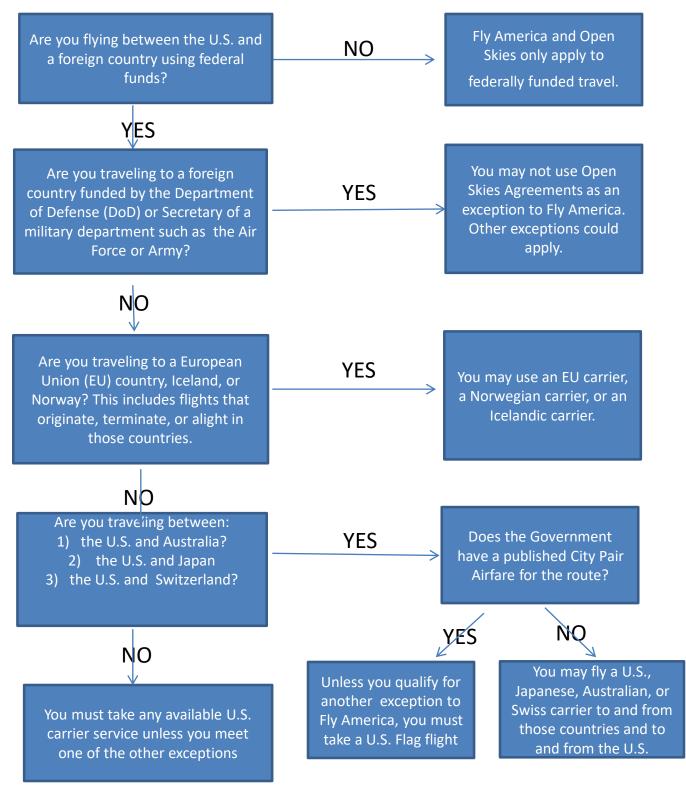
### Fly America and Open Skies Agreements



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## **Fly America Act**

Federal travelers are required by 49 U.S.C. 40118, commonly referred to as the "Fly America Act," to use U.S. air carrier service for all air travel and cargo transportation services funded by the U.S. government. One exception to this requirement is transportation provided under a bilateral or multilateral air transport agreement, to which the U.S. government and the government of a foreign country are parties, and which the Department of Transportation has determined meets the requirements of the Fly America Act.

The U.S. government has entered into several air transport agreements that allow federal funded transportation services for travel and cargo movements to use foreign air carriers under certain circumstances.

There are currently four bilateral/multilateral "Open Skies Agreements" (U.S. Government Procured Transportation) in effect:

- U.S. Government and the European Union (EU) effective April 30, 2007
- U.S. EU Amendment [pdf] effective June 24, 2010
- U.S. EU Amendment effective June 21, 2011
- U.S. Australia Open Skies Agreement [PDF 4 MB] effective October 1, 2008
- U.S. Switzerland Transport Agreement [PDF 4 MB] effective October 1, 2008
- U. S. and Japan [pdf] effective October 1, 2011

Information on the four Open Skies Air Transportation Agreements (U.S. Government Procured Transportation) and other specific country agreements may be accessed via the Department of State's website .

The rights given to airlines concerning U.S Government procured transportation under the Open Skies Agreement do not apply to transportation obtained or funded by the Secretary of Defense or the Secretary of a military department.

Federal Travel Regulation (FTR) Bulletin 11-02 [PDF - 112 KB] and Bulletin 12-04 [PDF - 82 KB] provides additional information and guidance on Open Skies agreements.

For more information on Fly America Act and Open Skies, please send email to travelpolicy@gsa.gov.

#### **Fly America FAQs**

Contacts Travel Policy

Fly America Cheat Sheet [PPTX - 72 KB]

#### Q. What is the Fly America Act (FAA) and when does the regulation apply?

**A.** The FAA refers to the provisions of 49 U.S.C Chapter 401, 40118 - Government-Financed Air Transportation. It is applicable to all travel funded by United States federal government funds and requires the use of "U.S. flag" airlines. Individuals affected include U.S. federal government employees, their dependents, consultants, contractors, grantees and others.

The FAA Regulation also applies to federal sponsored funding, as well as any sponsor that references compliance with federal regulations, OMB Circulars or Uniform Guidance 2 CFR Part 200, in the terms and conditions of the award.

#### Q. Why is it important to follow the rules for the Fly America Act?

**A.** Unlike most travel related issues, failure to abide by the rules outlined in the FAA will result in no reimbursement of the airplane ticket.

#### Q. What is the intent of the Fly America Act?

**A.** The intent of the Fly America Act is to ensure that U.S. passengers and goods travel on U.S. flag carriers. This is to allow the profits for carrying these government goods and passengers to go directly to U.S. carriers, which operate without the government financial backing that other foreign carriers often have.

#### Q. May I cross the U.S. border to use another country's airport to avoid the Fly America Act?

**A.** You may not cross an international border with the intention of creating a flight from a foreign destination to a foreign destination. An example of this would be someone from Detroit driving to Windsor, Ontario for a flight to London rather than using the Detroit airport.

### Q. May I charge an airline ticket to my federal grant or US government funded travel using a foreign air carrier if the cost is less expensive than a U.S. based carrier?

**A.** No, foreign air carrier service cannot be charged to a Federal award or paid with federal government funds for reasons of ticket cost, preference of the traveler, or convenience. In order to appropriately charge a foreign air carrier flight to a federal award, it must meet one of the allowable exceptions provided under the FAA.

#### Q. What are the allowable exceptions under the Fly America Act?

A. The exceptions are

- 1. When a U.S. air carrier is not available.
- 2. When the use of a U.S. carrier service would extend the travel time by 24 hours or more.
- 3. When a U.S. carrier does not offer nonstop or direct service between origin and destination; and,  $\!$ 
  - Increases the number of aircraft changes outside the United States by two or more.
  - Extends travel time by at least six hours or more.
  - Requires a connecting time of four hours or more at an overseas interchange point.
- 4. Short Distance Travel When the flight time from origin to destination is less than 3 hours and the use of a U.S. flag carrier doubles the time en-route.
- 5. When there is an applicable Open Skies agreement in effect which the Department of Transportation says meets the requirements of the FAA.

#### Q. What are Open Skies agreements?

**A.** Open Skies agreements provide an exception to the FAA requirement, in limited circumstances, where a bilateral or multilateral air transport agreement is present between the U.S. Government and the government of a foreign country in which the Department of Transportation has determined meets the requirements of the FAA. There are currently four bilateral/multilateral "Open Skies Agreements" that meet the Fly America criteria:

- 1. United States (U.S.) Government and European Union (EU) Including Iceland and Norway-Permits the use of a European Union Air carrier for international travel outside the US. Iceland and Norway are not EU members but are members of the EU air treaty. This is the only one of these four agreements that allows for an origin or destination in a third country as long as the flight alights in the EU.
- 2. United States (U.S.) and Australia Permits the use of an Australian Air carrier for International travel between the U.S. to Australia as long as a "City Pair" fare is not available between the cities of origin and destination.
- 3. United States (U.S.) and Switzerland Permits the use of a Swiss air carrier for International travel between the U.S. to Switzerland as long as a "City Pair" fare is not available between the cities of origin and destination.
- 4. United States (U.S.) and Japan Permits the use of a Japanese Air carrier for International travel between the U.S. to Japan as long as a "City Pair" fare is not available between the cities of origin and destination.

#### Q. Are there any limitations or restrictions in using Open Skies agreements?

**A**. Yes. The Open Skies exception cannot be used for domestic travel (within the U.S.), and the exception does not apply to travel supported by Department of Defense (DOD) funds.

#### Q. Under Open Skies, when must I verify that a City Pair fare is in effect?

**A.** The use of Open Skies is determined by the traveler's origin, destination and selection of air carrier. U.S. Federal Government employees are required to use City Pair fares flights unless a City Pair fare does not exist between the cities of origin and destination, and then Open Skies agreements may be used as an exception. For non-U.S. Government employees (grantee/contractors), they are not authorized to use a City Pair fare and any international travel using an EU air carrier to or through an EU Country does not require a city pair fare verification. However, international travel to Australia, Switzerland, and Japan using an Australian, Swiss, or Japanese air carrier must first be verified that a "City Pair" fare does not exist between the cities of origin and destination.

### Q. Does Air Canada or Westjet qualify as an exception under Fly America or Open Skies, and when would the short distance exception apply under the Fly America Act?

**A.** No. Both Air Canada and Westjet Airlines are operated by Canadian (Foreign) based airlines and as such, neither qualifies as an exception under Open Skies. If the flight time from origin to destination is less than three hours and the use of a U.S. flag carrier doubles the time en route, the short distance exception under Fly America could apply in which a foreign, including a Canadian based, carrier may be appropriately charged.

### Q. What does it mean when my airline ticket indicates a "Codeshare" arrangement, and when is it, or is it not, an allowable charge on my Federal Award?

**A.** Codeshare is an aviation business arrangement where two or more airlines share the same flight. Sharing, in this sense, means that each airline publishes and markets the flight under its own airline designator and flight number as part of its published timetable or schedule. A seat can be purchased on each airline's designator and flight number, but is operated by only one of these cooperating airlines. Typically, code-sharing agreements are also a part of the commercial agreements between airlines in the same airline alliances. To be compliant under Fly America Regulations, the purchase must occur using the U.S. airline's designator and flight number rather than the foreign carrier.

#### For example:

Compliant with Fly America: American Airlines (AA) 1234 operated by Qantas Airways (QF) 4321 Not Compliant with Fly America: QF 4321 operated by AA 1234

A person traveling on funds provided by the federal government must use a U.S. flag carrier (an airline owned by an American company), regardless of cost or convenience. When scheduling https://www.gsa.gov/policy-regulations/policy/travel-management-policy/fly-america-act

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international travel that is federally funded, you must ensure that all flights, where possible, are scheduled on U.S. flag carriers or on foreign air carriers that code share with a U.S. flag carrier.

Each airline has a two letter alpha code. From this list, you will be able to compare airline codes on the ticket with those on the list and thereby be able to ascertain whether or not the flight is on a US Flag air carrier. U.S. flag air carriers: • Alaska Airlines (AS) • American Airlines (AA) • Continental Airlines (CO) • Delta Airlines (DL) • Frontier Airlines (F9) • Hawaiian Airlines (HA) • JetBlue Airways (B6) • Southwest Airlines (WN) • Spirit Airlines (NK) • United Airlines (UA)

### Q. What information should be included with my travel reimbursement to document a Fly America Exception?

**A.** You must include the following information:

- 1. A completed and signed Fly America Exception form; and,
- 2. A detailed travel itinerary from a travel agent or on-line travel service (i.e., Sanditz, Travelocity, Orbitz, or Expedia).
- 3. The search results performed at the time of booking from an on-line travel service that documents all available flights and the existence of the Fly America exception identified on the Fly America Exception form, if applicable.

#### Q. Who should I contact if I have questions or need assistance with Fly America Act?

A. Send inquiries to travelpolicy@gsa.gov.

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