



New Refunds & Consumer Protection Rules by US Department of Transportation

Dear Travel Agent,

The purpose of this message is to alert you to two new final rules issued by the US Department of Transportation (DOT) – [Refunds and Other Consumer Protections Rule I](#) and [Refunds and Other Consumer Protections Rule II](#) – that address:

- ticket refunds for cancelled or significantly delayed or changed flights;
- refunds for lost or delayed checked bags and ancillary services that are not provided; and
- vouchers or travel credits for consumers who are unable to or advised not to travel because of a serious communicable disease.

These regulations went into effect on 28 October 2024 (except for the voucher requirement for serious communicable diseases that is effective 28 April 2025) and require timely coordination between airlines and tickets agents to provide prompt, automatic refunds to passengers. **We strongly encourage you to reach out to your airline partners to ensure the appropriate processes and communications are in place to ensure compliance with the rules. You should also contact your airline partners directly if you have any questions about a specific consumer refund. Questions on the rule itself should be directed to either your travel agent association or DOT (Clereece Kroha - clereece.kroha@dot.gov; +1-202-366-9342).**

Refunds and Other Consumer Protections Rules I & II Summary:

- Applies to all flights to, from, or within the United States;
- Defines what constitutes a cancelled flight or significantly delayed or changed flight.
- Requires airlines and ticket agents who are the merchant of record for airline ticket transactions to provide prompt ticket refunds when they are due, including for codeshare and interline itineraries, regardless of the point of sale;
- Requires airlines and ticket agents to inform consumers that they are entitled to a refund if that is the case before making an offer of travel credits, vouchers, or other compensation in lieu of refunds. Any alternative compensation offered must be valid for at least five years from the date of issuance.
- Specifies that “prompt” ticket refund means within seven business days for credit card transactions and 20 calendar days for all other payment methods.
- Requires US and foreign airlines to provide automatic refunds for cancelled flights or significantly delayed or changed flights where alternative transportation or compensation is not offered to or is rejected by the affected passenger.
- Requires US and foreign airlines to provide automatic refunds of checked baggage fees for baggage that is lost or not delivered in a timely manner (within 12 hours for domestic flights, within 15 hours for foreign flights of 12 hours or less, and within 30 hours for foreign flights over 12 hours).
- Requires US and foreign airlines to provide automatic refunds of ancillary service fees for ancillary services that are not provided by the airline.
- Requires US and foreign airlines to issue transferable travel credits or vouchers that are valid for at least five years to certain consumers who are:
 - Advised by a licensed treating medical professional not to travel during a public health emergency to protect themselves from a serious communicable disease;
 - Prohibited from travel or are required to quarantine for a substantial portion of the trip by a governmental entity (US or foreign) in relation to a serious communicable disease; or
 - Advised by a licensed treating medical professional not to travel, irrespective of a public health emergency, because they have or are likely to have contracted a serious communicable disease and would pose a direct threat to the health of others.
- Allows airlines to assess a fee for processing a travel credit or voucher provided to a passenger due to a serious communicable disease.

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