

FTC Consumer Alert

Federal Trade Commission ■ Bureau of Consumer Protection ■ Office of Consumer and Business Education

Avoid a School Break Bust

Washington, D.C. — Planning a school break trip? A sunny beach? A foreign country? Skiing? If you're using a special tour package, you may think everything's taken care of. How sure are you?

Before you show up at the airport with your boogie board, passport, or skis, review the tour package carefully and investigate the operator. Lots of students don't get the trip they expect; others lose out completely. They didn't take the time to carefully read the fine print, evaluate the promotion and make sure it's not run by a fly-by-night company peddling a first-class scam.

Flights for many school break trips are by public charter, which have different rules than commercial flights. Before you dot the "i"s and cross the "t"s on your contract, do some homework and take a good look at the package. The Federal Trade Commission (FTC) and the American Society of Travel Agents (ASTA) offer the following tips and information to help you avoid a school break bust.

- Check out the operator. Avoid high-pressure sales pitches for a school break package. Ask the operator to send you information about the business, and the names of satisfied customers. Ask friends who have used the operator about their experience. Check with local travel agents to see if they know if the operator is legitimate, or call ASTA's Consumer Affairs Department (703-739-8739).
- If the trip involves a charter flight, call the Department of Transportation (DOT) Public Charter Licensing Division (202-366-2396) to make sure the charter operator has properly filed to operate charter flights from your departure city to your destination. Charter packages cannot be sold until the charter filing is approved by the DOT.
- Read the fine print. Get a copy of the operator/participant contract. This will tell you the conditions under which the operator can change flight schedules (usually charters can be canceled for any reason by the operator up until 10 days before the trip), hotel accommodations (operators may put you up in an alternate hotel listed in the operator contract that is not as nice as the hotel advertised in the package materials), and the rules and penalties for cancellation. Ask about cancellation insurance. Rules state that an operator cannot ask for or accept your payment until you have signed and returned the contract.
- Understand your rights. According to DOT rules, you have a right to cancel a charter package without penalty if the operator makes a "major change." Major changes include a change of departure or return date or city, a hotel substitution to a property not named in the charter operator/participant contract, or a package price increase of more than 10 percent.

- Pay by credit card. It gives you more protection than cash or a check. If you pay by check for a charter package, make sure it is payable to an escrow account (as required by federal law for charters) and call the bank handling the escrow account to verify its validity. Be wary of charter operators who are reluctant to provide escrow bank information — they may be selling another firm’s space — or who tell you they’ll send a courier to pick up your money.
- Expect flight delays. They’re common on charter flights. DOT rules allow for a charter flight to be delayed up to 48 hours if mechanical difficulties occur. And the operator is not obligated to provide alternate transportation or compensate you for your expenses if such a delay occurs. Check the contract to see if the operator will cover any costs (lodging, car rental, etc.) associated with flight delays not related to mechanical difficulties.

The FTC works for the consumer to prevent fraudulent, deceptive and unfair business practices in the marketplace and to provide information to help consumers spot, stop and avoid them. To file a complaint or to get free information on consumer issues, visit www.ftc.gov or call toll-free, 1-877-FTC-HELP (1-877-382-4357); TTY: 1-866-653-4261. The FTC enters Internet, telemarketing, identity theft and other fraud-related complaints into Consumer Sentinel, a secure, online database available to hundreds of civil and criminal law enforcement agencies in the U.S. and abroad.



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