Aviation Regulatory Update

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DOT RESCINDS SUSPENSION OF FLIGHTS BETWEEN U.S. AND VENEZUELA

On January 29, 2026, the U.S. Department of Transportation rescinded Order 2019-5-5, which had previously suspended U.S. and foreign air carriers from operating flights between the United States and Venezuela. Pursuant to Order 2026-1-24, Transportation Secretary Duffy concluded that the continued prohibition on air service to Venezuela was no longer serving the public interest and therefore DOT made the rescission effective immediately. The Order restores the ability of U.S. and foreign carriers to pursue U.S.–Venezuela service pursuant to their certificate, permit, and/or exemption authorities. However, the Order does not modify existing restrictions and/or requirements imposed by other federal agencies including the U.S. Departments of State, Treasury, Commerce, and Homeland Security, nor does it change Venezuela's Category 2 rating under the Federal Aviation Administration's International Aviation Safety Assessment program.:

FAA WARNS OF MILITARY ACTIVITY IMPACTING INTERNATIONAL FLIGHTS

On January 16, 2026, the Federal Aviation Administration issued several Notice to Airmen advising carriers to exercise utmost caution when operating over airspace associated with Mexico, Central America, and parts of South America. Due to potential military activities and global navigation satellite system interference, the NOTAMs will remain in effect through **March 17, 2026**. If the U.S. government initiates military action against drug cartels or other foreign actors, including possible strikes on targets in Cuba and Mexico, U.S. and foreign air carriers should prepare for the possibility of significant international flight disruptions.

OACP SEEKS TO DIAL BACK INVESTIGATORY AND ENFORCEMENT ACTIVITY

On January 6, 2026, the U.S. Department of Transportation's Office of Aviation Consumer Protection published a Notice of Proposed Guidance to modify investigatory and enforcement policies and procedures in light of President Trump's deregulatory agenda. In contrast to the former Biden administration, current DOT leadership rejects overly broad interpretations of governing statutes and regulations, meaning that carriers are less likely to face enforcement actions unmoored from clear statutory authority. Rather than immediately opening an enforcement action and assessing excessive civil penalties, the Notice clarifies that OACP will first attempt to address the problem by issuing a warning letter so that carriers can take proactive measures to remedy purported violations. DOT believes that doing so will encourage U.S. and foreign air carriers to adopt a culture

of compliance and to identify problematic practices before OACP pursues enforcement action. When carriers and ticket agents voluntarily self-disclose violations to OACP and independently implement corrective actions, the Notice indicates that those regulated entities are much less likely to face enforcement action and/or civil penalties. In other words, DOT plans to reserve enforcement proceedings for serious instances of "widespread, systemic, egregious, or intentional violations." If finalized, OACP's approach to enforcing aviation consumer protection regulations would be akin to current enforcement practices of the FAA.

The Notice also provides clarity on what factors OACP will consider when imposing civil penalties consistent with statutory authority. Those factors include but are not limited to:

- The number of violations;
- How long the violations continued, especially after the alleged violator's management became aware of them;
- The harm caused by the violations, as well as steps taken to reimburse passengers or otherwise correct the harm;
- Whether the violations were inadvertent or deliberate;
- The alleged violator's enforcement history;
- The alleged violator's experience/sophistication level (e.g., new airline or established carrier; foreign air carrier with limited service to U.S.); and
- Whether the violations were voluntarily self-reported by the alleged violator.

OACP may also be willing to include "offsets" in settlements when carriers exceed regulatory requirements (e.g., compensating passengers when not required by DOT regulations, purchasing new equipment, or implementing systems that provide consumer benefits beyond what is required under current law). Comments from industry on the Notice are due by **February 5, 2026**.

AIRLINES FOR AMERICA FILES COMPLAINT OVER PROPOSED PASSENGER RESTRICTION AT DUBLIN INTERNATIONAL AIRPORT

On January 5, 2026, Airlines for America, on behalf of major U.S. air carriers, filed a complaint under the International Air Transportation Fair Competitive Practices Act against Ireland and the European Union, alleging violations of the U.S.-European Union Air Transport Agreement. A4A filed the complaint because the Irish government seeks to restrict the number of passengers at Dublin International Airport ("DUB") to 32 million passengers per year which would result in U.S. air carriers losing historic slots at DUB. While A4A, along with Aer Lingus and Ryanair, obtained a stay of the passenger cap from the Irish High Court for the time being, major U.S. air carriers requested swift action from DOT to participate in formal consultations with the Irish government and the European Commission so that the passenger cap at DUB can be permanently abandoned. Since the U.S.-EU Agreement provides for a fair and equal opportunity to compete among all carriers and prohibits unilateral restrictions on international air transportation, A4A urges DOT action to enforce Irish compliance and further implores U.S. regulators to consider retaliatory action against certain foreign air carriers to protect U.S. air carrier interests. According to A4A, the loss of historic slots at DUB due to the passenger cap would disproportionately and discriminately impact U.S. air carriers while European counterparts would be largely unaffected.

After the complaint was filed, DOT issued an order on January 9, 2026, which initiated a formal proceeding on the matter. Interested parties were given fourteen (14) calendar days from when DOT instituted the proceeding

to file comments in support of or in opposition to the U.S. air carrier position. Air Line Pilots Association, International and Aer Lingus filed supportive comments and recorded their robust opposition to restricting passenger numbers at DUB. The government of Ireland then responded on January 23, 2026, contending that the concerns of U.S. air carriers are disconnected from the factual reality at DUB and that the Irish government does not "cap" passenger numbers at DUB as alleged by A4A. According to Ireland, even if historical slots were withdrawn from U.S. air carriers, such an action would not constitute a violation of the U.S.-EU Agreement because there are other suitable airports within Ireland which could accommodate transatlantic travel. Moreover, even though Irish Prime Minister Michael Martin publicly proclaimed that the cap will be removed, the Irish government continues to indirectly defend the 32 million passenger limit as a "relevant constraint" under the EU Slot Regulation.

All matters and issues raised by commenters must now be considered before DOT can decide whether to proceed with an Order to Show Cause curtailing or suspending the economic authority held by air carriers of Ireland.

TWO U.S. AIR CARRIERS ANNOUNCE MERGER AGREEMENT

On January 11, 2026, Allegiant and Sun Country Airlines announced a definitive merger agreement which would create a single leisure-focused U.S. air carrier upon closing. Under the announced terms, Allegiant will acquire Sun Country in a cash and stock transaction valued at $1.5 billion. Unlike prior merger attempts between U.S. air carriers which failed to overcome robust antitrust scrutiny (the unsuccessful JetBlue and Spirit merger, for example), the proposed Allegiant-Sun Country combination includes minimal network overlap. For instance, the U.S. air carriers only overlap on two routes out of several hundred flights currently offered by Allegiant and Sun Country. While significant network separation should help to distinguish Allegiant and Sun Country from failed airline merger precedent, the Trump administration could still withhold regulatory approval or otherwise contest the transaction on antitrust grounds. Once approved, the combined U.S. air carrier would be majority owned by existing Allegiant shareholders.

STATE DEPARTMENT PAUSES ALL VISA ISSUANCES TO IMMIGRANTS FROM 75 COUNTRIES

On January 14, 2026, the U.S. Department of State announced that all visas being issued to applicants who are nationals of seventy-five (75) specific countries will be paused effective **January 21, 2026**. A complete list of those 75 countries is available here. During this indefinite pause, **no** immigrant visas will be issued to nationals of the 75 affected countries, yet the State Department will continue accepting applications and scheduling interviews for nationals applying from those 75 countries. Since the State Department's pause specifically applies to immigrant visa applicants, it does **not** apply to nonimmigrant visas such as H-1B, L-1, O-1, or E visas.

ADDITIONAL COUNTRIES INCLUDED IN VISA BOND PILOT PROGRAM

On January 15, 2026, U.S. Customs and Border Protection issued a Carrier Liaison Program bulletin concerning the State Department's Visa Bond Pilot Program ("VBPP"). This new pilot program requires nationals of certain countries applying for B-1/B-2 nonimmigrant visas to post a bond of $5,000, $10,000, or $15,000 as a condition for issuance, if approved. To reduce visa overstays and other immigration-related abuses, those visas issued pursuant to the VBPP are for single entries only. The latest Carrier Liaison Program bulletin on this matter noted that an additional twenty-five (25) countries were recently added to the visa bond list. In total, thirty-eight (38) countries are currently included in the pilot program with effective dates as follows:

Effective Date	Country Included in Visa Bond Pilot Program
January 21, 2026	Algeria, Angola, Antigua and Barbuda, Bangladesh, Benin, Burundi, Cabo Verde, Cote D'Ivoire (Ivory Coast), Cuba, Djibouti, Dominica, Fiji, Gabon, Kyrgyzstan, Nepal, Nigeria, Senegal, Tajikistan, Togo, Tonga, Tuvalu, Uganda, Vanuatu, Venezuela, Zimbabwe
January 1, 2026	Bhutan, Botswana, Central African Republic, Guinea, Guinea Bissau, Namibia, Turkmenistan
October 23, 2025	Mauritania, São Tomé and Principe, Tanzania
October 11, 2025	The Gambia
August 20, 2025	Malawi, Zambia

Please also note that there are designated ports of entry through which visa bond holds must enter and exit the United States. Those specific ports of entry include the following international airports: Boston Logan International Airport, John F. Kennedy International Airport, Washington Dulles International Airport, Newark Liberty International Airport, Hartsfield-Jackson Atlanta International Airport, Chicago O'Hare International Airport, Los Angeles International Airport, Toronto Pearson International Airport, and Montréal-Pierre Elliott Trudeau International Airport.

CBP ISSUES BULLETIN ON U.S. REFUGEE ADMISSIONS PROGRAM

On January 26, 2026, U.S. Customs and Border Protection clarified specific aspects of President Trump's Executive Order on Realigning the United States Refugee Admissions Program which was first issued in January 2025. More specifically, the Carrier Liaison Program bulletin advised carriers that the entry of first-time arriving refugees will be restricted pursuant to the Immigration and Nationality Act absent an exception from the U.S. Department of Homeland Security. To avoid civil penalties for transporting suspended or otherwise restricted passengers into the United States, carriers must verify that passengers have valid visas or other travel documentation before being transported to the United States. Should questions arise on the authorization for any specific passenger to board an aircraft or otherwise travel to the United States, carriers should promptly seek clarification from the appropriate Regional Carrier Liaison Group prior to aircraft departure.

DOT CONSIDERS USEFULNESS OF TRAFFIC AND CAPACITY DATA

On January 12, 2026, DOT's Bureau of Transportation Statistics published a notice seeking public comment on the need for U.S. and foreign air carriers to file traffic and capacity data pursuant to 14 C.F.R. 241.19 and Part 217, respectively. While traffic and capacity reports are used to analyze air transportation activity to, from, and within the United States, the Trump administration seeks industry input on the continuing need for and usefulness of such reports. In addition to DOT, other federal agencies including the U.S. Department of Justice and the FAA currently use traffic, operational, and capacity data when analyzing airline competition and safety concerns, among other matters. For foreign air carriers, T-100(f) reports are regularly used by DOT's Office of International Aviation to assess the benefits received by foreign air carriers when operating to/from the United States and are often considered when DOT must gauge those benefits against the public interest. Those seeking to comment on DOT's notice must submit comments by **March 13, 2026**.

FAA COULD UPDATE RADIO ALTIMETER PERFORMANCE STANDARDS

On January 7, 2026, the FAA issued a proposed rulemaking which would require all radio altimeter ("RA") systems to meet specific minimum performance requirements. Due to interference from high-powered wireless signals, the FAA proposed the rule to ensure that RA systems can withstand any such interference and provide accurate altitude readings to pilots when navigating potential hazards, including terrain, windshear, and traffic. If finalized, the rulemaking would mandate that U.S. air carriers and foreign air carriers operating aircraft with 30 or more passenger seats or a payload capacity of more than 7,500 pounds upgrade existing aircraft to new RA systems that meet minimum interference tolerance requirements by the date upon which the Federal Communications Commission authorizes wireless service in the Upper C-band. Depending on several factors, the FAA anticipates that the FCC could authorize wireless service in the Upper C-band as soon as early 2029. The FAA will accept comments on the proposed rule until **March 9, 2026.**

NEW YORK'S LLC TRANSPARENCY ACT GOES INTO EFFECT

After being modeled on the federal Corporate Transparency Act, the New York LLC Transparency Act (the "Act") became effective on **January 1, 2026**. Due to New York Governor Kathy Hochul vetoing additional requirements last month, the Act now **only** applies to non-U.S. limited liability companies that have registered to do business in New York. Those LLCs formed outside the U.S. and authorized to do business in New York must file their initial beneficial ownership information report by **December 31, 2026**. Even those foreign LLCs which may qualify for an exemption must file an attestation of exemption under penalty of perjury. Foreign LLCs authorized to do business in New York should consult with counsel to evaluate whether they ought to comply and, if so, how to comply in the absence of regulatory clarity. Failure to comply with the Act could result in penalties of up to $500 for each day of noncompliance, and, in more extreme cases of prolonged failures to file, the suspension of noncompliant foreign LLCs.

NEW YORK LABOR DEPARTMENT RELEASES UPDATED GUIDANCE ON HEALTHY TERMINALS ACT

On January 1, 2026, several changes to New York's Healthy Terminals Act went into effect. When it was first enacted in 2021, the Healthy Terminals Act was intended to enhance wages and benefits for airport workers at Port Authority-operated airports. For example, it demands that employers provide a $5.55 health and welfare supplement on all hours worked up to 40 per week. To better align New York law with New Jersey's version of the Healthy Terminals Act, New York Governor Hochul authorized legislation last year to reform airport wage and benefit obligations to reflect New Jersey's version of the law with those reforms taking effect on **January 1, 2026**. The key takeaway is that multistate compliance for those with airport employees (e.g., carriers employing

New Jersey and New York-based employees) should be more streamlined in 2026 due to recent changes. In addition to consulting with counsel to mitigate compliance risks, carriers employing covered employees (i.e., airport workers who spend at least 50 percent of their working time at a covered airport) should refer to the Healthy Terminals Act Frequently Asked Questions page (available here) for additional information. The FAQs page will be updated periodically by New York's Department of Labor as new information comes to light.

ECKERT SEAMANS ATTORNEYS AT LAW

This Aviation Regulatory Update is intended to keep readers current on developments in the law. It is not intended to be legal advice. If you have any questions, please contact Evelyn Sahr at 202.659.6622 or esahr@eckertseamans.com; Drew Derco at 202.659.6665 or dderco@eckertseamans.com; Tyler Myers at 202.659.6642 or trmyers@eckertseamans.com, or any other attorney at Eckert Seamans with whom you have been working.