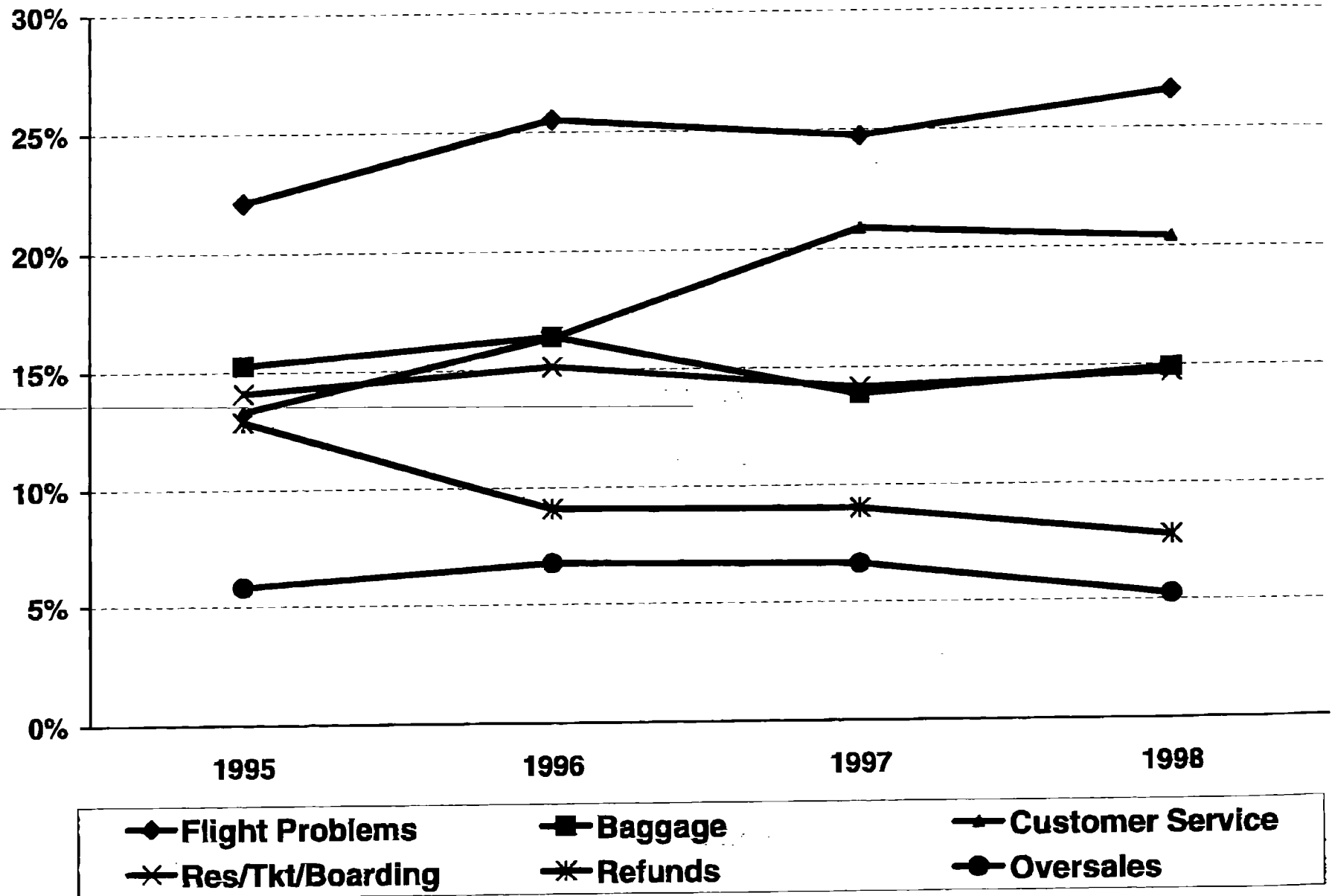
Number of Complaints - Top 6 Complaint Categories



Top 6 Complaint Categories as a Percentage of Total Complaints



Top 6 Complaint Categories as a Percentage of Total Complaints





U.S. Department of
Transportation

Office of the Secretary
of Transportation

693-

GENERAL COUNSEL

400 Seventh St., S.W.
Washington, D.C. 20590

FAX TRANSMISSION COVER SHEET

DATE: 3/8/99

Dorothy R. Ryan 456-2223

TO: Mary Wingard/Ora Miller 456-2830

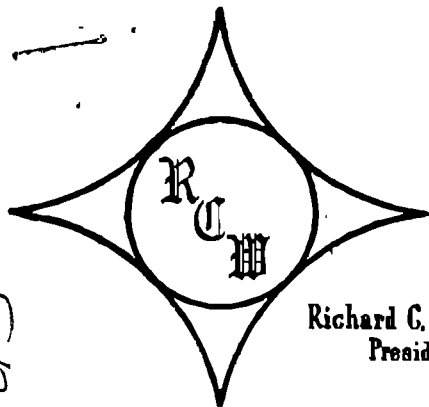
FAX NO: To - Freedman 456-7431

FROM: STEVEN R. OKUN
Special Counsel
Office: (202) 366-0140
Fax: (202) 366-3388

Number of pages transmitted, including cover sheet: 57

MESSAGE: Here are 2 letters. US response
to Tamy Shelley is attached. CO has yet to
respond to James Consetty, but has indicated
it has received the letter. My vote is
Shelley. Let us know what you think

US

AA 0922
ED 0124

Consulting

R. C. Whitner and Associates, Inc.

Richard C. Whitner
PresidentSuite 1104
1800 North Kent Street
Arlington, Virginia 22209

Telephone 703 243-1400

January 7, 1999

US Air
Consumer Affairs
PO Box 1501
Winston Salem, North Carolina 27102-1501

Dear Sir or Madam:

I am writing to inform you of my recent dissatisfaction with US Air in an attempt to alleviate my feelings of anger and mistrust associated with this incident. I recently moved to Virginia with my significant other... he got promoted to Major in the US Army and was transferred to Virginia. We were discussing our plans for Christmas as my family is in South Carolina and his reside in Fairfax, Virginia. It became very convoluted due to the fact we could not be in 2 states at the same time. A compromise was reached and I decided to fly home to SC on Christmas Eve morning and he would drive down the day after Christmas with our 2 labs... in an attempt to only have one vehicle to drive back when the holidays were over.

I purchased my tickets from Carlson Wagonlit Travel because they were located in my boyfriend's office and offered fair and competitive prices. My boyfriend purchased them and put them on his credit card... for convenience as he was in the same building every day.

My stress level began to decline and I started looking forward to the holidays. I bought treasured Christmas gifts for each of my family members and took time to insure they would be enjoyed by the receiver. I wondered if I wanted to box them all up and take them on the plane with me... I knew it would be difficult and I wasn't sure if I would be able to accomplish that. Thus, I decided to mail the packages home, unwrapped, in order to save on box sizes, etc... I knew I would have time once I arrived that morning to wrap them and even sent money to my mother, so she could purchase wrapping paper, etc... so it would be available upon my arrival.

The morning of my flight, I got to the airport around 5:00 AM. My flight was supposed to leave out of Dulles at 8:40 AM and fly to Charlotte, NC. I then got on another flight and headed for SC, with my arrival time being 11:20 AM. I decided not to take any luggage or packages to be checked in... knowing my boyfriend could bring more

US
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stuff in the vehicle when he drove down in a couple of days. I went directly to my gate and got my boarding passes and seat assignments. I asked about my flight and was advised, everything was on schedule. I waited and waited and heard numerous flights being canceled due to the poor weather conditions. I inquired numerous times and was always advised my flight was fine and they would be no problem with it. I questioned that information, as so many flights were being canceled. Again, I was advised not to worry. Around 8:30 AM, no one advised we could begin boarding and my stomach began rolling with nervousness. At 9:00 AM, the same US Air employee I had questioned over and over stated that flight 306, which was my flight, was canceled. There was a plane that had been de-iced, a crew ready to fly, but no pilot. He also stated they could not help us in attempting to locate other flights...we would have to go back to the main terminal and inquire there.

I went back to the main terminal and the line was miles long. I broke in line and went to the counter and asked the employee if he could help me and he told me to get back in the line and wait...wait again after waiting 4 hours. I was angry and upset. I had been lied to and misled. I lost valuable time waiting and knew I had to make a decision. I decided to leave and drive home to SC. I went home and rushed around trying pack more clothes for me and my boyfriend as he knew if I drove, he was planning on flying home to SC. I had reservations about driving as I knew the roads were in covered with snow and ice. I had not other alternative.

I tried to call the US Air before I left to check on flights, but, got a busy signal. I finally left around 10:00 AM headed for SC. The roads were worse than I thought and my guardian angel has to have been with me for that trip. There were wrecks over couple of miles and when I stopped to get fuel, the gas station was closed due to no power. On more than one occasion, I thought of stopping and getting a hotel room due to the road conditions. I called my boyfriend and my family in SC every hour just to ease their minds about my driving and to let them know where I was...

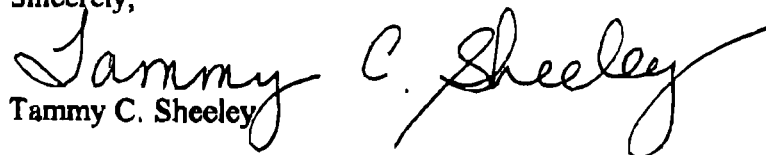
After I left, my boyfriend called US Air and was advised that my flight had been canceled around 7:00 AM. No one ever told us that at the airport. He was frustrated and shocked. He inquired about getting a refund and was advised I would have to obtain it because the tickets were in my name. Thus, for almost 3 weeks now, we have tried to get through on the US Air 1-800 line to find out what we should do and have yet to get a person, instead, we get a busy signal.

I got to SC around 8:30 PM...it normally takes 7 hours. It took almost 10 this time due to the roads. My family was very glad to see me and I was very glad to be there. They waited on me and we ate our traditional Christmas meal. The kids were only worried about the gifts...which reminded me none of mine were wrapped. It was already so late, I knew I did not have time to wrap them. I passed mine out first and apologized for the lack of pretty paper and bows...the kids just didn't understand. But, most importantly, I was alive and with my family.

I am upset because I was lied to...misled. I would have had more time to drive had someone been honest with me from the beginning. I can appreciate that no one wanted to be working and have to cancel flights...keeping families apart for the holidays. No matter what, it is inexcusable to lie to anyone...I was a Deputy Sheriff when I was in SC, having to work most all holidays, but, I never lied to one person...esp. about something so

important. I have finally been advised through a friend of a friend (Ron Reeves) to take the tickets back to the airport for my refund. I am disappointed overall with US Air and will not make future flight with US Air. Not only was the experience turned into a circus at the airport, it was also a major issue in trying to inquire about my refund. I merely had a simple question and no matter what extension I pushed on the 1-800 number, I got placed on hold and then got a busy signal. I find it hard to believe business can profit with such policies....

Sincerely,


Tammy C. Sheeley



U.S AIRWAYS

Executive Staff
Office of Consumer Affairs

DUPLICATE COPY

February 5, 1999

Rec'd
By Fax
3/8/99
NLS

Ms. Tammy C. Sheeley
R.C. Whitmer & Assoc., Inc.
1800 North Kent Street, Suite 1104
Arlington, VA 22209

Dear Ms. Sheeley:

Thank you for contacting us about US Airways flight 306. We know that on-time flights are important to our passengers, and we apologize for the cancellation of your flight to Charlotte during the holiday period.

We expect our station personnel and crew members to impart accurate and regular updates concerning the status of our flights. Although it is sometimes difficult to predict the length of a delay, and flight status can change rapidly, our employees should stay in close contact with our flight operations department to ensure they have the latest information.

I am sorry that our service in this and other areas fell short of your expectations and our own customer service goals. Your comments were shared with our Station Manager in Washington/Dulles for his thorough review and immediate action. I can assure you that your remarks were not taken lightly.

Thank you for taking the time to write, Ms. Sheeley, and for sharing your feedback with us. We value your business and loyalty, and will continue working to ensure that your future flights with US Airways are pleasurable and uneventful in every respect. We hope to have the opportunity to serve you again soon.

Sincerely,

Christina R. Ulosevich

cc: DOT

Post-it® Fax Note	7571	Date	3/8/99	# of Pages	2
To	Norm Strickman	From	Brenda Carroll		
Co/Dept.	DOT	Co.	US Airways		
Phone #		Phone #	661-8106		
Fax #	202-366-5944	Fax #	661-8031		

James Corsetty
4905 Arbutus Ave
Rockville, Md. 20853

Continental Airlines
Customer Care
3663 Sam Houston Parkway
Suite 500
Houston, Tx. 77032

I am writing to tell of my recent unpleasant experience with your airline. It started out in Las Vegas, on January 13, 1999. I was scheduled on Continental flight 1664 to Houston, the Continental flight 1800 from Houston to BWI. Flight 1664 was scheduled to depart at 10:00 a.m., so I arrived at the airport at 8:30 a.m. There was an extraordinarily long line at the baggage check, but that ok, I was early. A look at the departure monitors showed flight 1664 "delayed est 1:00". This was not a very pleasant surprise, but I went through the line to find out what was going on. When I got to the check-in counter, the employee informed me that the flight was delayed because the plane was coming from Cleveland, and that no planes were able to take off from Cleveland because of ice. She offered to change my reservation and put me on Continental flight 1678 to Newark, leaving Las Vegas at 11:30, then Continental flight 3383 from Newark to BWI. I asked why there was not another plane for my scheduled flight to Houston, and the employee did not know. I asked to be put on Delta flight 644, which would arrive at BWI closer to the time I had planned to arrive than the Continental alternative through Newark. I was told that they could not put me on another airline. I asked if the connector from Newark to BWI was a "prop" plane. I was told it was. I informed the employee that I specifically scheduled my itinerary so that I would not have to fly on a "prop" plane, because I really do not like to fly on them. I was told there was nothing that could be done.

Problem #1 - There was no plane for the scheduled Continental flight 1664 to Houston.

Problem #2 - Continental not willing to get me on another airline so I could arrive at my final destination as close to my planned arrive as possible. Continental also not willing to work with me concerning the "prop" plane.

So I went on Continental flight 1678 to Newark. It was delayed about 40 minutes and left about 12:15 p.m. from Las Vegas. As we approached Newark, the pilot informed us that we were in a holding pattern, because of backups getting into Newark. I had a 7:45 p.m. connector to BWI. We circled for a while, then the pilot informed us that we still could not land at Newark, that fuel was starting to get low, and we were proceeding to Philadelphia to refuel. We got to the terminal at Philadelphia about 8:30 p.m. My connector was not an option anymore. We were able to exit the plane while refueling. We boarded the plane at about 9:30, started to taxi out to the runway, and then turned off the taxiway and stopped. The pilot informed us that Newark had just closed. About 1:15 a.m. on January 14, the pilot informed us that we were not going to fly to Newark, and we proceeded back to the terminal. We sat on the plane for about four hours, on the ground, not moving anywhere.

Problem #3 - Sitting on the plane for four straight hours, why didn't we go back to the terminal. There was no food, no drinks. That was ridiculous.

When we got off the plane at 1:30 a.m., we were told to go to baggage claim. At baggage claim, we were told we would be driven to Newark by bus and cab. I went to the Customer Service office down by the baggage claim area. There I told the Continental employees that I had no desire to get on a bus or cab, in icy weather, to go to Newark when I was trying to get to BWI. I was told that Continental does not fly from Philadelphia to BWI, and I would have to go to Newark to get to BWI. I saw that the supervisor there was writing out \$200 vouchers for cab fare to Newark. I asked this supervisor to allow me to get a rental car, and I would drive to BWI. He told me he could not do that.

Problem #4 - Continental can give out \$200 vouchers for a cab, but can't give me \$50 (or whatever the cost, certainly well under \$200) for a rental car? That makes no sense what so ever.

So I again said I saw no reason to get on a bus or cab for 2-3 hours to go to Newark when I was closer to my final destination of BWI right there in Philadelphia. So the employee behind the counter got on the computer. She informed me that there was a U.S. Airways flight to BWI at 10:30 a.m. from Philadelphia. She also said there was a 6:30 a.m. flight to DCA. So I asked the supervisor if I could have a voucher for cab fare between DCA and BWI. I much preferred the earlier flight since I was supposed to

be at work that morning. He gave me \$40 in vouchers for a cab, which I thought was not enough money for a cab between DCA and BWI. He said that was all he could do.

Problem #5 - Continental gives out \$200 cab vouchers to everyone else, and I can only get \$40?

The woman behind the counter punched a bunch of keys into her computer terminal, and said I was on the U.S. Airways flight at 6:30 a.m. to DCA. She wrote down the flight information and gave it to me. I then asked about hotels for the night. I was told Continental could not provide a hotel for me. I asked about some food. I was told that Continental could not provide any food for me.

Problem #6 - Continental provided \$200 cab vouchers to Newark, but will not give me a hotel to sleep in or a voucher for any food?

So I spent the night in the Philadelphia Airport. I had no idea where to go, where was safe, where it might be warm. Needless to say, I did not sleep. I sat in a cold airport for the rest of the morning. At about 5:15 a.m. I made my way down to the U.S. Airways check-in area. I got to the counter, gave the employee my flight information, and he informed me that I was not listed as a passenger on the flight. The U.S. Airways employee then told me that there was a 7:30 a.m. flight to BWI. I asked him to verify that, because the Continental employee told me there was only a 10:30 a.m. flight to BWI. He verified this.

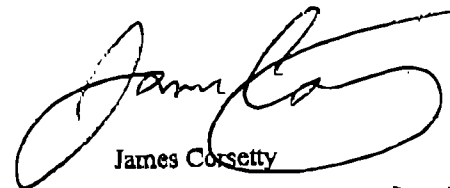
Problem #7 - I was told by the Continental employee that I had a reservation on the 6:30 a.m. flight to DCA, and I had no such reservation.

Problem #8 - I was told by the Continental employee that the earliest flight to BWI was 10:30, when there was a flight at 7:30.

The U.S. Airways employee was able to place me on the 7:30 flight to BWI, a "prop" plane.

Problem #9 - I missed a full days work, \$416 for 8 hours.

Overall, it was a miserable experience. I can not remember a time when any company has treated me so inconsiderately and poorly. This was my first trip with Continental Airlines. It was also my last. I am also forwarding a copy of this letter to the U.S. Department of Transportation and the Better Business Bureau.



James Corsetty

301-929-6342

ATTACHMENT 1

Sens. McCain and Wyden introduced S. 383 (co-sponsored by Sens. Bryan and Snowe), and a Senate Commerce Committee hearing on it is expected on March 11. The bill would define specific practices as a deceptive or unfair method of competition, which would require a DOT enforcement proceeding. In particular, the bill would require airlines to refund full ticket prices within 48 hours of sale if requested by the consumer, to deliver checked baggage within 24 hours, to allow passengers to use only a portion of a ticket on a flight with multiple legs, and to provide more information to consumers on: whether a flight is oversold; fares; delay, diversion or cancellation of a flight and the reason why; and the number of frequent flyer seats on a flight and the percentage of successful and failed redemptions. DOT would be required to include information on violations in its monthly Air Travel Consumer Report.

Rep. Shuster and 17 co-sponsors have introduced H.R. 700, which would: (1) disallow the use of a single flight number for a flight that includes a change of aircraft; (2) require truthful disclosure to customers of delays, diversions and cancellations; (3) hold air carriers liable to customers for delays of over 2 hours; (4) require alternative service and refunds to customers on a canceled flight, with DOT required to review and report on patterns of cancellations; (5) require carriers to make good-faith efforts to deliver recovered lost baggage; (6) forbid carrier or airport security procedures that separate a child under 2 years old from its parent or guardian; (7) require disclosure to customers of code sharing; (8) allow passengers to use only a portion of a ticket on a flight with multiple legs; (9) require disclosure of the number of seats on a flight available for frequent-flyer redemption; and (10) require DOT to study and report on whether carriers provide sufficient supervision of unaccompanied children under 12 changing planes. As with the McCain/Wyden legislation, the burden would be on the Department to enforce these provisions.

Rep. Dingell has introduced H.R. 780, which would require airlines to: (1) submit to DOT plans detailing how they would provide onboard passengers with food, water, medicine and access to restrooms in the event of an emergency, with \$10,000 fines for noncompliance; (2) compensate passengers at twice the ticket price for delays over 2 hours and at three times the ticket price for delays over 3 hours; (3) pay \$2,500 -- double the current penalty -- for baggage damaged by mishandling; (4) provide customers who are "bumped" alternative travel arrangements arriving within two hours of the scheduled flight, or refunds or vouchers in the amount of the ticket price; and (5) publish passengers' rights on flight safety cards, with ticket information, and on signs at ticket counters.

A precipitating factor behind the Shuster and Dingell legislation was the extraordinary delays suffered by passengers on Northwest flights at the Detroit airport over New Year's weekend. Snow conditions led to mechanical, staffing and dispatching problems, leaving passengers stranded in planes up to 8 hours, with resulting food and sanitation problems.

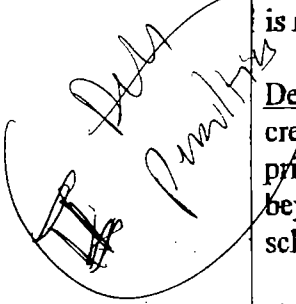
A comparison of the three bills with the possible DOT-proposed legislation follows.

Flight
passage

Airline Consumer Protection Proposals

3/3 DRAFT

<u>Issue</u>	<u>H.R. 700 (Shuster)</u> <u>H.R. 780(Dingell)</u>	<u>S. 383 (Wyden; McCain)</u>	<u>Administration</u>
Consumer complaint handling: -also "ombudsman"			<u>Carrier Plan:</u> must acknowledge receipt of written complaints within 30 days, and offer dispositive relief within 30 days thereafter. <u>Monthly Rpt:</u> Monthly carrier complaint statistics reported to DOT, with types of complaints broken out, and latest responses totaled. <u>Web/gate posting:</u> Detailed information about the Carrier Plan and its consumer complaint record available on the web (with paper alternative) and at departure gates. <u>Ombudsman:</u> Must designate a named individual to assist consumers, providing address and phone number to the public.
Ticketing/Denied Boarding/Refunds/Reservations: -also "hidden city" issue	<u>H.R. 780:</u> Air carrier that involuntarily bumps a passenger must arrange alternate transportation and, if not an arrival within 2 hours of original schedule, shall also reimburse 100% of total ticket (does not affect foreign air transportation).	<u>Oversold flights:</u> Purchaser must be notified, upon request, that flight is oversold. <u>48-hour refund:</u> Air carrier must offer full refund within 48 hours of ticket purchase.	<u>Carrier Plan:</u> -<u>bumping:</u> must list passenger rights on voluntary and non-voluntary bumping; criteria for bumping; substitute transportation arrangements (with 2-hour goal) -<u>refunds:</u> deadlines for processing refund requests. -<u>reservations:</u> "price quote guarantee" for 48 hours (if reservation made more than 7

Issue	H.R. 700 (Shuster) H.R. 780(Dingell)	S. 383 (Wyden; McCain)	Administration
	<i>Shuster</i> <i>Shuster</i> <i>Dingell</i> <u>Use of restricted tickets/partial ticket:</u> Air carrier may not bar or penalize use of part of a ticket, or one-way of a round-trip ticket.	<u>Complete fare information:</u> Air carrier must provide full access to all fares, if requested <i>WMS</i> <u>"Hidden city" issue:</u> Air carrier must permit use of a portion of a ticket (if for confirmed reserved space) in all cases	days in advance) <u>-fare information:</u> purchasers asking for lowest fare must be advised a lower fare may be offered through a different carrier outlet. <u>-DBC:</u> statutory increase in "denied boarding compensation" under DOT rules from \$200/\$400 to \$400/\$800.
Frequent Flyer Awards:	Must publicize percent of seats available to FF awardees on a particular flight, if requested.	Carrier must provide useful information about value of a FF program, including percent of seats redeemable on a particular flight.	<u>Monthly Rpt:</u> Monthly carrier "seat availability/awards made" statistics reported to DOT, for flights with FF seats below 10% of seats in major markets. <u>Web/gate posting:</u> of FF awards made.
Delay/Cancellation: 	<u>Announced flight delays, cancellations, or diversions</u> must include a reason that is not false or misleading. <u>Departure/arrival delays</u> exceeding 2 hrs create carrier liability (200% of ticket price, plus 100% added for hours beyond 3). FAA ATC delay after scheduled departure is an exception. <u>Non-safety-based cancellation on date of flight:</u> Carrier shall provide timely substitute, and refund of ticket price.	<u>Cause of flight delay/cancellation/diversion:</u> Air carrier must provide accurate, truthful reason for delay.	<u>Carrier Plan:</u> Must provide delay, diversion, and cancellation procedures in following cases: (1) prior to 2 hrs before flight; (2) during last 2 hrs, with assurance of notice <u>before boarding</u> of expected delays; (3) 15-minute updates after enplanement of reasons for ground delays; (4) inflight 30-minute updates of diversion or inflight or arrival delays; (5) 15-minute updates after landing of deplaning delays (exceptions for safety priorities

<u>Issue</u>	<u>H.R. 700 (Shuster)</u> <u>H.R. 780(Dingell)</u>	<u>S. 383 (Wyden; McCain)</u>	<u>Administration</u>
	<u>DOT investigation</u> required of patterns of "economic" flight cancellations, and a determination of "economic" cancellation will result in ticket refunds.* <u>H.R. 780:</u> -Carrier to ensure passenger access to food, water, restroom facilities and emergency medical services. Emergency plan must be submitted to DOT. DOT to issue regs within 6 months. -Carrier to give sufficient and accurate notice, based on information reasonably available, of potential and actual significant delay in departure or arrival. Before boarding whenever possible. -<u>Excessive delay:</u> Carrier liable to passenger for 200% of ticket price for 2-3 hour delay; 100% more for each hour (or fraction) beyond 3 hours. Exception for FAA-directed delays (if no notice prior to scheduled departure) or due to mechanical or other safety concern.		over announcements). <u>-emergency health and comfort:</u> Carrier to ensure passenger access to food, water, restroom facilities and emergency medical services. Also, plans for heat and air conditioning, and evacuation.
Non-discrimination for disability, race, religion, etc.		NOTE: McCain FAA proposal (S. 82) contains Sen Snowe amendments.	<u>Carrier Plan:</u> Must state non-discrimination policy. -New disability (and other discrimination) protections for domestic and international travel. -Justice Dept. enforcement.

Issue	H.R. 700 (Shuster) H.R. 780(Dingell)	S. 383 (Wyden; McCain)	<u>Administration</u>
			-Private right-of-action and attorney fees. -Increased civil penalty (Plus Snowe provision for "DOT determined compensation" in lieu of voucher. NOTE: Consumer complaint reporting requires designation of separate "disability" and "other discrimination" subcategories.
Lost/Delayed Baggage	Air carriers must make good faith efforts to return identifiable baggage to owners <u>H.R. 780</u>: Minimum liability for direct or consequential damages from loss, damage to, or delay in delivery of personal property, including luggage, increased to \$2500 per passenger.	Air carrier must deliver checked baggage within 24 hours (unless unreasonable)	<u>Carrier plan</u>: Must state policy for mishandled baggage, including "late" delivery arrangements. -statutory increase in minimum compensation to \$2500 (adjusted for inflation) -only fragile/perishable items (not valuables) excluded from liability (all other items subject to limit) -wheelchairs can't be considered baggage--not subject to liability limit.
Notice of Passenger Rights	<u>H.R. 780</u>: DOT to prepare, within 6 months by rule, a statement of airline passenger consumer rights, and require that an air carrier provide them to consumers as a "seatback card," at ticket counter, and with ticket.		Carrier must make DOT consumer information (Flyer Rights and detailed consumer reports) readily available to airline consumers.
Single Flight Number	A <u>single flight number</u> is barred if a change of aircraft occurs between segments. (new 41716(a))		[rulemaking on better disclosure] ??
Codesharing	<u>designator code</u> on ticket must be the carrier that will provide the flight,		[rulemakings] ??

<u>Issue</u>	<u>H.R. 700 (Shuster)</u> <u>H.R. 780(Dingell)</u>	<u>S. 383 (Wyden; McCain)</u>	<u>Administration</u>
	unless the carrier/foreign air carrier provides prior notice to purchaser		<u>EAS/strike situation</u> : Codeshare carriers involved in a strike must make plans to maintain EAS service.
CRS data protection			A CRS system may not disclose purchaser identity unnecessarily, or broader booking, marketing, or sales data (other than to the agent involved).
Reports	*Carrier must report <u>all</u> cancelled flights to DOT within 30 days	DOT's monthly Air Travel Consumer Report shall include information on violations of 49 U.S.C. 41712, as modified by S. 383.	<u>Monthly Rpts</u> : see above re: -consumer complaints; -frequent-flyer "fulfillment".
Security/un-accompanied minors	Air carriers and airports may not conduct security checks in a manner that separate a child under 2 from its parents. <u>DOT 1-year study</u> of level of safety provided to unaccompanied children under 12 during changes of aircraft		<u>Carrier Plan</u> : Must state policy, procedures, and charges for carrying un-accompanied minors.
Enforcement/ Penalties	<u>Maximum civil penalty</u> for violating "single flight number" requirement is \$1100, multiplied by number of passengers on a flight <u>Maximum civil penalty</u> for violating "false explanation for delay/cancellation/ diversion" requirement is \$1100, multiplied by number of paid passengers on a flight <u>H.R. 780</u> : Civil penalty of \$1000 increased to \$10,000 for (1) new		-Failure by a carrier to fulfill its Carrier Plan constitutes a violation of law. -Separate violation for each passenger affected. -Current \$1100 per-violation penalty increased to \$10,000 for new requirements. -see above for detail in disability/discrimination area.

<u>Issue</u>	<u>H.R. 700 (Shuster)</u> <u>H.R. 780(Dingell)</u>	<u>S. 383 (Wyden; McCain)</u>	<u>Administration</u>
	requirements of HR 780, and (2) those under current 49 USC 41712 as to an "unfair method of competition".		

*File
for review*

CLINTON ADMINISTRATION'S AIRLINE CONSUMER PROTECTION PLAN

Background. The Department received 9,606 air travel consumer complaints in 1998. During the past two years, the number of airline consumer complaints to the Department has risen 35%. From 1997 to 1998 alone, the increase was 25%.

The Department places each complaint it receives into one of ten categories: flight problems; over-sales; reservations/ticketing/boarding; fares; refunds; baggage; customer service; smoking; advertising; credit; tours; and, other. Since 1996, the number of complaints held steady in nearly every category, other than in "customer service" and "flight problems."

In the past two years, the number of "customer service" complaints increased 68%. The largest sub-categories of customer service complaints filed were (in order): poor attitude (e.g., rude or confrontational employees); information problems; seat assignment problems; and, refusal to provide assistance. The number of complaints regarding "flight problems" increased 40% during that time. The largest sub-categories of flight problem complaints filed were (in order): cancelled flights, delayed flights, flight irregularities (e.g., diversions and over-flying a scheduled stop) and missed connections.

The number of complaints received by the Department is only a fraction of the number of complaints generated by airline passengers. An informal DOT poll of several of the major U.S. air carriers indicates that they receive an average of roughly 200 complaints for every complaint filed with the Department.¹

DOT authority and staff. The Department has the responsibility to prohibit unfair and deceptive practices by an airline against its passengers. To carry out this responsibility, the Department has an Aviation Consumer Protection division. There is a staff of fifteen in the Aviation Consumer Protection Division and its enforcement office, down from over 100 in 1978 (the time of airline deregulation), and from approximately 50 in 1985 (when the Civil Aeronautics Board was transferred to the Department).

Current DOT Initiatives. The Department is preparing to issue two final rules to ensure travelers receive sufficient information from air carriers before booking a flight.

¹ While every airline records each complaint it receives, each airline has its own methodology for determining the number of complaints sent to the airline. For example, each airline often "charges" more than one complaint to a single contact. While DOT counts as two complaints a single letter, phone call or e-mail if the two events complained about are clearly distinct, e.g., problems on two separate flights, or a flight delay and a bag problem on the same flight for our records, an airline sometimes count two or three different aspects of a flight delay as individual complaints, because they attempt to track which departments were responsible for particular problems.

- **Code-Share Disclosure:** The first of these rules will require the airline to disclose the corporate name of the code-share partner of the airline prior to the purchase of a ticket. Currently, major air carriers (such as United Airlines) enter into marketing agreements with smaller air lines (such as Air Wisconsin), permitting the smaller carrier to hold itself out as United Express. Many passengers complain that they are being given insufficient notice to distinguish between United Airlines and Air Wisconsin prior to arrival at the airport. The Department's rule will require such disclosure.

- **Change of Gauge:** This rule will require an airline to notify a passenger prior to the purchase of a ticket if a change of aircraft is required in the event a single flight number is provided to the passenger for a single flight.

Framework of proposal. The Clinton Administration's Aviation Consumer Protection Plan requires each U.S. air carrier² to submit a consumer protection plan with the Department of Transportation.³ The plan submitted by the airline must contain a detailed summary of the customer service and information a passenger can expect to receive from the airline, and the procedures the airline has in place to handle consumer complaints. For certain elements, the Administration's proposal sets forth specific requirements air carriers must meet in developing a comprehensive customer service plan. In other instances, the proposal permits the airline to determine the level of service it will provide its customers. Once the plan is submitted to the Department, DOT will hold the airline responsible for complying with each of the elements of the plan.

Purpose. To require the airlines:

- To provide each of its passengers with adequate information upon which to base informed consumer decisions;
- To require the airlines to have in-place a comprehensive plan to provide each passenger with non-discriminatory and responsive service; and,
- To ensure Departmental regulations provide an incentive to the airlines to improve customer service.

Consumer protection plan requirements. Each airline must:

² A U.S. air carrier is defined as an air carrier that operates at least one aircraft with 60 or more seats or code-shares with a major air carrier for scheduled air service. Foreign air carriers are excluded from the proposal.

³ Each U.S. and foreign air carrier is required to submit to the Department a family assistance plan pursuant to the Aviation Disaster Family Assistance Act of 1996 and the Foreign Air Carrier Family Support Act of 1997. The impetus for the legislation was the manner in which the families of the victims were treated in the aftermath of ValuJet 592 and TWA 800. As the requirement for filing a family assistance plan is legislative, the Department was not required to undertake rulemaking to ensure each air carrier filed a plan. Today, the Department has on file nearly 500 plans, and the legislation has been hailed as a success by the airlines, the government, and the families of the victims of aviation disasters.

- Assure that it will provide passengers accurate information in the most timely manner possible;
- Assure that it will provide a dispositive response to a consumer complaint within 60 days of the receipt of the complaint;
- Develop and make public a policy for handling the inability to board all passengers in the event of overbookings;
- Develop and make public a policy for managing lost or damaged baggage;
- Develop and make public a policy on how it will inform its customers of delays in departures and deplanements;
- Assure that it will maintain a reservation with its original offer price for at least 48 hours, except for the last seven days before the flight;
- Assure it will not discriminate in the treatment of passengers;
- Develop and make public a plan to provide for the physical comfort and health of its passengers in the event of an extensive ground delay;
- Assure it will publicly list its consumer protection officers, with phone numbers;
- Assure that it will continue to work with a code-share partner in the event of a strike;
- Develop and make public its plan to ensure that it will have adequate training and resources to carry out the plan.

Non-discrimination in air travel. Each air carrier must also not discriminate against an individual with a physical or mental impairment. (This provision is also contained in the Administration's proposed Federal Aviation Administration Reauthorization Act.)

Reporting requirements. Each air carrier must submit a monthly report to the Department. This report will detail all of the written complaints received by the air carrier in one of 15 specific categories. This will permit consumers to determine which carrier receives the most complaints per passenger, as well as whether an air carrier is improving its customer service by seeing if the number of complaints received by the carrier is increasing or decreasing.

Frequent flyer award disclosure (tentative). Currently, consumers can not determine which airline frequent flier program provides the most rewards to its members. The Department is reviewing whether requiring each air carrier to report to the Department the percent of frequent flier tickets awarded in their top Origin-and-Destination markets will provide consumers with useful information.

Regulatory requirements. The Department has regulations concerning the liability limits of the air carriers in the event of lost baggage and involuntary denied boarding compensation. The proposal would:

- Raise the minimum monetary liability for lost or mishandled baggage from \$1,250 to \$2,500. It would also prohibit the airlines from excluding valuables and mobility devices (wheelchairs) from the definition of luggage.
- Raise the minimum denied boarding compensation from \$200/\$400 (depending on length of delay) to \$400/\$800.

Civil penalties. Currently, an air carrier is subject to \$1,100 per violation for violating airline consumer protection statutes and rules. The proposal would raise the civil penalties for violation of the statute from \$1,100 per violation to \$10,000 per violation. It would also clarify that a violation is against each passenger, not a single violation per flight.

Increased staffing. The proposal will call for an increase in the number of staff in the Department's Airline Consumer Protection Division.

Differences from pending proposals. Two bills have been introduced in this Congress regarding airline consumer protection, one by Rep. Shuster and the other by Sens. McCain and Wyden. Each of their proposals has elements that would affect how airlines price their tickets. The DOT proposal outlined above, however, would not affect the ability of the air carriers to utilize "yield management." Accordingly, the provisions in the Shuster and McCain/Wyden legislation which prohibit "hidden-city ticketing" and "back-to-back" ticketing are not included, as the Department believes that the unintended consequences of such provisions would raise air fares for leisure travelers.

Senators Express Views In Private; Censure Odds Dim

IMPEACHMENT

SENATORS GO into a second day of secret deliberations today on the impeachment trial even as a verdict virtually certain to acquit President Clinton looms.

Speeches could take up to three days, and Senate leaders aim to end the trial with votes on the two impeachment articles by late Thursday or Friday.

On the first day of private deliberations, 18 senators made explanations of their votes, according to **Sen. Larry Craig**, R-Idaho. "It was not a debate," Craig said of senators' discussions after they closed their doors. "It was a giving of opinion."

Most senators took the 15 minutes they were offered, according to several senators interviewed after the first jury session broke. **Sen. Slade Gorton**, R-Wash., led off followed by **Sen. Edward Kennedy**, D-Mass.

Before beginning deliberations at 2:03 p.m. Tuesday, a weary Senate turned its back on requests for new evidence.

Republicans asked for new depositions requested by the House managers and were predictably blocked.

Also, **Majority Leader Lott** asked Independent Counsel Kenneth Starr to look into reports of the existence of an audio tape system to pick up conversations in the White House.

Discouraging speculation that White House tapes might contain conversations involving Monica Lewinsky, **Senate Majority Whip Nickles** insisted that anything Starr might find was not needed for the trial. John Czwartacki, Lott's press secretary, said the letter of 128 words amounted only to "official notification" to "look into the veracity" of news reports and "discussions in the caucus."

Asked why Lott made the request, Czwartacki said the leader "wants to pursue each dangling question." Lott felt "it's unfair to the president to let this hang out there," Czwartacki said.

Senators have been banned from telling what they said in the closed deliberations, and most were cautious about what they said after the first day was over.

Sen. Herb Kohl, D-Wis., reported the mood was "solemn" after the Senate closed its doors and turned off the

television lights. "This is the moment of truth," Kohl said. "People are taking this seriously."

Several senators predicted the deliberations would go into Thursday. In the closed session, Lott told the senators he hoped the "speeches will get shorter" as time goes on, according to **Sen. Joseph Lieberman**, D-Conn.

Already dim, hopes for voting on a censure motion before the week is out were even less promising to some of its advocates.

Lieberman said he was "a bit less optimistic" because of the procedural problem of getting a vote this week. He speculated the censure move "will end in partisan deadlock."

Key Republicans, including **Senate Judiciary Chairman Hatch**, insisted that not enough time is left to deal with censure this week.

One problem facing censure advocates is whether the Senate will shift from trial mode to legislative session for more than a few moments before the recess.

— BY BASIL TALBOTT AND
MATTHEW MORRISSEY

Shuster Unveils His Own Passenger Rights Legislation

TRANSPORTATION

HOUSE Transportation and Infrastructure Chairman Shuster

today will unveil his airline "passenger rights" legislation, proposing that passengers be given refunds if trapped on runways or if flights are canceled to save an airline money.

Shuster's proposal comes as Congress prepares to move the FAA reauthorization, which expires March 31, and change regulations to foster more competition in the airline industry.

A Shuster aide Tuesday said it is unclear if the passenger rights bill will move separately or become part of the FAA bill Shuster will unveil later this month.

Senate Commerce Chairman McCain and **Sen. Ron Wyden**, D-Ore., last week proposed their own passenger rights legislation. The Shuster and Mc-

Cain bills share similar provisions, but they are not identical.

Shuster told reporters earlier this year he wanted a passenger rights bill after reading about passengers trapped on runways for hours, the treatment of passengers during the Northwest Airlines strike, and his own personal experience of having pilots lie to him about why his plane was diverted from Pittsburgh to Columbus, Ohio.

The Shuster bill, to be unveiled today at a news conference, would force airlines to refund two times the cost of a passenger's ticket if they are trapped on a runway for more than two hours.

After three hours, the passengers would receive three times the cost of the ticket. After four hours, the rate would increase to four times the cost.

Airlines, under the Shuster bill,

would be required to refund the cost of a ticket if they cancel a flight for economic reasons. Airlines sometimes cancel flights when there are too few passengers to make the trip profitable.

Shuster would require airlines to disclose the number of seats available on each flight for redemption of a frequent flier program award.

Like the McCain bill, the Shuster plan would allow passengers to use only part of a ticket without penalty by the airline.

For example, airlines sometimes charge more for a ticket to Chicago than for a ticket to St. Louis with a connection through Chicago. Airlines have penalized passengers traveling to Chicago who instead buy the cheaper ticket to St. Louis, then get off at Chicago.

— BY MATTHEW MORRISSEY

DATE: MARCH 3, 1999

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HEADLINE: A new spin on Air passengers' rights;
COMMERCE;
Matthew Brelis is the Globe's Focus writer.

BYLINE: By Matthew Brelis, Globe Staff

BODY:

The New Year weekend's snafu at Detroit Metropolitan Airport has spawned more than horror stories about passengers imprisoned for hours on snowbound Northwest Airlines jets, unable to take off and unable to return to the gate.

It has given rise to a seeming stampede of politicians trying to enact legislation ensuring that passengers on commercial airlines will be treated with a modicum of respect. And that political frenzy has caused considerable angst in airline boardrooms, and in lobbyists' offices in Washington, D.C.

"I thought I would put this in as a shot across their bow and it may go nowhere," says US Representative Bud Shuster, a Pennsylvania Republican who is chairman of the House Committee on Transportation and Infrastructure and the author of the so-called "Airline Passenger Bill of Rights."

"But, boy, we struck a raw nerve."

While high-ranking federal aviation officials say privately that this passenger rights movement smacks of demagoguery, and airline officials say it offers simplistic - and expensive - fixes to a very complex system, it has resonated with the millions of Americans who have had, at one time or another, a less than pleasant experience dealing with airlines.

By some accounts, never have so many Americans been angry at the airlines; consumer complaints rose 25 percent last year. Of course, never have so many Americans been flying. Last year, some 608 million people flew on US airlines, up from 275 million in 1978.

But when it comes to how consumers are treated, "There are practices tolerated in the airline industry that are not tolerated in any other American industry, and that is quite odd because this is supposed to be a service industry," says Paul Dempsey, a law professor and director of the Transportation Law Program at the University of Denver.

At least three bills - two of which are slated for a hearing next month - have been introduced in the Capitol; the Senate version is sponsored by Ron Wyden, the Oregon Democrat, and John McCain, the Arizona Republican who also

The Boston Globe, February 28, 1999

is the powerful chairman of the Commerce, Science and Transportation Committee. There is Shuster's bill, and a second House bill, sponsored by Representative John Dingell, the Michigan Democrat who is a ranking member of the Commerce Committee.

While they vary somewhat, all three bills would give consumers protection against common problems ranging from getting bumped from oversold flights to having baggage lost for days. The House bills would impose penalties on airlines for flights delayed more than two hours, raising concerns that some safety issues may be overlooked in order to avoid a hefty fine.

Some of the bills would legislate pricing on certain kinds of tickets, and require airlines to provide better information about airline frequent-flier seat availability (something airlines tend to consider proprietary), and about why planes are delayed.

The fact that hearings are scheduled on the bills suggests that "this is not some frivolous thing," says Alan Simpson, the former GOP senator from Wyoming who now directs Harvard's Institute of Politics at the John F. Kennedy School of Government.

"They saw they could put together a Taxpayers Bill of Rights with the IRS, and this may take a while - nothing may happen this session - but there is enough real stuff out there to create honest interest in this legislation," Simpson says.

So, instead of celebrating a year just completed in which there was not a single commercial airline fatality, the industry is sweating over a looming battle that many believe will force ticket prices up.

While the Air Transport Association, the trade group representing the biggest airlines, has yet to take a position on the bills, spokesman David Fuscus says, "I don't think you really want the government in customer service, and pricing is probably not a good place for them to be in. Tickets are 36 percent less expensive than they were 20 years ago," he says. (The industry was deregulated in 1978).

And at least one passenger group agrees.

"The politicians are trying to attack indirectly what they should attack directly - the lack of competition and the alternatives for passengers," says David Stempler, president of the Washington-based Air Travelers Association. "Secondly, we are fearful that when the heavy hand of government comes in, we, as passengers, will end up paying for it at the end of the day. The law enacted most frequently in this town is the law of unintended consequences."

Stempler says much of the hostility directed at the airline industry these days stems from airplanes being more crowded. The days of having the middle seat empty, or having a lunch or dinner served on, say, a flight from Boston to Chicago, seem like a pleasant memory.

And, says Dempsey, unlike other purchases, buying an airline ticket does not give someone the opportunity to inspect the product beforehand. "You don't know until the plane leaves if it will depart on time; you don't know if it will be clean, if the food will be edible, whether the flight attendants will be

The Boston Globe, February 28, 1999

surly, or if you will be seated in the middle between two obese human beings in palm tree T-shirts and poor hygiene."

Stempler notes that airlines in the '90s are not immune from the aviation equivalent of road rage. "The only time I can remember as much discontent was in the days of air traffic control when planes were circling over cities waiting to land. We resolved that with flow control, and, hopefully, the marketplace will solve some of the current problems."

Neither the FAA, nor the Department of Transportation, which have oversight over the airline industry, has taken a position on the proposed legislation. The department tracks passenger complaints regarding airlines on everything from problems with the flight to smoking. And although complaints in 1998 were up 25 percent over 1997 - a fact politicians like Shuster use to bolster their arguments - the number of passengers who file complaints is still quite small. Of those 608 million passengers who flew last year, 9,606 of them took the time to file formal complaints with the Department of Transportation.

"These bills are just not well thought out," says Darryl Jenkins, executive director of the Aviation Institute at George Washington University and a professor of airline management. He says he's never seen a time when so many people are angry at the airlines, and "the airlines need to do something, but these bills are not a step in the right direction."

Jenkins says all the bills indicate a lack of understanding of the complexity of the airline industry as well as of the flexibility it requires. Something as seemingly innocuous as the requirement to announce to would-be passengers that a flight is oversold is fraught with difficulty. Most flights are not oversold until the day before the flight. Sophisticated computer programs record the flight history and can predict quite well how much a flight can be technically oversold - but still, on the day of travel, have enough room for everyone, because some people don't show up at the gate. Such practices help keep prices down, by helping ensuring that all seats are filled.

Furthermore, says Jenkins, if a flight crew going to Asia realizes on the day of its departure that a storm in the Pacific will increase the amount of head winds the flight will encounter, a plane that is not technically oversold, but simply full, becomes oversold because it will have to use more fuel and weigh less to arrive safely.

Announcing the causes of delays seems to be a good idea, Jenkins says, because about 65 percent of all delays are caused by the antiquated air traffic control system. "If they inform passengers accurately and truthfully about delays, the pilot will say, 'This delay is brought to you by the US government.' Maybe then Congress will finally update the air traffic control system."

But fining airlines for delays raises troubling safety concerns, according to aviation specialists. For example, a pilot may be reluctant to take time for a needed de-icing if it will make the flight late, and thus lead to fines.

"We never argue about the blacks and whites of safety," says Stempler. "It is the gray area in the middle that you have to worry about. And you can't legislate against stupidity or bad decisions, and that is really what happened in Detroit. They made bad decisions."

The Boston Globe, February 28, 1999

GRAPHIC: PHOTO, 1. Stranded for days at the Detriot airport over New Year's. /
AP PHOTO
2. Snowstorms caused delays, frustration, and fatigue at Detroit's airport last
month. / AP PHOTO

LANGUAGE: ENGLISH

LOAD-DATE: March 03, 1999

6TH STORY of Level 1 printed in FULL format.

Copyright 1999 The Dallas Morning News
The Dallas Morning News

February 28, 1999, Sunday THIRD EDITION

SECTION: NEWS; Pg. 1A

LENGTH: 1559 words

HEADLINE: Airlines facing outcry;
Congress looks for ways to boost passenger rights

SOURCE: Staff Writer of The Dallas Morning News

BYLINE: Robert Dodge

DATELINE: WASHINGTON

BODY:

WASHINGTON - It seems everyone has an airline horror story to tell these days.

Take Sue Curtis and her husband. The Dallas couple thought Vanguard Airlines Inc. had made an appropriate conciliatory gesture when it gave them two free tickets after they were delayed for more than six hours last summer just outside Kansas City, Mo.

But there was a hitch. After spending hours on the phone with Vanguard, and after giving the tickets to her daughter and then to friends in Chicago, Ms. Curtis said, the airline could not produce seats.

"No one was able to use them," said Ms. Curtis, disgruntled. And then the six-month deadline to redeem the tickets expired.

Vanguard said it allots a limited number of free seats on its flights, just the sort of explanation that has angered passengers already fuming about what they view as deteriorating airline service.

And though airline officials contend they provide a high level of service at low fares, recent extraordinary events - passengers detained on Northwest Airlines' planes during a Midwest snowstorm in January and the American Airlines pilots' sickout - have touched a raw nerve on Capitol Hill.

Lawmakers, who fly frequently, have introduced several bills that would mandate more passenger rights. The proposals appear to be generating bipartisan support.

The outcry also has been heard at the White House, where officials looked into the issue after sharing personal experiences about Northwest's snowstorm episode.

"We are taking a close look at this because we think there are some legitimate concerns," said White House spokesman Jake Siewert.

THE DALLAS MORNING NEWS, February 28, 1999

Officials at the Department of Transportation, who requested anonymity, said they are encouraged by the legislative proposals, seeing an opportunity to force airlines to improve customer service without having to go through the process of writing regulations.

Helping passengers

No one is expecting Congress to mandate bigger seats and better meals. But the proposals would require airlines to keep passengers better informed about delays, cancellations and air fares, and in some cases, would force financial compensation for inconvenienced passengers.

"I cannot walk on the floor of the House or to the House gym without members coming up and telling me about the horrible experiences that they or their constituents have had on the airlines," said Rep. Bud Shuster, R-Pa., chairman of the House Transportation and Infrastructure Committee.

Rep. John Dingell, D-Mich., introduced a competing proposal this week. And in the Senate, bipartisan legislation is being sponsored by Sen. John McCain, R-Ariz., chairman of the Senate Commerce, Science and Transportation Committee, and one of the panel's Democrats, Sen. Ron Wyden of Oregon. Both House and Senate committees plan hearings in early March.

"There's a feeling that the airlines have been very profitable and that passenger service is getting short shrift," Mr. Wyden said.

Airline spokesmen deny that service has suddenly deteriorated. And industry executives warn that legislative initiatives could begin to resurrect the inflexible scheme that governed schedules and fares before deregulation in 1978.

"Our market research shows the airline industry continues to enjoy high favorable ratings with the general public," said Dave Fuscus, a spokesman for the Air Transport Association, the industry's Washington lobbying organization.

Industry changes

But some passengers complain that service has changed dramatically during the two decades since deregulation. Seating is more crowded, bags of snacks have replaced hot meals and flight attendants and other airline employees sometimes appear overwhelmed with the crush of passengers. And each travel season seems to bring new announcements of discontinued services or new fees.

For instance, Delta Air Lines Inc. of Atlanta announced in January it would levy a \$ 2 surcharge for round-trip tickets not booked through the company's Web site. After a sharp customer rebuke, the airline rescinded the policy but said it would only refund the \$ 2 fees collected during the interim period if customers paid a \$ 75 service charge.

Delta officials declined to be interviewed and referred questions to the Air Transport Association, which contends service has not deteriorated.

But Department of Transportation statistics show that passenger complaints are rising. Last year, the department recorded 9,606 complaints, a 25 percent increase over 1997. At the same time, airline profits have been going up. According to the department, airlines reported net income of \$ 5.3 billion in

1998, up more than 23 percent from \$ 4.3 billion reported in 1997.

And with fewer options for travel and a robust economy, more people are flying. The number of passengers has more than doubled to 608 million a year over the last two decades. Industry forecasts said there will be 1 billion by 2008.

Although passenger discontent has been festering for some time, some industry officials fault Northwest for attracting the scrutiny of Congress and the Clinton administration.

"Runway Sunday"

As many as 4,500 passengers were stuck inside Northwest's airplanes up to eight hours during a fierce January snowstorm at the carrier's major hub, Detroit Metropolitan Airport. Passengers were forced to remain aboard grounded aircraft as lavatories backed up and food and water ran out, only to see many flights eventually canceled.

"Northwest had done such a terrible job within that blizzard that it drew attention to itself and the industry," said an executive at a rival airline, who asked not to be identified.

Northwest spokesman Jon Austin acknowledged the "Runway Sunday" incident drew passengers' ire. But he said it was a bad idea for the government "to insert itself between a business and its customers."

"I will say as an industry we have done some of this to ourselves," he added, noting that Northwest has sent out 8,000 free tickets and an apology to detained passengers.

The American pilots' sickout also is drawing fire. San Francisco lawyer Patrick Catalano said a general frustration about airline service may have played a role when six Illinois residents filed a lawsuit against the pilots' union over a flight cancellation.

Airline response

American officials declined to comment about proposed legislation and referred to a prepared statement that suggested Congress could make better use of its time by improving the air traffic control system.

"We are nearing the point of gridlock at many airports and in the skies, and Congress' failure to address these issues will only result in more delays and higher air fares," the American statement read.

Lawmakers said they will not tolerate an unresponsive attitude by the airlines. "They better not put their heads in the sand, as this is a serious issue," Mr. Shuster said.

The various legislative proposals would require airlines to tell passengers when flights are overbooked, as well as the reasons for delays, cancellations and diverted flights. Airlines also would have to disclose the number of seats available on each flight to frequent fliers and provide information about all fares available.

THE DALLAS MORNING NEWS, February 28, 1999

In some cases, passengers would be entitled to compensation for delays, full refunds on canceled flights and the opportunity to cancel reservations without penalty within 48 hours after they were made.

Hal Salfen, director of consumer affairs at the International Airline Passengers Association, applauded the proposals. But he said that they would be difficult to enforce and that passengers also bear responsibility because they put heavy demands on the airlines, such as bringing too many bags aboard.

Setting standards

Sponsors of the legislation said they expect objections from lawmakers who do not want Congress intervening in the marketplace. That concern was echoed Friday by retired American Airlines chairman Robert L. Crandall, who said every airline executive wants to treat every customer well, but "the question of whether you can pass a law that will in some way affect customer service standards is a very open question."

Some airline customers expressed similar misgivings about the government stepping in. Mark Hunt of Coppell, a sales manager with Pepsico Food Imports Inc., said that doesn't always improve things.

"I think the government sometimes gets involved in areas where they become more of a problem than a benefit," he said.

But Mr. McCain said it was unlikely free-market competition would solve the problem.

"If we had sufficient competition, I would be much more open to that argument," he said. "There is less and less competition and more and more consolidation."

And even Mr. Hunt, who travels about 60,000 miles a year on business, said he would like more accurate information from airlines about why he's sitting in the terminal waiting and waiting for a flight.

"That would be absolutely fantastic if they forced airlines to let us know the reason for a delay . . . and be held more accountable for the times they give the passengers," he said. He said he is irritated about instances when a brief delay follows a brief delay, and "next thing you know, you've been sitting there for two hours."

Staff writer Terry Maxon in Dallas contributed to this report.

GRAPHIC: PHOTO(S): 1. John Dingell . . . Michigan Democrat plans to introduce a proposal this week. 2. John McCain . . . Arizona Republican chairs a Senate transportation committee. 3. Ron Wyden . . . Oregon Democrat is helping push for bipartisan legislation.

LANGUAGE: ENGLISH

LOAD-DATE: March 1, 1999

8TH STORY of Level 1 printed in FULL format.

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WALL STREET JOURNAL

February 26, 1999, Friday

SECTION: Section A; Page 1, Column 5

LENGTH: 38 words

HEADLINE: WASHINGTON WIRE

JOURNAL-CODE: WSJ

ABSTRACT:

Clinton Administration proposes 'air passenger bill of rights' that would require airlines to disclose reasons for flight delays and other problems; tries to refashion pending bills industry says would restrict pricing (S)

LANGUAGE: ENGLISH

LOAD-DATE: February 26, 1999

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LANGUAGE: ENGLISH

LOAD-DATE: February 26, 1999

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Copyright 1999 Associated Press
AP Online

February 25, 1999; Thursday 11:38 Eastern Time

SECTION: Financial pages

LENGTH: 558 words

HEADLINE: Northwest Tackles Problems

DATELINE: DETROIT

BODY:

Admitting that its personnel made many errors and misjudgments during a blizzard at Detroit Metropolitan Airport, Northwest Airlines is focusing on improvements in 15 problem areas.

Northwest has developed an 'action plan' with specific recommendations on preventing a recurrence of the debacle at Detroit, where more than 4,500 travelers were stranded Jan. 3 for up to 8 1/2 hours aboard 34 Northwest planes unable to take off or reach passenger gates during a storm that dumped 10.6 inches of snow on the area.

An internal preliminary report was compiled Jan. 14, sent to Northwest executives and later obtained by the Wall Street Journal. According to that report, managers at Northwest's Strategic Operations Center at Minneapolis-St. Paul International Airport ignored their own dispatchers and sent flights to Detroit when they shouldn't have.

At the same time, Northwest officials in Detroit appealed to the center to suspend flights headed to Metro Airport 'until further notice' as 19 jets sat stranded on the tarmac because no gates were open.

'With the benefit of hindsight, we should not have sent those flights in,' Northwest spokesman Jon Austin told the Star Tribune of Minneapolis in a report published Thursday.

The final report, released Wednesday, concluded that 'Northwest employees performed admirably under extreme conditions,' but also cited specific situations that contributed to those conditions, including:

An airplane stuck in a snowdrift blocked the entrance to the airport's Concourse C.

Snowplows failed to clear large drifts and struck a hut containing a deicer. Car rental companies had to be called in to help move passengers in vans.

A catering truck was used to remove a heart attack victim from a jet that pulled into the alley between the two concourses.

An estimated 7,000 pieces of luggage were lost.

AP Online, February 25, 1999

The airport's snow-removal contractor's snowplows were blocked by parked aircraft.

Among the recommendations in the airline's final report are: establishing better coordination between Northwest hub airports and the airline's Strategic Operations Center, improving preventive winter maintenance for jetways, snow removal and scheduling of flight crews.

The report included a ''finding'' that the ''Detroit event was impacted by lack of plan to follow.'' That was disputed by Austin, the airline's own spokesman, who told the Star Tribune that Northwest ''did have a plan and does have a plan'' for operating in severe weather at Detroit, its largest hub.

That was disputed by U.S. Rep. John Dingell, D-Dearborn, whose district includes Metro Airport.

''By all accounts, you can tell they didn't have the vaguest idea what to do in Detroit,'' Dingell told the Detroit Free Press in a report Thursday. ''I wouldn't want to have to justify the way Northwest handled that thing. I don't think I could.''

On Tuesday, Dingell introduced legislation creating a ''passenger's bill of rights.'' Among other things, it would require an emergency plan to ensure that passengers aboard stuck planes could exit safely and would have access to food, medicine and working restrooms. It also would hold airlines liable for long departure delays not involving safety problems.

(PROFILE

(CO:Northwest Airlines Corp; TS:NWAC; IG:AIR;)

)

LANGUAGE: ENGLISH

LOAD-DATE: February 25, 1999

16TH STORY of Level 1 printed in FULL format.

Copyright 1999 Knight Ridder/Tribune Business News
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DETROIT FREE PRESS

February 25, 1999, Thursday

KR-ACC-NO: DE-CORRECTION

LENGTH: 1205 words

HEADLINE: CORRECTION:

BYLINE: By Daniel G. Fricker

BODY:

Northwest Airlines' hub operations at Metro Airport crumbled into chaos on Sunday, Jan. 3, as the airline and airport stumbled and fell during a snowstorm that other Midwest airports weathered in better shape, according to an internal Northwest assessment of the crisis.

The 23-page assessment, first reported on by the Wall Street Journal and posted on the paper's Web site, depicts an airline and airport crippled by a series of mishaps and failures.

The ensuing chaos resulted in more than 4,500 travelers being stranded up to eight hours aboard 32 Northwest flights during the snow crisis.

Northwest used the report to prepare a 12-page action plan it released Tuesday.

The plan includes recommendations such as creating an emergency response plan for Northwest operations at Metro, having stairs at Metro to unload passengers stranded on jets and forming "go teams" to fly to the airport when bad weather threatens.

The Jan. 14 assessment, sent to 13 top Northwest executives, revealed that at mid-afternoon on Jan. 3, Northwest officials at Metro were appealing to the airline's central dispatcher to stop sending flights to the airport.

Nineteen jets already sat stranded on taxiways and runways because no gates were available.

Northwest canceled more than 500 flights at the airport on Jan. 2-3.

As the nightmarish day continued, an airplane stuck in a snowdrift blocked the entrance to Concourse C.

A jumbo jet skidded to a stop and had to be towed.

Snowplows failed to clear large drifts and hit a hut that contained deicing fluid.

DETROIT FREE PRESS February 25, 1999, Thursday

Car rental companies were asked to move passengers in vans.

A pilot pulled a jet into an alley between concourses so emergency medical technicians using a catering truck could evacuate a person believed to be having a heart attack.

Jet bridges that link planes to gates failed in the frigid conditions.

The report noted that one crew abandoned a flight preparing for takeoff.

"A 757 had pilots and all but one flight attendant," the assessment said in one of many notations about employees. "The whole crew walked' after the last flight attendant showed up. The passengers deplaned and the aircraft tied up the gate after that."

About 50 percent of Northwest's employees could not get to the snowbound airport or called in sick.

U.S. Rep. John Dingell, D-Mich., of Dearborn, who introduced a "passenger bill of rights" in the House Tuesday, said Northwest's actions during the snow emergency were indefensible.

"By all accounts, you can tell they didn't have the vaguest idea what to do in Detroit," he said Wednesday. "I wouldn't want to have to justify the way Northwest handled that thing. I don't think I could."

Here's a chronology of events that occurred during the snowstorm, according to the internal report:

FRIDAY, JAN. 1

2 p.m., in anticipation of the storm, Northwest managers at Metro decide to reduce the number of flights by 50.

SATURDAY, JAN. 2

1:30 p.m., with visibility reduced to a quarter of a mile, Northwest's chief dispatcher suggests shutting down the airline's operations at Metro. But the system operation control decides, instead, to reduce the number of flights to 25 during each wave of arrivals.

3:30 p.m., Metro tells Northwest that no approaches are available and too many planes are in the air headed to the airport. Flights begin to divert to other airports 10 minutes later.

Two officials drive to a deicing pad on the airfield.

"There were big drifts along the way," the assessment says. "There were white-out conditions and they got lost. Had to call county for an escort to the pad. Took one hour to get to the pad."

6:30 p.m., Metro orders Northwest to suspend operations until at least noon Sunday.

DETROIT FREE PRESS February 25, 1999, Thursday

7 p.m., four trucks are spraying deicing solutions on Northwest flight 743 as it sits on the deicing pad.

"Right wing had accumulation before spraying was completed," the assessment says. "Sprayed a second time. Then, threw in the towel."

Twelve airplanes waiting in line at the deicing pad begin returning to their gates and unloading passengers.

SUNDAY, JAN. 3

2 a.m., all aircraft are finally unloaded and parked at a gate or pushed into alleys.

The snowplows of Jack B. Anglin Inc., Metro's snow removal contractor, are unable to plow deep into the alleys because they are blocked by parked aircraft and group equipment.

6 a.m., the snow stops. More than 10 inches has fallen but drifts are much higher.

One-hundred and twenty Northwest passenger-service employees and 165 ramp employees call in sick. Northwest is left with 185 ramp employees.

10:40 a.m., there is 12 inches of snow on ramps, and luggage belt loaders cannot move.

Andrea Fischer Newman, Northwest vice president of government, law and civic affairs, pages Wayne County Airports Director Dave Katz to discuss conditions at the airport.

Concourses A and B, which serve airlines other than Northwest, are plowed and clear of snow. The snow-removal contractor, Anglin, fails to give Northwest the required 20-minute notice before plowing so the airline can move its equipment.

11 a.m., Northwest's operations at Metro tells the airline's chief dispatcher that Metro cannot handle flights until 2:30 p.m. Some flights already have left other airports and are heading for Metro.

11:16 a.m., Northwest flight 247 arrives at Metro and needs 28 minutes to reach a gate.

11:20 a.m., cars and trucks need 90 minutes to reach airport terminals from I-94, a distance of about one mile.

1 p.m., Northwest's operations at Metro advises the airline's chief dispatcher that Metro cannot handle any more arrivals until 3:30 p.m.

"Flight 12 hit three snowbanks while taxiing in," the assessment says. "Engines came into contact with snowbank."

1:45 p.m., Northwest operations at Metro tells airline's chief dispatcher to stop all flights to Metro "until further notice."

DETROIT FREE PRESS February 25, 1999, Thursday

2 p.m., Newman shows Katz piles of snow blocking the airline's planes.

"Did not appear that snow was being moved off the airport," according to the assessment. "It was piling up everywhere."

Northwest crews can't get to the airport and calls from crews overwhelm the airline's phone bank.

2:30 p.m., 19 flights are waiting on the airfield for gates to open.

5 p.m., airplane is stuck in snowdrift between Concourses B and C, blocking access to the gates of Concourse C.

6:10 p.m., 16 planes are on the ground waiting for gates to open.

6:15 p.m., Northwest employees deice mobile stairs in a hangar in preparation for using stairs to unload planes. But the stairs are never used.

"Conditions were brutal; very cold, windy, blowing snow, very slippery airstairs from deicing fluid," the assessment says.

7:15 p.m., all flights to Metro canceled for rest of evening.

8 p.m., a jet pulls between Concourses D and E after the pilot reports a passenger is suffering a heart attack. A Boeing 757 skids, stops and has to be towed.

10:40 p.m., Northwest cancels all flights to Metro until noon on Monday, Jan. 4.

Visit the four World Wide Web sites of the Detroit Free Press. Visit Auto Authority at <http://www.auto.com>, the Freep at <http://www.freep.com>, Jobspage at <http://www.freep.com/jobspage> and Yaks Corner for kids at <http://www.yakscorner.com>

CORRECTION-DATE: February 25, 1999, Thursday

CORRECTION:

EDITORS: This is a revised version of a story slugged DE-NORTHWEST moved Feb. 24 by KRT Business News. Please use this version and KILL DE-NORTHWEST.

LANGUAGE: ENGLISH

JOURNAL-CODE: DE

LOAD-DATE: March 3, 1999

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SOUTH BEND TRIBUNE

February 24, 1999, Wednesday INDIANA, MICHIGAN, MISHAWAKA,
PHM, TRIBUNE

SECTION: NATION/WORLD, Pg. a3

LENGTH: 132 words

HEADLINE: Dingell bill gives rights to airline passengers

BODY: WASHINGTON -- Passengers stuck on an airplane for hours would be provided with tools to fight back under a bill introduced Tuesday by a Michigan congressman.

U.S. Rep. John Dingell, D-Dearborn, filed the bill on a cold February day, calling that "fitting because the airlines have pretty much left the flying public out in the cold." Inspired in part by a Detroit snowstorm in early January, the measure calls for a passenger bill of rights that would be printed on the plastic safety card at every passenger's seat.

Under the legislation, airlines would pay double the price of the passenger's ticket in compensation for a long delay. If the delay were longer than three hours, compensation would be determined by multiplying the number of hours by the price of the ticket.

LOAD-DATE: February 26, 1999

22ND STORY of Level 1 printed in FULL format.

Copyright 1999 News World Communications, Inc.
The Washington Times

February 24, 1999, Wednesday, Final Edition

SECTION: PART B; BUSINESS; Pg. B8

LENGTH: 649 words

HEADLINE: Fares soar despite cheap fuel;
Airlines' consumers seek relief

BYLINE: Timothy Burn; THE WASHINGTON TIMES

BODY:

Jet fuel prices have fallen to their lowest levels in years, but several consumer groups complain that the airlines are not passing that savings on to air travelers.

Higher fares in the face of dropping fuel prices are just the latest in a growing list of complaints from consumers and airline watchdog groups who think the major air carriers are exploiting the relative lack of competition in their industry.

Airlines in the past two years have ratcheted up typical business-class airfares more than 40 percent as the strong U.S. economy has increased consumers' thirst for air travel.

"The airline industry has often cited rising fuel costs as a reason to raise airfares, but we have never ever enjoyed a decrease in fares as a result of lowered fuel costs," said Terry Tripler, editor of the Airfare Report in Minneapolis.

"We have seen airlines in the past two years cut costs on everything from meals to travel agent commissions. It just doesn't make sense that fares should be going up right now," Mr. Tripler said.

Earlier this month several major airlines, including Arlington-based US Airways and United Airlines, increased fares by 4 percent for unrestricted, refundable tickets and 2 percent for restricted, unrefundable tickets, most often used by business travelers.

The average cost of a one-way business-class airfare ticket in the United States was \$454 last year, compared with \$366 in 1996, and \$289 in 1992, according to the American Express Domestic Airfare Index.

At the same time, major airlines and other fuel consuming industries are enjoying the fruits of a worldwide glut in oil supplies. For airlines, jet fuel is the second highest expense after labor costs.

The cost per gallon of jet fuel in the United States dropped to 44 cents in December, its lowest point since 1993, according to GKMG Consulting Service, which tracks airline industry statistics.

The Washington Times February 24, 1999, Wednesday, Final Edition

Lower fuel costs and higher demand have added up to stellar profits for most industry majors.

Major U.S. carriers posted net profits of \$5.1 billion last year, slightly below the record of \$5.2 billion in 1997. United Airlines, the nation's largest carrier, had net earnings of \$1.34 billion.

As the airlines enjoy rising profits, consumer complaints have also risen about overcrowding, lack of information on flight schedules and gradually declining in-flight service.

Delta Airlines announced recently that it is taking sandwiches out of its SkyDeli meal bags on 140 flights, replacing them with crackers and cheese, or carrots and dip. Other airlines have also cut back on meals.

"We are witnessing a rising tide of dissatisfaction with the airline industry, and even people inside the industry are starting to question recent fare increases," said James Ashurst, spokesman for the American Society of Travel Agents.

"The airlines are real busy kowtowing to Wall Street right now, and they are not spending time thinking about the passengers who fill their coffers," he added.

While calls to several airlines were not returned, one industry official defended the higher airfares.

"Pricing in the airline industry is driven not by costs, but by demand," John Austen, spokesman for Northwest Airlines.

"Our industry is no different than book publishing or software publishing. It is value- and demand-driven."

Amid the rising complaints, several congressional lawmakers have proposed an "Air Travelers Bill of Rights." The proposals would give passengers more opportunities to cancel flights, require airlines to explain why flights are delayed, among other things.

Congress has also been looking into proposals to increase the level of competition in the airline industry. While some low-cost airlines have risen in the ranks, most others complain that the majors have too much market control over hub cities like Chicago, St. Louis and Atlanta.

GRAPHIC: Photo, The average cost of a one-way business-class airline ticket in the United States was \$454 last year, compared with \$366 in 1996, and \$289 in 1992. Meanwhile, fuel prices in December hit their lowest point since 1993., By AP ; Chart, FARES FLY, FUEL FALLS: The average one-way airfare for a business traveler jumped 32 percent from 1993 to 1998, while fuel costs dropped 11 percent., By The Washington Times

LANGUAGE: ENGLISH

LOAD-DATE: February 25, 1999

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Aviation Week and Space Technology

February 22, 1999

SECTION: CONSUMER BACKLASH; Vol. 150, No. 8; Pg. 59

LENGTH: 1123 words

HEADLINE: Disgruntled Travelers Cause Government, Agency Review

BYLINE: JAMES T. MCKENNA

DATELINE: WASHINGTON

BODY:

Calls for an airline passengers' "bill of rights" could herald battles between carriers and the FAA over who is to blame for what appears to be a rising tide of air traveler dissatisfaction.

That tide seemed to crest early in January after a Midwestern snowstorm resulted in planeloads of passengers stranded in their aircraft for up to 8 hr. on taxiways and ramps at Detroit Metropolitan Airport. But air travelers were aggravated again this month when a sickout by American Airlines pilots disrupted itineraries for thousands of flights (see p. 62).

The latest dispute could help build support for bills in the Senate and the House that would institute stricter rules for how airlines treat passengers during delays, how they sell tickets and what options they give passengers for finding lower fares and getting refunds when they do.

House Transportation Committee Chairman Bud Shuster (R-Pa.) said his passenger bill-of-rights proposal is intended as "a wake-up call for the airline industry," noting that consumer complaints to the Transportation Dept. have risen 26% above the level of complaints filed about airlines in 1997.

SEN. RON WYDEN (D-ORE.) sees his bill as a prod.

"The real point is to ensure the airlines bring some of their creativity and extraordinary entrepreneurial skill into making sure that the passengers who use their service get through it without feeling like a dishrag," he said.

Wyden won backing for his bill from Senate Commerce Committee Chairman John J. McCain (R-Ariz.), who cosponsored it. McCain said he wants to "ensure that passengers have the information they need to make informed choices in their travel plans."

Customers clearly are less satisfied with airlines than in the recent past. A University of Michigan survey found that, of a list of 33 U.S. institutions, only the Internal Revenue Service got worse consumer satisfaction ratings than the airline industry. However, the reasons for the dissatisfaction are not clear.

Fares for last-minute business travelers have risen about 30% in the last 2 years, but advanced-purchase fares used by most leisure travelers have been

Aviation Week and Space Technology, February 22, 1999

fairly stable since late 1997. Major carriers generally were unable to push through fare increases last year, foiled for the most part by Northwest Airlines' unwillingness to go along.

Furthermore, passengers have become more selective in the price they are willing to pay for tickets. That is evidenced by the generally disappointing yields, or revenue per seat mile flown, that U.S. carriers have reported in recent months. The latest industry analysis by Salomon Smith Barney, for instance, posits that business travelers have become more adept at booking lower, advanced-purchase fares for their trips.

Airlines are carrying passengers in record volumes, both in absolute terms and as a percentage of available seats on each aircraft. While transports are more crowded and passengers on them less comfortable, Transportation Dept. statistics show that passengers generally encountered no more flight delays in 1998 than in 1997 (see charts).

SO THE SHIFT OF AIRLINE customer dissatisfaction into the political and media spotlight has caught industry officials somewhat off guard. Even a passenger-advocacy group argued after the Wyden-McCain and Shuster bills surfaced that the government and consumers should avoid meddling with tougher airline regulation.

'We as airline passengers keep telling airlines what we want is low fares, low fares, low fares,' said David Stempler, president of the Air Travelers Assn. 'If you start mucking around with a system that has a very delicate balance, it's possible fares will go up for everybody.'

That aligned the passenger group with the major airlines' trade group, the Air Transport Assn., whose officials faulted the bills' provisions as unworkable, and at odds with the American Society of Travel Agents.

'Air travel shouldn't be an act of self-defense,' said Joe Galloway, president of the travel agents group. He said the bills 'would solve many of the problems that have been plaguing air passengers, such as a lack of accurate information and the right to use your ticket as you see fit.'

That juxtaposition illustrates the political current swirling around the issue of passenger satisfaction. Travel agents are furious at major airlines, which they see as pursuing a campaign of slashing distribution costs by driving them out of the ticket-sales chain. Carriers since 1995 have chopped commissions paid to travel agents and now are pursuing efforts to increase direct ticket sales to customers through Internet sites. For travel agents, the passenger-dissatisfaction issue presents an opportunity to attack the airlines while publicly portraying themselves as defenders of consumer rights.

McCain's presidential ambitions undoubtedly play a role in his advocacy of the issue. But the keenest political fight may well center on who is to blame for consumer complaints. Airlines are bearing the brunt of the debate now mainly because they are the most visible target.

'It's standard practice in Congress,' said one trade group representative with experience on Capitol Hill. 'You attack the first guy you see.'

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But the issue conceivably could strengthen the airlines' argument for increases in federal spending on airports and navigation and air traffic control facilities and for the release for that purpose of taxes collected but held in reserve in the \$ 10-billion Aviation and Airways Trust Fund. Carriers could well argue the executive branch has mismanaged its stewardship of the aviation infrastructure and cite as evidence a long string of ATC upgrades that have been delayed for years, or in some cases scrapped entirely, after hundreds of millions of dollars were spent on their development.

THE AIRLINES' ARGUMENT was bolstered by an audit of airline flight delays by the Transportation Dept.'s Office of the Inspector General. That audit noted, of 2,115 routes to and from 28 major airports sampled, flights on 73% of them saw their gate-to-gate travel times increase and 5%, or 113 routes, saw gate-to-gate flight times increase by 10-20 min. over the last decade. The greatest portion of the delays (56%) occurred on the ground at a flight's departure or destination airport.

The delays increased despite introduction of aircraft with new navigation, communication and flight-planning capabilities and upgraded ATC planning and management systems. The Air Transport Assn. also has been working with air traffic managers on ways to reduce delays. The Inspector General's staff estimates the delays cost the 10 largest U.S. airlines at least \$ 275 million in added expenses.

GRAPHIC: Table, Illustration: Graph: Loads and Delays Change Little... ;
Illustration: Graph: ...But Consumer Complaints Grow

LANGUAGE: ENGLISH

LOAD-DATE: February 25, 1999

29TH STORY of Level 1 printed in FULL format.

Copyright 1999 Times Publishing Company
St. Petersburg Times

February 22, 1999, Monday, 0 South Pinellas Edition

SECTION: EDITORIAL; EDITORIALS; Pg. 10A

LENGTH: 552 words

HEADLINE: Straighten up and fly right

BODY:

If airlines don't change their ways, two passengers' rights bills could be only the first round of legislation aimed at regulating them.

The airline industry may have been deregulated back in the late '70s, but in the '90s its utter disregard for passenger comfort and service is inviting back the heavy hand of government.

Every coach air traveler knows that flying, once a luxurious experience even for those behind the curtain, is now something to be endured. Cramped seats or, as Consumer Reports calls it, "Incredible Shrinking Seats" have to be the worst aspect of flying these days. Nearly all airlines have reduced coach-class seat sizes and have crammed them closer together in order to make room for added rows or a few more pricey first class recliners. Meals are laughably paltry and unappetizing, if you're lucky enough to be served anything besides a half ounce of something salty. And trying to redeem frequent flyer miles is like rolling dice in Las Vegas - you have to be lucky.

Two bills have been introduced in Congress to arm passengers with some rights in dealing with airlines. Although the bills mostly address issues of fair treatment rather than passenger comfort, the airlines themselves should understand that these measures may only be the first legislative salvo. If they don't take it upon themselves to respond to passenger complaints about the ordeal of flying, the airlines could soon be confronting much more sweeping regulation.

Sponsored by Sens. John McCain, R-Ariz., and Ron Wyden, D-Ore., the "Airline Passenger Fairness Act," (S. 383), focuses on giving passengers timely and accurate information so they can make informed consumer choices.

Airlines would have to give passengers advance notice when their flight is canceled and the reasons why. They would also have to provide complete information on all fares charged on each flight, whether the flight is oversold and how many seats are reserved for frequent flyers. And all airline tickets would be refundable within 48 hours of purchase.

On the House side, Rep. Bud Shuster, R-Pa., chairman of the House Committee on Transportation and Infrastructure, has introduced, the "Airline Passenger Bill of Rights Act" (H.R. 700). Shuster's bill responds to an incident at a Detroit airport in January. Passengers on a Northwest Airlines flight were kept on the runway for 11 hours waiting to take off while a blizzard kept the plane grounded. During the ordeal, passengers were told they couldn't leave the

St. Petersburg Times, February 22, 1999

airplane, denied food and toilet facilities and ordered to remain in their seats.

Shuster's legislation would require compensation for passengers who are boarded onto flights that then sit for two hours or more before taking off. Similar to the Senate bill, it would also require airlines to provide reasons for any cancellations or delays. But Shuster's bill would go further, ordering airlines that cancel flights for any reason other than safety to offer passengers timely air transportation to the destination and a full refund.

The bipartisan support for these bills suggests that even the traditionally business-friendly Republicans have had enough of air travel indignities. If the industry doesn't start to address the misery it has inflicted on air travelers, Congress soon will.

LANGUAGE: ENGLISH

LOAD-DATE: February 23, 1999

34TH STORY of Level 1 printed in FULL format.

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AIRLINE INDUSTRY INFORMATION

February 19, 1999

LENGTH: 143 words

HEADLINE: UAL CEO CALLS PASSENGER BILL OF RIGHTS A POLITICAL "FEEDING FRENZY"

BODY:

The chief executive officer of UAL Corp, the parent company of United Airlines, has labelled congressional calls for a 'Passenger Bill of Rights' as a politically driven "feeding frenzy". According to Reuters, the UAL chairman said though airlines were not perfect he did believe service was improving and that the economic incentive to provide good service was a good basis for competition. In his speech, Gerald Greenwald, said that other factors such as the growth in airline traffic outstripping the ability of airports to cope, the air traffic control system being built for 1960's level traffic and the variability of weather all contributed to the delays suffered during recent times. Greenwald suggested that airlines, airports, labour, regulators, communities and passengers had to band together to improve the air transport system.

LANGUAGE: English

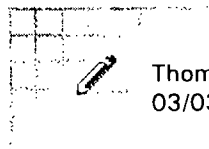
LOAD-DATE: February 18, 1999

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SEND TO: SMITH, MARY
 OPD - DOMESTIC POLICY COUNCIL
 ROOM 308
 OLD EXECUTIVE OFFICE BUILDING
 WASHINGTON, DISTRICT OF COLUMBIA 20502-0308



Thomas L. Freedman
03/03/99 10:20:14 AM

Record Type: Record

To: See the distribution list at the bottom of this message

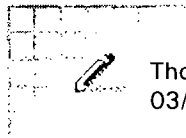
cc:

Subject: Recoupment and farmers

Bruce asked me to check in with congressional offices on how they would prefer the recoupment language on farmers to read: should the states be credited for money that explicitly goes through the trusts set up under the Phase II agreement or should states be credited for funds spent in more general categories such as "promoting economic development in regions injured by reduced sales or price of tobacco." I checked with Senator Robb's staff who is the main Dem. in the Senate now on the subject, and Rep. Etheridge's staff who took a lead role last year and ag. staff. They all preferred we didn't have any bill, but if there is a bill want us to use the general categories not the trusts. Gov. Patton's staff felt the same. Another very good argument for the general categories is the current drafting of the Phase II trust language. Although not finalized, the language requires that while some of the states have their own trusts, the tobacco companies will appoint a national board to oversee overall distribution of funds and deal with direct allocation of funds in some of the smaller states like Ohio. I'd guess we wouldn't want to put money into a system where they have so much control.

Message Sent To:

Bruce N. Reed/OPD/EOP
Elena Kagan/OPD/EOP
Cynthia A. Rice/OPD/EOP
J. Eric Gould/OPD/EOP
Mary L. Smith/OPD/EOP



Thomas L. Freedman
03/03/99 11:30:39 AM

Record Type: Record

To: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP
cc: Mary L. Smith/OPD/EOP
Subject: Morley Winograd and Food Safety

You asked me to check with Morley on the idea of moving inspections from FDA to USDA and re-naming USDA. He likes the idea, particularly if it can take care of the VP's problem with pesticides. (It might, increased inspections in fruit and veggies plants could conceivably decrease the pesticide problem there -- I'll look into it). He asked we put together a short memo and hold a meeting with you and Neal Lane to figure whether and how to break this to HHS. I said sure. I'd like to first set up a Bruce, Elena, Neal Lane meeting for Friday to discuss this and the NAS response. OK?



Laura Emmett

03/03/99 11:46:16 AM

Record Type: Record

To: See the distribution list at the bottom of this message

cc: See the distribution list at the bottom of this message

Subject: DPC Guidance for 3/5 POTUS Press Conference



DNA.WPD EDUCAT~1.WPI GUNSAFET.WPI MEDICARE.WPI NRALAWS.WPI POLICEBR.WP



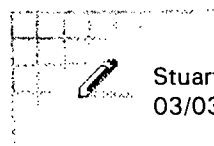
TOBACCO.WP

Message Sent To:

Barry J. Toiv/WHO/EOP
Joseph P. Lockhart/WHO/EOP
Amy Weiss/WHO/EOP
Jennifer M. Palmieri/WHO/EOP
Nanda Chitre/WHO/EOP
Elizabeth R. Newman/WHO/EOP
Beverly J. Barnes/WHO/EOP
Ruby Shamir/WHO/EOP
Linda Ricci/OMB/EOP
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Kevin S. Moran/WHO/EOP
Dag Vega/WHO/EOP
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Roger V. Salazar/WHO/EOP
Chandler G. Spaulding/WHO/EOP
Heather M. Riley/WHO/EOP
Megan C. Moloney/WHO/EOP
Julianne B. Corbett/WHO/EOP
Victoria L. Valentine/WHO/EOP
Richard L. Siewert/WHO/EOP
Karin Kullman/OPD/EOP
Mark D. Neschis/WHO/EOP
Jodi R. Sakol/OVP @ OVP

Message Copied To:

Sarah A. Bianchi/OVP @ OVP
Thomas L. Freedman/OPD/EOP
Christopher C. Jennings/OPD/EOP
Jeanne Lambrew/OPD/EOP
Cathy R. Mays/OPD/EOP
Nicole R. Rabner/WHO/EOP
Cynthia A. Rice/OPD/EOP
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Devorah R. Adler/OPD/EOP
J. Eric Gould/OPD/EOP
Karin Kullman/OPD/EOP
Irene Bueno/OPD/EOP



Stuart Shapiro
03/03/99 01:11:02 PM

Record Type: Record

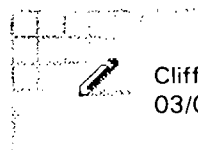
To: See the distribution list at the bottom of this message
cc: Dawn V. Woollen/OMB/EOP, Sandra Yamin/OMB/EOP
Subject: contractor meeting attendees

Below is the list of attendees for tomorrow's meeting between OMB, DPC and representatives of contractors on the recent OFCCP paperwork submission. The meeting is at 2:00 in room 248.

Deanna Gelak and Susan Meisinger from Society of Human Resource Management
Robin Conrad from Chamber of Commerce
David Copus from Jones-Day law firm
James Tozzi from OMB Watch
Pat Cleary from the National Association of Manufacturers
Jeff Norris of Equal Employment Advisory Council

Message Sent To:

Joshua Gotbaum/OMB/EOP
Barbara Chow/OMB/EOP
Donald R. Arbuckle/OMB/EOP
Larry R. Matlack/OMB/EOP
John F. Morrall III/OMB/EOP
Daniel J. Chenok/OMB/EOP
Debra J. Bond/OMB/EOP
Linda B. Oliver/OMB/EOP
Mary L. Smith/OPD/EOP



Clifford J. Gabriel
03/03/99 02:00:43 PM

Record Type: Record

To: See the distribution list at the bottom of this message

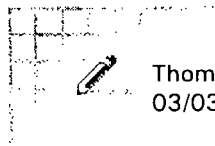
cc:

Subject: Release of NAS assessment

During today's EPA, USDA, HHS conference call, we decided that we should go for a March 10 release of the NAS assessment. HHS is preparing a draft release and qs and as, which they will share with us and the agencies. Please let me know now if you have any concerns about this schedule. We want to make sure it gets out before the March 16th hearing. Cliff

Message Sent To:

Thomas L. Freedman/OPD/EOP
Mary L. Smith/OPD/EOP
Jean.logan @ npr.gov
Wendy A. Taylor/OMB/EOP
Amandeep K. Matharu/OMB/EOP
Margaret A. Malanoski/OMB/EOP
Mark A. Weatherly/OMB/EOP
Jeffrey M. Smith/OSTP/EOP



Thomas L. Freedman
03/03/99 11:39:31 AM

Record Type: Record

To: Elena Kagan/OPD/EOP
cc: Laura Emmett/WHO/EOP, Mary L. Smith/OPD/EOP
Subject: Comparable Worth Plan

Here is our proposed timetable for our Comparable Worth process:

1. This week we are reaching out to Treasury, OMB, Commerce (Orszag is now head of planning there), OPM, DOJ, EEOC, DOL, and SBA to inform them of our process, the idea of endorsing the Harkin bill, and ask them to have preliminary comments ready for a Monday afternoon meeting next week. Orszag in particular says Commerce is going to oppose and will have something to circulate. We are also asking them to be creative about other things in the area we might do. In addition, we want them to see if they can sign on to the data provision that is in Daschle's old bill. We will get you an inventory of other wage disclosure options before the meeting. If any of them look promising, you might ask the agencies to respond to the option as well.

2. March 8 Meeting. Tentative list of invites.

DOJ:	Richard Jerome, Deputy Associate Attorney General Kay Baldwin, Civil Rights Division
EEOC:	Ida Castro, Chairwoman
Labor:	Lee Satterfield, Chief of Staff Sally Paxton, Solicitor's Office
SBA:	Betsy Meyers, Associate Deputy Administrator for Entrepreneurial Development
Treasury:	David Wilcox Assist. Secty for Economic Policy
Commerce:	Jon Orszag, Director, Office of Policy and Strategic Planning
OPM:	Leigh Shein, Chief of Staff
NEC:	Sally Katzen
OMB:	Josh Gotbaum
CEA:	Becky Blank

3. Week of March 15. Second Meeting. Final agency comments will be due. In addition, we will have asked OMB and OPM to prepare ideas on limited comparable worth applications in the federal workplace which we can discuss at this second meeting.

4. Week of March 22. Final memo for sign-off. Inform Harkin and Norton. Hopefully have wage disclosure idea ready as well.

I guess we should include OPL on our invite list, yes? But I would stress that they cannot have contact with advocates during this process.