



Office of the City Clerk

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Legislation Text

File #: R2017-41, **Version:** 1

RESOLUTION

WHEREAS, the City of Chicago is a home rule unit of government pursuant to the 1970 Illinois Constitution, Article VII, Section 6(a); and

WHEREAS, pursuant to its home rule power, the City of Chicago may exercise any power and perform any function relating to its government and affairs including promoting the quality of life and the welfare of its citizens; and

WHEREAS, the City Council of Chicago is dedicated to the protection of Chicago consumers from deceptive business practices; and

WHEREAS, "hidden fees" by businesses hinder effective consumer decision-making and hurt the competitive process; and

WHEREAS, the Obama administration's December 2016 report entitled "The Competition Initiative and Hidden Fees" took aim at a wide range of businesses that charge "hidden fees" including resorts, airlines, telecommunication companies, ticket vendors, banks, car dealerships and healthcare providers; and

WHEREAS, the Obama administration's report emphasizes that "transparent and accurate pricing is the foundation of an effective and efficient American economy, allowing consumers to make smart choices and to reward the providers of better goods and services;" and

WHEREAS, on January 18, 2017, the United States Department of Transportation, in a Supplemental Notice of Proposed Rulemaking, proposed that air carriers and ticket agents "should be required to clearly disclose, at all points of sale, customer-specific fee information wherever fare and schedule information is provided," in which baggage fee information is to be disclosed at the first point in a search process; and

WHEREAS, the United States Department of Transportation is seeking public comment on methods to protect consumers from hidden and deceptive fees and enable consumers to determine true costs in a fair and effective manner; and

WHEREAS, the City of Chicago is following our nation's lead by taking local action to ensure that Chicago-based businesses clearly advertise hidden fees so consumers can equitably compare prices and to pressure companies to become more transparent; now, therefore

BE IT RESOLVED, that the Committee on Finance hold hearings to take public comment about the Obama administration's "Hidden Fees" Initiative; and

BE IT FURTHER RESOLVED, that the Commissioner of the Department of Business Affairs and Consumer Protection appear before the Committee on Finance to discuss the City's efforts to carry out the Obama administration's recommendations for all industries; and

BE IT FURTHER RESOLVED, that we call upon the Corporation Counsel to use the transcript of public comment from these hearings in support of the City's response to the United States Department of Transportation and their proposed rulemaking regarding transparency of airline ancillary service fees.