

(b) Conforming amendment.—The table of sections in section 1 of the Federal Trade Commission Act, as amended by this Act, is further amended by inserting after the item relating to section 15D the following:

"15E. Enforcement by States."

(c) FTC rulemaking procedure.—

(1) In general.—Rules promulgated by the Commission under section 15A(f), 15B(f), 15C(g), or 15D(d) of the Federal Trade Commission Act, as added by this subtitle, shall be promulgated in accordance with section 18 of such Act ([15 U.S.C. 57a](#)), as amended by this Act.

(2) Early rulemaking authorized.—The Commission may promulgate regulations and take such other administrative actions as are necessary to implement the amendments made by this subtitle before January 1, 2027, except that no such regulation shall take effect before January 1, 2027.

(d) Enforcement notwithstanding jurisdictional exclusions.—Notwithstanding section 5(a)(2) of the Federal Trade Commission Act ([15 U.S.C. 45\(a\)\(2\)](#)), the Commission is empowered and directed to enforce sections 15A through 15E of such Act, and any rule promulgated under any such section, with respect to any person subject to such sections.

(e) Relation to other law.—Nothing in sections 15A through 15E of the Federal Trade Commission Act, as added by this subtitle, or in this subtitle, shall be construed—

(1) to preempt or limit any Federal, State, local, or Tribal law that provides equal or greater protection against deceptive, manipulative, misleading, abusive, or intrusive advertising practices; or

(2) to limit any authority of the Secretary of Health and Human Services, the Secretary of the Treasury, the Federal Communications Commission, the Attorney General, the Secretary of Transportation, or any other Federal agency under any other provision of law.

(f) Effective date.—The amendments made by this section shall take effect on January 1, 2027.

Subtitle G—Refriending the Skies

SEC. 1181. PROHIBITION ON SURVEILLANCE-BASED PRICE SETTING BY AIR CARRIERS AND TICKET AGENTS.

(a) In general.—[Section 41712 of title 49](#), United States Code, is amended by adding at the end the following:

"(d) Prohibition on surveillance-based price setting.—It shall be an unfair or deceptive practice under subsection (a) for an air carrier, foreign air carrier, or ticket agent to engage in surveillance-based price setting, as prohibited under section 1134 of the POPULIST Act."

(b) No preemption of consumer protection claims.—[Section 41713\(b\)\(4\) of title 49](#), United States Code, is amended by adding at the end the following:

"(D) No preemption of surveillance-based price setting claims.—Nothing in subparagraphs (A) through (C) may be construed—

"(i) to preempt, displace, or supplant any action for civil damages or injunctive relief based on a violation of section 1134 of the POPULIST Act; or

"(ii) to restrict the authority of any government entity, including a State attorney general, from bringing a legal claim on behalf of the residents of the State with respect to any such violation.".

SEC. 1182. ENFORCEMENT BY STATE ATTORNEYS GENERAL.

(a) In general.—[Chapter 461 of title 49](#), United States Code, is amended by inserting after section 46107 the following:

"Sec. 46107A. Enforcement by State attorneys general.

"(a) In general.—Any attorney general of a State may bring a civil action in the name of such State, as parens patriae on behalf of natural persons residing in such State, in a district court of the United States against a person to enforce this part or a requirement or regulation prescribed, or an order or any term of a certificate or permit issued, under this part.

"(b) Venue.—An action under this section may be brought in the judicial district in which the person against whom the action is brought does business or in which the violation occurred.

"(c) Relief.—In a civil action under this section, the court may grant all appropriate relief, including injunctive relief and civil penalties, as authorized under this part.

"(d) Notice.—Before filing an action under subsection (a), the attorney general of a State shall provide written notice to the Secretary and the Attorney General and shall provide each such official with a copy of the complaint to be filed, except that if prior notice is not feasible, the attorney general of the State shall provide such notice immediately upon instituting the action.

"(e) Intervention by United States.—Upon receiving notice under subsection (d), the United States may intervene as of right in the action. If the United States intervenes, the United States shall have the authority—

"(1) to be heard on all matters arising in the action; and

"(2) to file a petition for appeal.

"(f) Limitation during pendency of Federal action.—No separate action may be brought or maintained under this section during the pendency of an action by the Secretary or the United States against the same defendant for the same violation.

"(g) Federal certificates and permits.—In an action under this section, a court may not suspend, revoke, modify, or transfer a certificate or permit issued under this part, except that the court may enforce compliance with a requirement, order, or term of such certificate or permit and may grant any other relief authorized under subsection (c)."

(b) Clerical amendment.—The table of contents for [chapter 461 of title 49](#), United States Code, is amended by inserting after the item relating to section 46107 the following:

"46107A. Enforcement by State attorneys general."

SEC. 1183. PROMOTING COMPETITION IN AVIATION REGULATION.

(a) Promoting competition.—[Section 40101\(d\) of title 49](#), United States Code, is amended by adding at the end the following new paragraph:

"(8) promoting competition."

(b) Maintaining and enhancing competition in slot allocation.—[Section 40103\(b\)\(1\) of title 49](#), United States Code, is amended by inserting "In doing so, the Administrator shall consider the need to maintain or enhance competition in the air transportation system." after "efficient use of airspace."

(c) Ensuring reasonable access.—

(1) In general.—[Section 47107\(a\)\(1\) of title 49](#), United States Code, is amended to read as follows:

"(1) the airport will be available for public use—

"(A) on reasonable conditions and without unjust discrimination; and

"(B) with the airport proprietor taking all practicable steps to accommodate requests for reasonable access (as defined in subsection (z)) to terminal facilities;"

(2) Standards for reasonable access.—[Section 47107 of title 49](#), United States Code, is amended by adding at the end the following new subsection:

"(z) Written assurances on lease agreements.—

"(1) The Secretary of Transportation may approve an application under this subchapter for an airport development project grant only if the Secretary receives written assurances, satisfactory to the Secretary, that, with respect to any airport serving 0.25 percent or more of the total annual enplanements in the United States (calculated on a rolling 5-year average) and with more than 50 percent of passengers (calculated on a rolling 5-year average) handled by 2 air carriers or fewer, the airport owner shall submit to the Secretary any proposed lease, lease amendment, or lease extension (including carryover provisions) for advance approval, as well as a statement detailing how such proposed lease, lease amendment, or lease extension maintains or enhances competition in the air transportation system.

"(2) In this section, the following definitions apply:

"(A) Common use.—The term 'common use' means nonexclusive use in common by air carriers and other duly authorized users of the airport.

"(B) Reasonable access.—The term 'reasonable access' means, with respect to terminal facilities, that—

"(i) not less than 25 percent of terminal facilities at an airport are available for common use; and

"(ii) not more than 50 percent of terminal facilities are reserved for exclusive use by a single air carrier.

"(C) Terminal facilities.—The term 'terminal facilities' means facilities within the terminal of an airport, including gates, ticket counters, baggage claim areas, and baggage make up system spaces."

(d) Competition plans.—[Section 40117\(d\) of title 49](#), United States Code, is amended—

(1) in paragraph (3), by striking "and";

(2) in paragraph (4), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(5) beginning in fiscal year 2027, in the case of an application for a terminal project, the project will provide for reasonable access (as defined in section 47107(z)) to terminal facilities."

(e) Competition disclosure.—[Section 47107\(r\) of title 49](#), United States Code, is amended by striking paragraph (3).

SEC. 1184. CODIFICATION OF CERTAIN RULES RELATING TO AIRLINES.

(a) Incorporation of specified regulations.—The provisions of the following final regulations promulgated by the Secretary of Transportation under [section 41712 of title 49](#), United States Code, and related statutory authorities, as published in the Federal Register, are incorporated into this Act and shall be treated as though such provisions are set forth in this subsection:

(1) The final rules entitled "Refunds and Other Consumer Protections," published in the Federal Register on April 26, 2024 ([89 Fed. Reg. 32760](#)) and August 12, 2024 ([89 Fed. Reg. 65534](#)).

(2) The final rule entitled "Clarification of Formal Enforcement Procedures for Unfair and Deceptive Practices," published in the Federal Register on June 16, 2023 ([88 Fed. Reg. 39352](#)).

(3) The final rule entitled "Defining Unfair or Deceptive Practices," published in the Federal Register on December 7, 2020 ([85 Fed. Reg. 78707](#)).

(4) The final rule entitled "Enhancing Transparency of Airline Ancillary Service Fees," published in the Federal Register on April 30, 2024 ([89 Fed. Reg. 34620](#)).

(5) The final rule entitled "Ensuring Safe Accommodations for Air Travelers with Disabilities Using Wheelchairs," published in the Federal Register on December 17, 2024 ([89 Fed. Reg. 102398](#)).

(b) Effect of incorporation.—The regulations incorporated under subsection (a) may be altered only by means of an Act of Congress. To the extent that any provision of such regulations does not conform to any other statutory provision of law enacted before the date of enactment of this Act, the provisions of this Act shall govern.

(c) Definition of regulation.—In this section, the term "regulation" means any rule, regulation, guideline, interpretation, order, or requirement of general applicability prescribed by any officer or employee of the executive branch.

(d) (1) Requirement to issue final rule.—Not later than June 30, 2027, the Secretary of Transportation shall publish in the Federal Register a final rule addressing the subject matter of the proposed rule titled "Airline Passenger Rights," published in the Federal Register on December 11, 2024 ([89 Fed. Reg. 99760](#)), including provisions to ensure that passengers experiencing significant flight disruptions receive clear, prompt, and adequate compensation, rebooking, amenities, information, and other protections. Such final rule shall define the classes of disruptions covered, a schedule of minimum compensation obligations, and procedures for claim submission and payment.

(2) Procedure.—In promulgating the final rule under paragraph (1), the Secretary shall consider the comments previously submitted to docket number DOT-OST-2024-0062 and any additional comments received on or after the date of enactment of this Act, and ensure that the final rule is consistent with the statutory authority provided by title 49, United States Code.

SEC. 1185. SEATING YOUNG CHILDREN ADJACENT TO AN ADULT PASSENGER.

(a) In general.—[Subchapter I of chapter 417 of title 49](#), United States Code, is amended by adding at the end the following:

"Sec. 41730. Seating young children adjacent to an accompanying adult on aircraft.

"(a) Definitions.—In this section:

"(1) Accompanying adult.—The term 'accompanying adult' means an individual age 14 or older on the date of scheduled departure who is on the same reservation record as a young child.

"(2) Adjacent.—The term 'adjacent' means next to in the same row of the aircraft and not separated by an aisle.

"(3) Available.—The term 'available', when used with respect to seats or seat assignments, means capable of assignment by the carrier without upgrading class of service and without displacing another passenger with an assigned seat.

"(4) Class of service.—The term 'class of service' means first class, business class, premium economy, or general economy, including basic economy.

"(5) No additional cost.—The term 'no additional cost' means no added charge beyond the fare.

"(6) Young child.—The term 'young child' means an individual age 13 or under on the date of scheduled departure.

"(b) General requirement.—

"(1) An air carrier or foreign air carrier that assigns seats, or allows individuals to select seats, in advance of the date of departure of a flight shall seat each young child adjacent to an

accompanying adult, provided that adjacent seat assignments are available and an exception in subsection (f) does not apply.

"(2) An air carrier or foreign air carrier that does not assign seats or allow individuals to select seats in advance of the date of departure shall board passengers in a manner that ensures each young child is seated adjacent to an accompanying adult, provided that an exception in subsection (f) does not apply.

"(3) An air carrier or foreign air carrier may not charge a fee or impose additional cost to seat a young child adjacent to an accompanying adult within the same class of service.

"(4) Every class of service offered by an air carrier or foreign air carrier shall allow for seating of a young child adjacent to an accompanying adult.

"(5) An air carrier or foreign air carrier may not limit the availability of adjacent seats in a manner that results in an undue burden on the ability of a young child to receive an advance seat assignment adjacent to an accompanying adult.

"(c) Additional requirements for advance seating.—

"(1) An air carrier or foreign air carrier that assigns seats or allows individuals to select seats at the time of booking shall, not later than 48 hours after issuance of a ticket for each young child—

"(A) provide a seat assignment adjacent to an accompanying adult at no additional cost, if available; or

"(B) if not available, provide the accompanying adult a choice between—

"(i) a full refund of all tickets on the reservation; or

"(ii) waiting for adjacent seat assignments.

"(2) If adjacent seat assignments do not become available before boarding, the carrier shall, at the choice of the accompanying adult—

"(A) rebook the reservation on the next available flight at no additional cost; or

"(B) transport the passengers on the original flight in non-adjacent seats, if seats are available.

"(d) Remedies for violation.—An air carrier or foreign air carrier that violates subsection (b) or (c) shall, at the choice of the accompanying adult—

"(1) rebook the reservation on the next available flight at no additional cost;

"(2) provide a full refund of all tickets on the reservation and return transportation to the origination airport if applicable; or

"(3) transport the passengers on the original flight in non-adjacent seats, if seats are available.

"(e) Applicability.—The requirements of this section apply to each scheduled flight segment to or from any airport in the United States.

"(f) Exceptions.—Subsections (b) and (c) shall not apply to the extent that—

"(1) the young child does not have an accompanying adult;

"(2) the accompanying adult declines an adjacent seat offered at no additional cost;

"(3) aircraft configuration makes compliance impossible; or

"(4) an exception established by final rule of the Secretary applies.

"(g) Regulations.—The Secretary may issue regulations to implement this section."

(b) Clerical amendment.—The analysis of [chapter 417 of title 49](#), United States Code, is amended by inserting after the item relating to section 41729 the following:

"41730. Seating young children adjacent to an accompanying adult on aircraft."

(c) Effective date.—Section 41730 of title 49, United States Code, as added by subsection (a), shall take effect on January 1, 2027.

(d) Repeal of FAA Extension, Safety, and Security Act of 2016 family seating provision.—Section 2309 of the FAA Extension, Safety, and Security Act of 2016 ([49 U.S.C. 42301 note](#)) is repealed.

SEC. 1186. LIMITATIONS ON AIR CARRIER CONCENTRATION AT AIRPORTS.

(a) In general.—[Subchapter I of chapter 417 of title 49](#), United States Code, is amended by adding at the end the following:

"Sec. 41731. Limitations on excessive air carrier concentration at covered airports.

"(a) Covered airports.—In this section, the term 'covered airport' means an airport that—

"(1) accounts for not less than 1 percent of total annual passenger enplanements in the United States, calculated on a rolling 3-year average; or

"(2) is designated by the Secretary of Transportation as a high-concentration airport based on market dominance by 1 or more air carriers.

"(b) Concentration limitation.—Except as provided in subsection (d), it shall be unlawful for an air carrier, together with any affiliate, to operate more than 30 percent of the aggregate number of scheduled departures from and scheduled arrivals at a covered airport during any calendar year.

"(c) Measurement.—For purposes of subsection (b), the aggregate number of scheduled departures and arrivals shall be measured using publicly reported schedule data filed with the Department of Transportation, as determined by the Secretary.

"(d) Transition and waivers.—

"(1) Initial transition waiver.—The Secretary may, on a case-by-case basis and for good cause shown, waive the application of subsection (b) with respect to a covered airport until a

date not later than July 1, 2028, if the Secretary determines that additional time is necessary to permit the orderly implementation of this section. A waiver under this paragraph shall require a written compliance plan and may not be renewed or extended beyond July 1, 2028.

"(2) Essential air service waiver.—The Secretary may grant a temporary waiver of subsection (b) for a period not to exceed 2 calendar years, if the Secretary determines that—

"(A) compliance would result in significant harm to essential air service; and

"(B) the waiver includes enforceable conditions to promote entry by competing carriers.

"(3) Renewal limitation.—No waiver under paragraph (2) may be renewed more than once.

"(e) Enforcement.—A violation of this section constitutes an unfair method of competition for purposes of [section 41712](#) of this title.

"(f) Regulations.—Not later than July 1, 2027, the Secretary shall issue regulations to carry out this section, including regulations addressing divestiture, schedule adjustments, and slot reallocation."

(b) Clerical amendment.—The analysis of [chapter 417 of title 49](#), United States Code, is amended by inserting after the item relating to section 41730 the following:

"41731. Limitations on excessive air carrier concentration at covered airports."

(c) Effective date.—Except as provided in the following sentence, this section shall take effect on January 1, 2028. Subsection (f) of section 41731 of title 49, United States Code, as added by subsection (a), shall take effect on the date of enactment of this Act.

Subtitle H—Fair Franchise Relationships

SEC. 1191. SHORT TITLE, FINDINGS, AND PURPOSE.

(a) Short title.—This subtitle may be cited as the "Fair Franchise Relationships Act".

(b) Findings.—Congress finds the following:

(1) Franchise businesses represent a large and growing segment of the Nation's retail and service businesses and involve a joint enterprise between the franchisor and franchisees in which each party has a vested interest in the success of the franchised business.

(2) Prospective franchisees often lack bargaining power and invest substantial amounts of their own money, take loans that may be secured by their homes or retirement accounts or guaranteed by the Small Business Administration, and enter into long-term commercial leases and other obligations to support themselves and their families.

(3) Franchise agreements frequently reflect a profound imbalance of contractual power in favor of the franchisor and fail to give due regard to the legitimate business interests of the franchisee because the franchisor reserves one-sided and pervasive contractual authority over the franchise relationship. Franchise systems may also separate operational control from legal and financial responsibility, allowing a franchisor to prescribe the brand, methods, technology,