



Aviation Group Client Update

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DOT RAISES MINIMUM DOMESTIC BAGGAGE LIMIT OF LIABILITY

Earlier this month, DOT published a [Final Rule](#) raising the minimum limit on domestic baggage liability applicable to air carriers to reflect inflation since July 2008.

Title 14 CFR part 254 establishes minimum baggage liability limits applicable to domestic air service and requires DOT to: (1) review the minimum limit of liability prescribed in light of changes in the Consumer Price Index for All Urban Consumers (CPI-U) every 2 years; and (2) to revise the limit of liability to reflect changes in that index as of July of each review year.

The 2010 review indicated that no inflation adjustment was required. However, the 2012 review indicated that an inflation adjustment is required. As a result, the revisions to 14 CFR 254.4 and 254.5 raise the minimum limit of liability to \$3,400.00. This is a \$100 increase from the current amount of \$3,300.00, set by the DOT in November 2008.

The new minimum domestic baggage liability limit is **effective June 6, 2013**. If you have any questions regarding implementation of the final rule, please contact our office.

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