

CEDRIC L. RICHMOND
2ND DISTRICT, LOUISIANA

COMMITTEE ON HOMELAND SECURITY
SUBCOMMITTEE:
TRANSPORTATION SECURITY, *RANKING MEMBER*

COMMITTEE ON THE JUDICIARY
SUBCOMMITTEES:
CRIME, TERRORISM, HOMELAND SECURITY
AND INVESTIGATION

COURTS, INTELLECTUAL PROPERTY AND
THE INTERNET

SENIOR WHIP

Congress of the United States
House of Representatives
Washington, DC 20515-1802

January 12, 2015

240 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-6636

DISTRICT OFFICES:
2021 LAKESHORE DRIVE
SUITE 309
NEW ORLEANS, LA 70122
(504) 288-3777

200 DERBIGNY STREET
SUITE 3200
GRETN, LA 70053
(504) 365-0390

1520 THOMAS H. DELPIT DRIVE
SUITE 126
BATON ROUGE, LA 70802
(225) 636-5600

Nicholas E. Calio
President & CEO
Airlines for America
1301 Pennsylvania Ave. NW
Suite 1100
Washington, DC 20004

Hello Mr. Calio,

I am writing to express my concern about the financial burdens currently faced by airline passengers. Oil prices have plummeted in recent months as a result of the ongoing American oil and gas boom and consumers are reaping the benefits at gas pumps nationwide. Considering that fuel costs can make up as much as half of an airlines operating costs, it stands to reason that carriers are likely also experiencing substantial benefits. With the cost of fuel dropping rapidly, it only seems fair that some of those savings would be passed on to consumers.

I would also like to request an explanation as to how airlines calculate the fares that customers pay. Specifically, why is it that a two leg flight which includes the destination city as layover cost more than a direct flight to the destination city? I was recently made aware of a lawsuit recently filed by United Airlines Inc. (United) and Orbitz Worldwide LLC (Orbitz) to prevent the travel website Skiplagged.com (Skiplagged) from helping consumers buy what the companies call improper "hidden city" plane tickets that undercut their sales. It is my understanding that Skiplagged helps travelers find cheap airfares by enabling them to book multi-stop flights and deplane before the flights reach their as-booked final destination. Sometimes a fare that travels through a hub city to another location can be cheaper than a ticket to the hub city alone. Given the high cost of air travel in these still difficult economic times, it makes sense that travelers would seek out alternative measures to save money on travel.

As legislators, we are often asked to take measures to protect American carriers from unfair practices by foreign competitors. While it is important to ensure that American companies are able to compete globally on an even playing field, we must also take great care to protect the interests of American consumers. That is why I will be requesting that the House Committee on Homeland Security Subcommittee on Transportation Security as well as the House Committee on Transportation and Infrastructure hold hearings to look further into these matters.

I appreciate your attention to this matter and await your prompt resply to the previously stated inquiries. If you have any further questions, please feel free to reach out to Reginald Babin in my office via phone at (202) 225-6636 or email at Reginald.babin@mail.house.gov. Thank you.

Sincerely,

A handwritten signature in blue ink, appearing to read 'C. Richmond', with a large, stylized flourish at the end.

Cedric L. Richmond
Member of Congress