Fly America Act Effective Date: 5/06/2014

POLICY STATEMENT

The Fly America Act (<u>Title 49</u>, <u>United States Code</u>, <u>Sec. 40118 - Government-financed air transportation</u>) is a Federal regulation that states that any foreign air travel that is financed by Federal funds must be booked on U.S. Flag Air Carriers, regardless of cost or convenience. Only Federally funded sponsored projects are subject to this policy.

REASON FOR POLICY:

This policy:

- Assures that the University and the traveler are in compliance with the Fly America Act
- Assures that travel and business expenses charged to sponsored projects conform to the regulations and restrictions placed on the use of the funds by the sponsor and the Fly America Act.

RESPONSIBLE UNIVERSITY OFFICES:

Sponsored Projects Administration Procurement

WHO IS GOVERNED BY THIS POLICY

This regulation must be followed by all Columbia University personnel, students, trainees, consultants and collaborators who are reimbursed for air travel from a Federal sponsored award, or Federal pass through funds (inbound subawards). This policy applies to anyone who incurs a travel or business expenses on behalf of the University and who applies for reimbursement.

WHO SHOULD KNOW THIS POLICY

The employee, trainee, student, consultant or collaborator requesting reimbursement for business travel should know this policy along with:

- Senior Executive Officers, Provost
- Deans
- Senior Financial or Business Officers
- Chairs of Departments, Directors of Institutes and Centers
- Department Administrators
- Divisional Administrators with financial responsibility and oversight
- Program Directors
- Principal Investigators
- Faculty
- Students
- Post-doctoral fellows
- Graduate research assistants
- Junior Officers and Non-Officers with financial responsibility and oversight
- Administrative staff with significant travel responsibility

Policy Text

Use of U.S.-Flag Air Carriers Required For Travel on Sponsored Project Awards

The Fly America Act requires that <u>all air travel</u> funded by the Federal government be on U.S. flag air carriers or code-share carriers to the maximum extent possible, unless specific exceptions apply. Under these guidelines, which pertain to all travel taken under Columbia University's Federally sponsored project awards, any air transportation to, from, between or within a country other than the U.S. must be performed by a U.S.-flag air carrier.

Under the law, U.S.-flag air carrier service must be used, even if:

- comparable or a different kind of service can be provided at less cost by a foreign flag air carrier;
- foreign-flag air carrier service is preferred by or is more convenient; or service by a foreign-flag air carrier can be paid for in excess foreign currency.

The Federal Travel Regulation (FTR) on the Use of U.S. Flag Air Carriers can be found in <u>Title 41</u>, <u>Chapters 301-10.131 through 301-10.143</u> in the Code of Federal Regulations (CFR).

Exceptions to the Fly America Act Open Skies Agreements

The biggest exception to the Fly America Act is the <u>Open Skies Agreement</u>, which is a bilateral or multilateral transport agreement between the United States government and the government of a foreign country. These agreements allow for travel sponsored on Federal awards to use foreign air carriers under certain circumstances. The Department of Transportation has determined that Open Skies Agreements meet the requirements of the Fly America Act.

Where an open skies agreement exists a traveler may use the foreign airline except when:

- a General Services Administration (GSA) "City Pair" agreement exists, or
- the travel is funded by the U.S. Department of Defense (DOD).

The GSA City Pair Program offers significantly discounted rates to Federal employees traveling abroad. If a City Pair agreement *exists* for a foreign carrier, then the traveler using funds from a Federal sponsored project MUST fly on a U.S. flag carrier. Prior to booking a flight, travelers should look up their travel route on the <u>Airline City Pair Program Search tool</u>. **If a published** airfare rate exists, then the traveler must fly on a U.S. flag carrier.

There are currently four bilateral/multilateral "Open Skies Agreements" in effect:

European Union

- When traveling to a destination serviced by a European Union (EU) airline travelers flying on Federal grants can fly either on a U.S. carrier or a EU carrier as long as the carrier touches down in a EU country.
- The U.S.-EU Open Skies Agreement was amended effective June 24, 2010. GSA issued <u>Guidance</u> October 6, 2010. Pursuant to the amendment, federal contractors and grantees (not U.S. Government employees) <u>need not be concerned about city-pair contract fares</u>. However, contractors and grantees must check with the airline to ensure that the airline is covered by the U.S.-EU Open Skies agreement which may change periodically.
- For more information about the U.S. EU Open Skies Agreement, including examples of permissible routes, refer to the GSA Bulletin FTR 11-02.
- For a list of countries part of the European Union, go to http://europa.eu/about-eu/countries/index en.htm.
- On June 21, 2011, the U.S.-EU Air Transport Agreement was amended to include Norway and Iceland. Same rules apply to these countries as described above, and the traveler may use a Norwegian airline or an Icelandic airline. http://www.state.gov/e/eb/rls/othr/ata/i/ic/170684.htm

Australia

 Travelers using Federal dollars can choose to take an Australian airline only if a point of the origin/destination is either the U.S. or Australia and there is no citypair contract flight between two points (origin and destination).

Switzerland

 Travelers using Federal dollars can use a Swiss airline only if a point of origin/destination is either the U.S. or Switzerland <u>and there is no city-pair</u> <u>contract flight between the two points (origin and destination).</u>

Japan

 Travelers using Federal dollars can use a Japanese airline only if a point of origin/destination is either the U.S. or Japan and there is no city-pair contract flight between two points (origin and destination).

For more information about Open Skies refer to GSA Bulletin FTR 12-04.

Other Exceptions to the Fly America Act:

Travel To and From the U.S.

The use of a foreign-flag air carrier is permissible for travel to and from the U.S. if the use of the U.S. flag carrier would:

At traveler's origin or destination airport:

Extend travel time (including delay at origin) by 24 hours or more; or

At an oversees interchange point:

- Increase the number of aircraft changes outside of the United States by two or more;
- Require a connecting time of four hours or more;
- Extend travel time by at least six hours or more.

Travel Between Points Outside the U.S.

Use of a foreign-flag air carrier is permissible if:

- travel by a foreign-flag air carrier would eliminate two or more aircraft changes en route;
- travel by a U.S.-flag air carrier would require a connecting time of four hours or more at an overseas interchange point; or
- the travel is not part of the trip to or from the U.S., and use of a U.S.-flag air carrier would extend the time in a travel status by at least six hours more than travel by a foreign-flag air carrier.

Involuntary Rerouting

Travel on a foreign-flag carrier is permitted if a U.S.-flag air carrier involuntarily reroutes the traveler via a foreign-flag air carrier, notwithstanding the availability of alternative U.S.-flag air carrier service.

Short Distance Travel

For all short distance travel, regardless of origin and destination, use of a foreign-flag air carrier is permissible if the elapsed travel time on a scheduled flight from origin to destination airport by a foreign-flag air carrier is three hours or less and service by a U.S.-flag air carrier would double the travel time.

Code Share Agreements:

Code sharing agreements with foreign air carriers, whereby American carriers purchase or have the right to sell a block of tickets on a foreign carrier, *comply* with Fly America Act Regulations.

To demonstrate compliance, the ticket (or documentation for an electronic ticket) must identify the U.S. Flag air carrier's two-letter designator code and flight number, which is located on the right hand section of the passenger receipt. This indicates that the flier is in a U.S. Flag carrier seat, regardless of the air carrier, which owns the aircraft. The key to meeting the requirements is whether the ticket is purchased through the U.S. air carrier.

Appropriate Documentation and Certifying Exceptions

If the traveler must book a flight on a foreign-flag air carrier, the exceptions to the Fly America Act must be certified by the traveler using the Fly America Exception Checklist form, and all supporting documentation must accompany the Travel & Business Expense Form. If proper certification and supporting documentation is not provided, the cost of foreign air carrier travel may be reimbursed in whole or in part by non-Federal (personal or departmental) funds. Certification and supporting documentation is required as per Federal regulation: 41 CFR 301.10-141, 142. See http://www.ecfr.gov/cgi-bin/text-idx?c=ecfr&SID=0c6cf49635fa379cc7549d56cf1a1831&rgn=div8&view=text&node=41:4.2.2.4.3.2.13.30&idno=41

Resources:

- Fly America Act: 49 U.S.C. 40118
- Open Skies Agreements
- The City Pair Program (CPP)
- Airline City Pair Program Search Tool
- NIH Grants Policy Statement on the Fly America Act (Rev 10/2013)
- NSF's Award & Administration Guide (NSF 14-1 February 2014)
- List of U.S. Flag Carriers with their Airline Codes
- List of airlines as part of the Association of European Airlines

Contacts:

Sponsored Projects Administration Procurement

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Fly America Act FAQs

Q. What is the Fly America Act?

A: The Fly America Act is a federal regulation that requires that any foreign air travel funded by the federal government be booked with U.S. flag air carriers, regardless of cost and convenience.

Q. What is a US flag air carrier?

A: In general, all airlines based in the United States qualify. Specifically, a US flag air carrier is one that holds a certificate under section 401 of the Federal Aviation Act of 1958. In addition, travelers are allowed to fly on code share flights operated by foreign carriers. A flight qualifies if a ticket is purchased from a U.S. flag carrier but the aircraft is operated by a foreign airline. Your ticket will identify the U.S. carrier. For example: "AA 1234 operated by SAA 567" (AA = American Airlines, SAA = South African Airways).

Q. How do I determine if a flight is a code share flight?

A: Tickets/electronic receipts include the information necessary to determine if a flight is a qualifying code share. Tickets must be issued by the U.S. flag air carrier and the flight number must use the code of a U.S. carrier (e.g. NWA, UA, and AA).

If you have questions before purchasing a ticket, you can contact the airline, which is required by law to answer questions related to code share flights.

Q. What if I'm flying within a foreign country or between two foreign countries?

A: Even when traveling between two foreign locations, a traveler must abide by the Fly America Act regulations. Certain exceptions may apply.

Q. What if there are no U.S. flights are available?

A: You must use a U.S. flag air carrier for all legs of your route for which it is available. If a U.S. flag air carrier does not travel to your final destination or does not provide service on a portion of your route, you may use a foreign air carrier *only* on the leg(s) for which U.S. service is unavailable.

Q. Can I travel on a foreign air carrier if the cost of my ticket is less than traveling by a U.S. flag air carrier?

A: No. Foreign air carrier service may not be used solely based on the cost of your ticket.

Q. Can I use a foreign air carrier if the service is preferred or more convenient?

A: No. You must use a U.S. flag air carrier service, unless you meet one of the exceptions listed in the Fly America Act or unless a foreign air carrier is deemed a matter of necessity.

Q. When the use of a foreign air carrier is NOT considered a matter of necessity?

A: Poor planning on the traveler's part will not be considered a matter of necessity. For example late arrival at the airport because of factors under the traveler's control will not be considered a matter of necessity. The standard of behavior is what a reasonable person would do based on awareness of current facts and circumstances.

Q. Where can I obtain a list of U.S. Flag Carriers and their designator airline codes?

A: A good resource is Travel-On Travel Management Company at: http://www.tvlon.com/resources/airlinecodes.htm

Q. What airlines can I use under the US-EU open skies agreement exception?

A: You can fly on any airline that is a member of the <u>Association of European Airlines</u>, unless your sponsor does not allow this option (DOD funding).

Q. I am traveling to Europe; can I fly a foreign air carrier and charge my Federal award?

A: No, if the sponsor is a defense agency, such as NSA, Dept. of the Army, Army Research Office, Army Research Lab, Office of Naval Research, etc. Yes, for non-defense agency sponsors if the carrier is an airline of the EU or its member states.

Q: What documentation must be provided for exceptions to the Fly America Act that accompanies my travel reimbursement?

A: The Fly America Exception Checklist form should be filled out and approved by the appropriate senior business officer with statement executed by the traveler providing justification regarding the use of a foreign flag carrier for travel charged to a federally funded sponsored project. Examples of supporting documentation include, but are not limited to:

- Detailed itinerary
- Print out of the flight search, indicating the specific amount of time that use of a U.S. Carrier would require
- Any safety information such as State Department travel advisories that recommend that U.S.
 Carriers not be used

- Documentation, from a licensed practitioner, of any medical condition that requires use of a foreign carrier, and for what reason (ex., shorter elapsed time, wider seats, etc.)
- Announcements from airlines
- Federal agency announcements
- Screen print of GSA site showing absence of a City Pair if the Open Skies exemption is claimed.

Q. My travel was originally booked on US carriers; my air carrier involuntarily re-routed me to a non-US air carrier. What do I do?

A: Provide as much documentation of this situation as possible with your travel reimbursement form. In these exceptional circumstances, your travel will be supported by Federal funds.

Q. What happens if I do not provide the certification of exception, with supporting documentation, with my travel reimbursement?

A: If an exception certification is not provided, the cost of foreign air carrier travel may be borne in whole or in part by non-Federal (personal or departmental) funds.