An updated version of the NSF Agency Specific Requirements to the Research Terms and Conditions (RTCs) has been posted to the NSF website and is available electronically at: http://www.nsf.gov/pubs/policydocs/rtc/nsf_109.pdf. The NSF Agency Specific Requirements will go into effect on January 5, 2009, and will be applied to all new NSF grants and funding increments on existing NSF grants to organizations subject to 2 CFR Part 215. As stated in our implementation plan, the Research Terms & Conditions will not be applied to NSF cooperative agreements and NSF fellowship awards made to individuals.

The significant changes include circumstances under which the use of a foreign-flag air carrier is now permissible.

Article 13, Travel, has been updated to incorporate revised circumstances under which use of a foreign-flag air carrier is permissible. The article now addresses Airline "Open Skies" Agreements between the United States and a foreign government, which the Department of Transportation has determined meets the requirements of the Fly America Act. The Article provides information on the "Open Skies" Agreement with the European Union, and includes a link to the General Services Administration website for additional information on other Open Skies Agreements.

There are limited circumstances under which use of a foreign-flag air carrier is permissible. These circumstances are outlined below:

1. Airline "Open Skies" Agreements: A foreign flag air carrier may be used if the transportation is provided under an air transportation agreement between the United States and a foreign government, which the Department of Transportation has determined meets the requirements of the Fly America Act. For example, in 2008, the U.S. entered into an "Open Skies" Agreement with the European Union. This Agreement gives European Community airlines (airlines of Member States) the right to transport passengers and cargo on flights funded by the U.S. government, when the transportation is between a point in the United States and any point in a Member State or between any two points outside the United States. In accordance with the Agreement, however, a U.S.-flag air carrier must be used if: (a) transportation is between points for which there is a city-pair contract fare in effect for air passenger transportation services; or (b) transportation is obtained or funded by the Secretary of Defense or the Secretary of a Military Department. The conditions for use of a Member State airline apply to non-Federal employees as well (e.g., grantees). So, even though grantees are ineligible for city-pair contract fares, they must still use a U.S.-flag air carrier if a city-pair contract fare exists. For information on other "open skies" agreements in which the United States has entered, please refer to GSA's website: http://www.gsa.gov/Portal/gsa/ep/contentView.do?contentType=GSA_BASIC&contented =24833&noc=T

2. 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.

3. Travel To and From the U.S.: Use of a foreign-flag air carrier is permissible if the airport abroad is: (a) the traveler's origin or destination airport, and use of U.S.-flag air carrier service would extend the time in a travel status by at least 24 hours more than travel by a foreign-flag air carrier; or (b) an interchange point, and use of U.S.-flag air carrier service would increase the number of aircraft changes the traveler must make outside of the U.S. by two or more, would require the traveler to wait four hours or more to make connections at that point, or would extend the time in a travel status by at least six hours more than travel by a foreign-flag air carrier.

4. Travel Between Points Outside the U.S.: Use of a foreign-flag air carrier is permissible if: (a) travel by a foreign-flag air carrier would eliminate two or more aircraft changes en route; (b) travel by a U.S.-flag air carrier would require a connecting time of four hours or more at an overseas interchange point; or (c) 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.

5. 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.