

118TH CONGRESS
1ST SESSION

H. R. 2463

To limit and eliminate excessive, hidden, and unnecessary fees imposed on consumers, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 3, 2023

Mr. GALLEGRO (for himself and Mr. JACKSON of North Carolina) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To limit and eliminate excessive, hidden, and unnecessary fees imposed on consumers, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Junk Fee Prevention
5 Act”.

1 **SEC. 2. PROTECTING CONSUMERS FROM EXCESSIVE AND**
2 **HIDDEN FEES.**

3 (a) PROTECTING CONSUMERS FROM HIDDEN
4 FEES.—A covered entity shall clearly and conspicuously
5 display, in each advertisement and when a price is first
6 shown to a consumer, the total price of the good or service
7 provided by the covered entity, including any mandatory
8 fees a consumer would incur during the transaction, which
9 shall not change during the purchase process.

10 (b) EXCESSIVE FEES.—A covered entity shall not im-
11 pose on a consumer or advertise any mandatory fees that
12 are excessive or deceptive for any good or service offered
13 by the covered entity.

14 (c) TICKET HOLDBACKS.—If a good or service pro-
15 vided by a covered entity is a ticket to a sporting event,
16 theater, musical performance, or an event at a place of
17 public amusement of any kind, the covered entity shall,
18 not less than 72 hours prior to the first public sale or
19 presale of such ticket, clearly and conspicuously disclose
20 to the public, including at the point of sale, the total num-
21 ber of tickets offered for sale by the covered entity or
22 available for the given event.

23 (d) PROTECTING REFUNDS.—A covered entity shall
24 clearly and conspicuously disclose any guarantee or refund
25 policy prior to the completion of a transaction by the con-
26 sumer and, in the event of a refund, provide a refund in

1 the amount of the total cost of the ticket including any
2 mandatory fees.

3 (e) SPECULATIVE TICKETING.—If a covered entity
4 does not possess a ticket at the time of the sale, it shall
5 provide to the consumer—

6 (1) a clear and conspicuous notice that the cov-
7 ered entity does not possess the ticket; and

8 (2) a full refund if the covered entity cannot
9 provide the ticket advertised to the consumer in a
10 timely manner prior to the event.

11 (f) RULEMAKING ON EXCESSIVE AND HIDDEN
12 FEES.—The Federal Trade Commission may promulgate
13 rules in accordance with section 553 of title 5, United
14 States Code, regarding the disclosure and imposition of
15 mandatory or deceptive fees, including any such fee not
16 described in subsections (a) through (e).

17 (g) EXCESSIVE FEES.—In considering whether a
18 mandatory fee is excessive, the Federal Trade Commission
19 or court shall take into consideration—

20 (1) whether the fee is reasonable and propor-
21 tional to the cost of the good or service provided by
22 the covered entity;

23 (2) the reason for which the covered entity
24 charges such fee; and

1 (3) any other factors determined appropriate by
2 the Federal Trade Commission or the court.

3 (h) ENFORCEMENT.—

4 (1) ENFORCEMENT BY THE COMMISSION.—

5 (A) UNFAIR OR DECEPTIVE ACTS OR PRAC-
6 TICES.—A violation this section or a regulation
7 promulgated thereunder shall be treated as a
8 violation of a rule defining an unfair or decep-
9 tive act or practice under section 18(a)(1)(B) of
10 the Federal Trade Commission Act (15 U.S.C.
11 57a(a)(1)(B)).

12 (B) POWERS OF THE COMMISSION.—

13 (i) IN GENERAL.—The Federal Trade
14 Commission shall enforce this section in
15 the same manner, by the same means, and
16 with the same jurisdiction, powers, and du-
17 ties as though all applicable terms and pro-
18 visions of the Federal Trade Commission
19 Act (15 U.S.C. 41 et seq.) were incor-
20 porated into and made a part of this sec-
21 tion.

22 (ii) PRIVILEGES AND IMMUNITIES.—

23 Any person who violates this section or a
24 regulation promulgated thereunder shall be
25 subject to the penalties and entitled to the

1 privileges and immunities provided in the
2 Federal Trade Commission Act (15 U.S.C.
3 41 et seq.).

4 (iii) AUTHORITY PRESERVED.—Noth-
5 ing in this section shall be construed to
6 limit the authority of the Federal Trade
7 Commission under any other provision of
8 law.

9 (2) ENFORCEMENT BY STATES.—

10 (A) IN GENERAL.—If the attorney general
11 of a State has reason to believe that a covered
12 entity has violated or is violating this section or
13 a regulation promulgated thereunder that af-
14 fects the residents of that State, the State, as
15 *parens patriae*, may bring a civil action in any
16 appropriate district court of the United States,
17 to—

18 (i) enjoin any further violation by the
19 covered entity;

20 (ii) enforce compliance with this sec-
21 tion or such regulation;

22 (iii) obtain other remedies permitted
23 under State law; and

1 (iv) obtain damages, restitution, or
2 other compensation on behalf of residents
3 of the State.

4 (B) NOTICE.—The attorney general of a
5 State shall provide prior written notice of any
6 action under subparagraph (A) to the Commis-
7 sion and provide the Commission with a copy of
8 the complaint in the action, except in any case
9 in which such prior notice is not feasible, in
10 which case the attorney general shall serve such
11 notice immediately upon instituting such action.

12 (C) INTERVENTION BY THE COMMIS-
13 SION.—Upon receiving notice under subpara-
14 graph (B), the Commission shall have the
15 right—

- 16 (i) to intervene in the action;
17 (ii) upon so intervening, to be heard
18 on all matters arising therein; and
19 (iii) to file petitions for appeal.

20 (D) LIMITATION ON STATE ACTION WHILE
21 FEDERAL ACTION IS PENDING.—If the Commis-
22 sion has instituted a civil action for violation of
23 this section or a regulation promulgated there-
24 under, no State attorney general, or official or
25 agency of a State, may bring a separate action

1 under subparagraph (A) during the pendency of
2 that action against any defendant named in the
3 complaint of the Commission for any violation
4 of this section or a regulation promulgated
5 thereunder that is alleged in the complaint. A
6 State attorney general, or official or agency of
7 a State, may join a civil action for a violation
8 of this section or a regulation promulgated
9 thereunder filed by the Commission.

10 (E) RULE OF CONSTRUCTION.—For pur-
11 poses of bringing a civil action under subpara-
12 graph (A), nothing in this section shall be con-
13 strued to prevent the chief law enforcement of-
14 ficer or official or agency of a State, from exer-
15 cising the powers conferred on such chief law
16 enforcement officer or official or agency of a
17 State, by the laws of the State to conduct inves-
18 tigations, administer oaths or affirmations, or
19 compel the attendance of witnesses or the pro-
20 duction of documentary and other evidence.

21 (i) DEFINITIONS.—In this section:

22 (1) COVERED ENTITY.—

23 (A) IN GENERAL.—The term “covered en-
24 tity” means—

1 (i) a provider of short-term lodging or
2 an entity that advertises rates or the pur-
3 chase of short-term lodging;

4 (ii) a provider of a ticketing service
5 that sells tickets for an event or retains the
6 authority to otherwise distribute tickets for
7 such event, whether as a primary seller of
8 tickets or in the secondary marketplace for
9 ticket sales; or

10 (iii) any other entity determined ap-
11 propriate by the Commission through a
12 rulemaking in accordance with section 553
13 of title 5, United States Code.

14 (B) SHORT-TERM LODGING.—For purposes
15 of subparagraph (A), the term “short-term
16 lodging” means any lodging that is offered for
17 an occupancy of less than 6 months.

18 (2) MANDATORY FEE.—The term “mandatory
19 fee” includes—

20 (A) any fee or surcharge that a consumer
21 is required to pay to purchase a good or service
22 being advertised;

23 (B) a fee or surcharge that is not reason-
24 ably avoidable;

1 (C) a fee or surcharge for a good or service
2 that a reasonable consumer would not expect to
3 be included with the purchase of the good or
4 service being advertised; or

5 (D) any other fee or surcharge determined
6 appropriate by the Commission.

7 **SEC. 3. COMMUNICATIONS SERVICE FEES.**

8 (a) **ENDING EARLY TERMINATION FEES.**—

9 (1) **IN GENERAL.**—A provider of a covered serv-
10 ice may not charge a fee to, or impose a requirement
11 that is excessive or unreasonable on, a consumer for
12 the early termination of a covered service.

13 (2) **DEVICE PURCHASE AND RETURN.**—Sub-
14 section (a) shall not prevent a provider of a covered
15 service from charging a consumer for—

16 (A) the cost of rental or loan equipment
17 that is not returned to the provider within a
18 reasonable period of time; or

19 (B) the outstanding cost of a purchased
20 device.

21 (3) **REGULATIONS.**—The Federal Communica-
22 tions Commission may promulgate regulations to
23 carry out this subsection.

24 (b) **RULEMAKING ON MANDATORY FEES.**—Not later
25 than 180 days after the date of enactment of this Act,

1 the Federal Communications Commission shall commence
2 a rulemaking proceeding—

3 (1) to consider whether and how the Federal
4 Communications Commission should—

5 (A) require the disclosure of mandatory
6 fees with respect to a covered service; or

7 (B) prohibit the imposition of mandatory
8 fees with respect to a covered service, in par-
9 ticular any such fee that a consumer would rea-
10 sonably assume to be included in the advertised
11 price of such service; and

12 (2) in which the Federal Communications Com-
13 mission may promulgate regulations to implement
14 the requirements or prohibitions described in para-
15 graph (1).

16 (c) ENFORCEMENT.—

17 (1) IN GENERAL.—A violation of this section or
18 a regulation promulgated under this section shall be
19 treated as a violation of the Communications Act of
20 1934 (47 U.S.C. 151 et seq.) or a regulation pro-
21 mulgated under that Act.

22 (2) MANNER OF ENFORCEMENT.—The Federal
23 Communications Commission shall enforce this sec-
24 tion and the regulations promulgated under this sec-
25 tion in the same manner, by the same means, and

1 with the same jurisdiction, powers, and duties as
2 though all applicable terms and provisions of the
3 Communications Act of 1934 (47 U.S.C. 151 et
4 seq.) were incorporated into and made a part of this
5 section.

6 (d) DEFINITIONS.—In this section:

7 (1) COVERED SERVICE.—The term “covered
8 service”—

9 (A) means—

10 (i) internet service;

11 (ii) voice service (as defined in section
12 227(e)(8) of the Communications Act of
13 1934 (47 U.S.C. 227(e)(8));

14 (iii) commercial mobile service (as de-
15 fined in section 332(d) of the Communica-
16 tions Act of 1934 (47 U.S.C. 332(d));

17 (iv) commercial mobile data service
18 (as defined in section 6001 of the Middle
19 Class Tax Relief and Job Creation Act of
20 2012 (47 U.S.C. 1401)); or

21 (v) a service provided by a multi-
22 channel video programming distributor (as
23 defined in section 602 of the Communica-
24 tions Act of 1934 (47 U.S.C. 522)), to the
25 extent that such distributor is acting as a

1 multichannel video programming dis-
2 tributor; and

3 (B) includes any other service offered or
4 provided as part of a bundle or package with
5 any service described in clauses (i) through (v)
6 of subparagraph (A).

7 (2) MANDATORY FEE.—The term “mandatory
8 fee” includes—

9 (A) any fee or surcharge that a consumer
10 is required to pay to purchase a good or service
11 being advertised;

12 (B) a fee or surcharge that is not reason-
13 ably avoidable;

14 (C) a fee or surcharge for a good or service
15 that a reasonable consumer would not expect to
16 be included with the purchase of the good or
17 service being advertised; or

18 (D) any other fee or surcharge determined
19 appropriate by the Federal Communications
20 Commission.

21 **SEC. 4. SEATING YOUNG CHILDREN ADJACENT TO AN AC-**
22 **COMPANYING ADULT PASSENGER.**

23 (a) IN GENERAL.—Subchapter I of chapter 417 of
24 title 49, United States Code is amended by adding at the
25 end the following:

1 **“§ 41727. Seating young children adjacent to an ac-**
2 **companied adult on aircraft.**

3 “(a) APPLICABILITY.—The requirements of this sec-
4 tion apply for the purposes of each scheduled flight seg-
5 ment to or from any airport in the United States.

6 “(b) GENERAL REQUIREMENT.—

7 “(1) ASSIGNED SEATS.—Subject to subsection
8 (f), an air carrier or foreign air carrier that assigns
9 seats, or allows individuals to select seats, in ad-
10 vance of the date of departure of a flight shall seat
11 each young child adjacent to an accompanying adult,
12 provided that adjacent seat assignments are avail-
13 able at any time after the ticket is issued for the
14 young child and before the first passenger boards
15 the flight.

16 “(2) UNASSIGNED SEATS.—Subject to sub-
17 section (f), an air carrier or foreign air carrier that
18 does not assign seats or allow individuals to select
19 seats in advance of the date of departure shall board
20 customers in a manner that ensures each young
21 child is seated adjacent to an accompanying adult.

22 “(3) PROHIBITION ON FEES.—

23 “(A) IN GENERAL.—An air carrier or for-
24 eign air carrier may not charge a fee or impose
25 an additional cost to seat a young child adja-

1 cent to an accompanying adult within the same
2 class of service.

3 “(B) CLASS OF SERVICE REQUIREMENT.—
4 Every class of service an air carrier or foreign
5 air carrier offers must allow for seating of a
6 young child adjacent to an accompanying adult.

7 “(C) PROHIBITION ON AVAILABILITY LIM-
8 ITS.—An air carrier or foreign air carrier may
9 not limit the availability of adjacent seats in a
10 manner that results in an undue burden on the
11 ability of a young child to receive an advance
12 seat assignment adjacent to an accompanying
13 adult.

14 “(c) ADDITIONAL REQUIREMENTS FOR ADVANCE
15 SEATING.—

16 “(1) IN GENERAL.—Subject to subsection (f),
17 an air carrier or foreign air carrier that allows indi-
18 viduals to select seats or that assigns seats at the
19 time of booking a flight shall provide, not later than
20 48 hours after the issuance of the ticket for each
21 young child—

22 “(A) a seat assignment for the young child
23 adjacent to the seat assignment of an accom-
24 panying adult for each flight segment of the

1 ticket at no additional cost, provided that adja-
2 cent seat assignments are available; or

3 “(B) in the event that adjacent seat as-
4 signments are not available as described in sub-
5 paragraph (A), an accompanying adult the
6 choice of—

7 “(i) a full refund of the cost of the
8 tickets for the young child and the accom-
9 panying adult, as well as any other indi-
10 vidual on the same reservation; or

11 “(ii) waiting for adjacent seat assign-
12 ments to be provided by the carrier.

13 “(2) REQUIRED OPTION PERIOD.—The air car-
14 rier or foreign air carrier shall provide the accom-
15 panying adult a period of not less than 7 days from
16 the date of notification of the choice described in
17 paragraph (1)(B) to make a selection between the
18 options described in clauses (i) and (ii) of such para-
19 graph.

20 “(3) NO AVAILABLE ADJACENT SEAT ASSIGN-
21 MENT.—In the event that an accompanying adult
22 chooses the option described in paragraph (1)(B)(ii)
23 and adjacent seat assignments for the young child
24 and the accompanying adult on a ticketed flight seg-
25 ment do not become available before the first pas-

1 senger boards the flight, the air carrier or foreign
2 air carrier shall, at the choice of an accompanying
3 adult—

4 “(A) rebook the young child and the ac-
5 companying adult, as well as any other indi-
6 vidual on the same reservation, on the next
7 available flight at no additional cost; or

8 “(B) transport the young child and the ac-
9 companying adult on their original ticketed
10 flight segment in seats that are not adjacent,
11 when seats on the aircraft are available.

12 “(d) ADDITIONAL REQUIREMENTS TO MITIGATE
13 PASSENGER HARM IN EVENT OF VIOLATION.—An air car-
14 rier or foreign air carrier that violates subsection (b) or
15 (c) shall, at the choice of an accompanying adult—

16 “(1) rebook the young child and the accom-
17 panying adult, as well as any other individual on the
18 same reservation, on the next available flight at no
19 additional cost;

20 “(2) provide—

21 “(A) a full refund of the cost of the tickets
22 for the young child and the accompanying
23 adult, as well as any other individual on the
24 same reservation; and

1 “(B) if such individuals are at a con-
2 necting airport, return air transportation for
3 such individuals to their origination airport at
4 no additional cost; or

5 “(3) transport the young child and the accom-
6 panying adult on their original ticketed flight seg-
7 ment in seats that are not adjacent, when seats on
8 the aircraft are available.

9 “(e) ENFORCEMENT.—

10 “(1) IN GENERAL.—An air carrier or foreign
11 air carrier that violates a requirement of this section
12 is subject to civil penalties as set forth in section
13 46301 and other applicable remedies under this
14 part.

15 “(2) INVESTIGATIONS OF COMPLAINTS.—

16 “(A) IN GENERAL.—The Secretary shall
17 promptly investigate each complaint alleging a
18 violation of this section that is received by the
19 Department of Transportation.

20 “(B) PUBLICATION OF DATA.—The Sec-
21 retary shall publish data on complaints alleging
22 violations of this section in a manner com-
23 parable to other consumer complaint data.

24 “(f) EXCEPTIONS.—Subsections (b) and (c) shall not
25 apply to the extent that—

1 “(1) the young child does not have an accom-
2 panying adult traveling with such child;

3 “(2) an accompanying adult selects a seat apart
4 from the young child or declines to accept a seat as-
5 signment or a seat that is adjacent to the seat as-
6 signment or seat of the young child offered without
7 additional cost by the air carrier or foreign air car-
8 rier;

9 “(3) the number of young children traveling in
10 the same party make it impossible for the air carrier
11 or foreign air carrier to seat all the young children
12 adjacent to an accompanying adult based on the seat
13 layout of the aircraft; or

14 “(4) an exception to subsection (b) or (c)
15 deemed appropriate by final rule of the Secretary
16 applies.

17 “(g) DEFINITIONS.—In this section:

18 “(1) ACCOMPANYING ADULT.—The term ‘ac-
19 companying adult’ means, with respect to a young
20 child, an individual who is—

21 “(A) 14 years of age or older on the date
22 of the scheduled departure of the flight; and

23 “(B) on the same reservation record as the
24 young child.

1 “(2) ADJACENT.—The term ‘adjacent’ means,
2 with respect to the seat of a young child, a seat that
3 is—

4 “(A) next to and in the same row of the
5 aircraft as the seat of the young child; and

6 “(B) not separated by an aisle.

7 “(3) AVAILABLE.—The term ‘available’, when
8 used in connection with seats or seat assignments,
9 means capable of assignment by the air carrier or
10 foreign air carrier without—

11 “(A) an upgrade of a young child or an ac-
12 companying adult to a different class of service
13 than ticketed; and

14 “(B) displacing an individual with an as-
15 signed seat.

16 “(4) CLASS OF SERVICE.—The term ‘class of
17 service’ means first class, business class, general
18 economy (including basic economy), or premium
19 economy.

20 “(5) NO ADDITIONAL COST.—The term ‘no ad-
21 ditional cost’ means no added charge for the seat be-
22 yond the fare.

23 “(6) SECRETARY.—The term ‘Secretary’ means
24 the Secretary of Transportation.

1 “(7) YOUNG CHILD.—The term ‘young child’
2 means an individual who is 13 years of age or
3 younger on the date of the scheduled departure of
4 the flight.

5 “(h) REGULATIONS.—The Secretary may issue regu-
6 lations to implement this section, including regulations
7 that amend the definitions in subsection (g).

8 “(i) EFFECTIVE DATE.—This section shall take ef-
9 fect on the date that is 180 days after the date of the
10 enactment of the this section.”.

11 (b) CLERICAL AMENDMENT.—The analysis of chap-
12 ter 417 of title 49, United States Code, is amended by
13 inserting after the item relating to section 41726 the fol-
14 lowing:

 “41727. Seating young children adjacent to an accompanying adult on air-
 craft.”.

15 (c) REPEAL OF FAA EXTENSION, SAFETY, AND SE-
16 CURITY ACT OF 2016 FAMILY SEATING PROVISION.—Sec-
17 tion 2309 of the FAA Extension, Safety, and Security Act
18 of 2016 (49 U.S.C. 42301 note prec.) is repealed.

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