



Aviation Group Client Update

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DOT ISSUES NEW GUIDANCE FOR PUBLIC CHARTERS

On November 20, 2012, DOT issued [Guidance](#) that adds requirements for its approval of public charter filings under 14 CFR Part 380 and the related enforcement policies. Effective December 20, 2012, DOT will require that all charter prospectus filings include:

1. A statement confirming that the contract between the public charter operator and the direct air carrier includes the full cost of air service. In other words, the contract must cover the all-inclusive cost of the direct air carrier and cannot be limited to providing aircraft, crew, maintenance and insurance (ACMI).
2. A statement confirming that the public charter operator will retain direct control of all passenger reservation records and will share those records with the direct air carrier. DOT's Guidance will ensure that the direct air carrier can identify and contact tour participants regarding return flights, and that it can provide cancellation notices more than 10 days in advance if applicable. Where a public charter operator contracts with a third-party reservation service, a duplicate, current copy of all reservation records must be accessible to the operator at all times.

Additionally, for non-cash transactions, public charter operators may accept payment by credit card only, and not debit card. This ensures that consumers will be protected by the Fair Credit Billing Act. DOT states it may address the use of debit cards in future guidance. Furthermore, DOT will consider a voucher program that accepts consumer funds without the consumer entering into a contract with specific flight dates to be a per se violation of the public charter requirements and will pursue immediate enforcement action in such a case.

If you have any questions or would like further information regarding this Guidance, please contact our office.

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