Fly America Act

The Fly America Act was enacted in 1974 to mandate the use of U.S. flag air carriers for federally funded international travel. Since the Fly America Act's enactment, innumerable changes have taken place in the airline industry. Because of this evolution, the Fly America Act and the federal travel regulations promulgated under the act have been revised to allow travelers more flexibility while remaining in compliance with the law. The Federal Travel Regulations were written in a question and answer format making them easier to understand.

In a nutshell, the Fly America Act requires that foreign air travel funded with Federal dollars be performed on U.S. flag air carriers, unless one has a good reason not to. This applies to ALL foreign travel funded by Federal dollars which means that these restrictions also apply to Federal Government employees on official travel, not just Federal financial assistance recipients and Federal contractors. As a matter of fact, the regulations implementing the restrictions of the Fly America Act found at 41 CFR Parts 301- 10.131 through 301-10.143 are part of the Federal Travel Regulations promulgated by the General Services Administration (GSA).

The Federal Travel Regulations no longer require that international tickets be "issued" by a U.S. flag air carrier or "printed" on their "ticket stock". While international flights should be on U.S. flag air carriers whenever possible, the Federal Travel Regulations now permit flights on foreign air carriers when code sharing is present. In other words, the flight is considered the same as one operated by an U.S. flag air carrier. The U.S. flag air carrier's designator code, however, <u>must</u> be present in the area next to the flight numbers on the airline ticket, boarding pass, or on the documentation for an electronic ticket (passenger receipt).

A code share agreement is common industry practice. It is a marketing arrangement where one airline puts its code on the flights of another airline in order to coordinate services and advertise and sell the other airline's services as its own, i.e., the code-share flights are marketed by U.S. carriers as their own flights. Some or all of the transportation is provided by another carrier which carries its partner's designator code. Regulations promulgated by the Department of Transportation require airlines involved in code sharing to inform prospective passengers as soon as possible during calls to reservation offices when the flight involves a code share and to identify the carrier actually providing the service. The airlines must do this, even if the customer has not asked to book the flight. Therefore, when you book a flight with an airline, they are required to tell you if a code share agreement exists that will affect your travel. If you are not sure, ask the airline representative. Additionally, when using a code share, the ticket, or documentation for an electronic ticket, identifies the U.S. flag air carrier's designator code and flight number. The designator code and flight number are the essential features because this shows how the money flows.

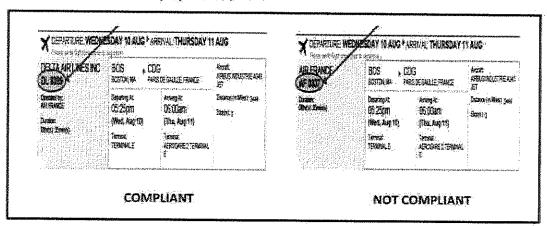
For example, Northwest Airlines has a code share agreement with KLM Airlines to Amsterdam. If the boarding pass (flight coupon) or e-ticket identifies a flight as NW ##, the requirements of the Federal Travel Regulations would be met, even if the flight was on a KLM Airlines airplane. If however, the boarding pass (flight coupon) or e-ticket identifies the flight as a KLM ##, then the requirements of the Federal Travel Regulations would not be met. What does this mean to you? If you are scheduling international travel that is federally funded, you <u>must</u> ensure that all flights, where possible, are scheduled on U.S. flag air carriers or on foreign air carriers that code share with a U.S. flag air carrier.

Fly America Act and Open Skies Agreements Guidance

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 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. Code sharing: when two or more airlines "code" the same flight as if it was their own.

A U.S. airline may sell a seat on the plane of a foreign air carrier; this seat is considered the same as one on a plane operated by a U.S. flag carrier. Compliance with the *Fly America Act* is satisfied when the U.S. flag air carrier's designator code is present in the area next to the flight numbers on the airline ticket, boarding pass, or on the documentation for an electronic ticket (passenger receipt) – see example below, where Delta Airlines (DL) has a code share agreement with Air France (AF) to Paris, France.



US Flag Air Carriers - U.S. flag carriers and their codes are below to assist you. In order for a flight to be in compliance with the Fly America Act, the code of a U.S. flag air carrier must be noted as part of the flight number on the airline ticket, flight coupon (boarding pass*), or passenger receipt. 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:

- Airtran Airways (FL)
- Continental Airlines (CO)
- Hawaiian Airlines (HA)
- Southwest Airlines (WN)
- USAirways (US)

- Alaska Airlines (AS)
- · Delta Airlines (DL)
- JetBlue Airways (B6)
- Spirit Airlines (NK)
- American Airlines (AA)
- Frontier Airlines (F9)
- Midwest Express (YX)
- United Airlines (UA)

Fly America Act

The Fly America Act mandates the use of U.S. flag air carriers when travelling internationally on Federal funds (i.e., Banner funds 21xxxx). As with most regulations, there are a few exceptions. The Fly America Act Waiver Checklist has been posted at http://www.depts.ttu.edu/procurement/travelservice/travelforms.asp to assist you in determining if the air travel meets any of the allowable waivers, including, but not limited to:

- No U.S. flag air carrier service on a particular leg of your route
- U.S. flag air carrier involuntarily re-routes traveler on a foreign air carrier
- Use of a U.S. flag air carrier on a nonstop flight between U.S. and another country extends travel time by 24 hours or more
- Service on a foreign air carrier is three hours or less but the use of a U.S. flag air carrier doubles en route travel time
- Use of a U.S. carrier increases the number of aircraft changes outside the U.S. by two or more

The completed checklist should accompany your travel vouchers for international trips on Federal funds. In the event it is determined that the appropriate air carrier was not used, travel expenses will need to be covered from non-sponsored funds.

Certified Air Carriers List

A list of U.S. Certified Air Carriers is available from the US Department of Transportation http://www.dot.gov/policy/aviation-policy/certificated-air-carriers-list

This is a partial list of IATA airline codes for international carriers provided to determine compliance with the Fly America Act. A more comprehensive list is available at http://www.airlinecodes.co.uk/airlcodesearch.asp

Code	Country	Airline
AC	Canada	Air Canada
AF	France	Air France
AI	India	Air India
AM	Mexico	Aeromexico
AR	Argentina	Aerolineas
AV	Columbia	Avianca
AY	Finland	Finnair
AZ	Italy	Alitalia
BA	United Kingdom	British Airways
CI	China	China Airlines
DO	Dominican Rep.	Air Valee
EI	Ireland	Aer Lingus
EU	Ecuador	Ecuatoriana
FI	Iceland	Icelandair
GA	Indonesia	Garuda Indonesian Airways

GU	Guatamala	Aviateca
IB	Spain	Iberia
JL	Japan	Japan Airlines
JM	Jamaica	Air Jamaica
KE	Korea	Korean Air
LA	Chile	Lan Chile Airlines
LH	Germany	Lufthansa
LO	Poland	Lot Polish Airlines
LR	Costa Rica	Lacsa Airlines
LY	Israel	El Al Israel Airlines
MP	Holland	Martinair Holland
MX	Mexico	Mexicana Airlines
NH	Japan	All Nippon Airways
NZ	New Zealand	Air New Zealand
OA	Greece	Olympic Airways
OS	Austria	Austrian Airlines
PL	Peru	Aero Peru
PR	Philippines	Philippine Air Lines
QF	Australia	Qantas Airways
RG	Brazil	Varig Airlines
RJ	Jordan	Royal Jordanian Airlines
SN	Belgium	Sabena World
SQ	Singapore	Singapore Airlines
SR	Switzerland	Swissair
SU	Russia	Aeroflot
TG	Thailand	Thai Airways
UC	Chile	Ladeco
VS	United Kingdom	Virgin Atlantic

Other Exceptions from Fly America Act

Travel that is to be reimbursed from federal grants and contracts must be booked through U.S. carriers except in the following additional circumstances:

- When the use of U.S. carrier service would extend travel time (including delay at origin) by 24 hours or more
- When the costs of transportation are reimbursed in full by a third party, such as a foreign government or an international agency
- When U.S. carriers do not offer nonstop or direct service between origin and destination. However, a U.S. carrier must be used on every portion of the route where it provides service unless, when compared to using a foreign air carrier, such use would:
 - Increase the number of aircraft changes outside the United States by two or more
 - o Extend travel time by at least six hours or more
 - Require a connecting time of four hours or more at an overseas interchange point.