



UNITED STATES OF AMERICA  
DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY  
WASHINGTON, D.C.

Issued by the Department of Transportation on April 30, 2020

**NOTICE OF ACTION TAKEN -- DOCKET DOT-OST-2020-0037**

On March 27, 2020, the President signed the Coronavirus Aid, Recovery, and Economic Security Act (CARES Act) into law. Sections 4005 and 4114(b) of the CARES Act authorize the Secretary of the U.S. Department of Transportation (Secretary) to require, “to the extent reasonable and practicable,” an air carrier receiving financial assistance under the act to maintain scheduled air transportation service as the Secretary deems necessary to ensure services to any point served by that air carrier before March 1, 2020 (Service Obligation). By Order 2020-4-2, the U.S. Department of Transportation established the parameters for implementation of the authority granted to the Secretary under the CARES Act, including an exemption process as described at pages 9-10 and in Appendix D of that order. This serves as notice to the public of an action taken by a Department official with regard to exemption(s) from Order 2020-4-2. No additional confirming order will be issued in this matter.

Applicant: **Corporate Flight Management, Inc. d/b/a Contour Airlines<sup>1</sup>**

Date Filed: **April 18, 2020**

**XX** Service Level Exemption (a) – Corporate Flight Management, Inc. d/b/a Contour Airlines (Contour) requests that the Department approve a suspension of service under the provisions of Order 2020-4-2 at the following covered points:

- (1) Las Vegas, NV (LAS)
- (2) Sacramento, CA (SMF)
- (3) Santa Barbara, CA (SBA)
- (4) Tampa, FL (TPA)

Contour states that all flights to and from these covered points that it operated as a direct air carrier were conducted under 14 CFR Part 380 (Public Charters) and that Sections 4005 and 4114(b) of the CARES Act require service be provided as “scheduled air transportation” and that public charter flights are not scheduled air transportation. Moreover, with respect to covered point 4 (Tampa, Florida), Contour notes that it previously served this covered point on a year-round basis since December 2018, but in November 2019, it announced it would permanently cease service, and on January 4, 2020, Contour operated its last flight from Tampa. Contour provided notice to the Department cancelling the associated public charter flights. For covered points 1 through 3 (Las Vegas, Nevada; Sacramento, California; and Santa Barbara, California), Contour states that on March 19, 2020, it gave written notice to the airports at these covered points that it would cease service to those cities in 10 days. Contour ceased operations on March 28, 2020, and Contour states that any passengers that held reservations for travel beyond March 28, 2020, had their reservations refunded on March 26, 2020. Further, because Contour’s fleet consists entirely of 30-seat aircraft and its operating authority is limited to those conducted under 14 CFR Part 135 of the Federal Aviation Regulations, which in turn, limits *scheduled* operations to aircraft with nine seats or less, the air carrier is unable to provide scheduled service at these covered points.

Responsive pleadings: None

**DISPOSITION**

**XX** **Granted (see below)**

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<sup>1</sup> A copy of Contour’s application and the basis for its exemption request can be found at: <https://www.regulations.gov/document?D=DOT-OST-2020-0037-0087>.

Action date: **April 30, 2020**

Request for exemption granted and effective dates of authority granted:<sup>2</sup>

For covered points 1-4: **April 30, 2020** through **September 30, 2020**

This authority is subject to the terms, conditions, and limitations indicated:

**XX Holder's commuter air carrier authorization**

**XX Standard exemption conditions (attached)**

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Basis for approval: The Department finds that granting Contour's request for exemption to remove Las Vegas, Nevada; Sacramento, California; Santa Barbara, California; and Tampa, Florida, from its Service Obligation, is warranted under the provisions of Order 2020-4-2. While Contour holds scheduled authority from the Department, it provides charter service to these covered points in accordance with 14 CFR Part 380 (Public Charters). Charter flights do not include scheduled air transportation.<sup>3</sup> Therefore, Contour's operations to these covered points conducted under 14 CFR Part 380 are not subject to the minimum service level obligation in Order 2020-4-2.

We may amend, modify, or revoke this exemption at any time without hearing at our discretion.

Persons entitled to petition the Department for reconsideration of the action set forth in this Notice under the Department's regulations, 14 CFR § 302.14, may file their petitions within ten (10) days after the date of issuance of this Notice. This action was effective when taken, and the filing of a petition for reconsideration will not alter such effectiveness.

Action taken by: David Short  
Deputy Assistant Secretary  
Aviation and International Affairs

*An electronic version of this document is available at: <http://www.regulations.gov>*

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<sup>2</sup> The effectiveness of this authority will terminate on the date(s) specified above. Should the air carrier wish to extend the date(s) of effectiveness, it must file another request for an exemption in accordance with the exemption process as described in Appendix D of Order 2020-4-2.

<sup>3</sup> See 14 CFR 212.2.

**U.S. Carrier Exemption Conditions**

In the conduct of the operations authorized, the U.S. carrier applicant(s) shall:

- (1) Hold at all times effective operating authority from the government of each country served;
- (2) Comply with consumer protection and civil rights requirements, including, but not limited, to requirements contained in 14 CFR Parts 250, 254, 257, 259, 374, 382 and 399;
- (3) Comply with the requirements for reporting data to the Department, including, but not limited, to requirements contained in 14 CFR Parts 234, 241, and 244;
- (4) Comply with requirements for minimum insurance coverage, and for certifying that coverage to the Department, contained in 14 CFR 205;
- (5) Except as specifically exempted or otherwise provided for in a Department Order, comply with the requirements of 14 CFR 203, concerning waiver of Warsaw Convention liability limits and defenses;
- (6) Comply with all applicable requirements of the Federal Aviation Administration, the Transportation Security Administration, and with all applicable U.S. Government requirements concerning security, including, but not limited to, 49 CFR Part 1544. To assure compliance with all applicable U.S. Government requirements concerning security, the holder shall, before commencing any new service (including charter flights) to or from a foreign airport, contact its Principal Security Inspector (PSI) to advise the PSI of its plans and to find out whether the Transportation Security Administration has determined that security is adequate to allow such airport(s) to be served;
- (7) Comply with such other reasonable terms, conditions, and limitations required by the public interest as may be prescribed by the Department of Transportation, with all applicable orders and regulations of other U.S. agencies and courts, and with all applicable laws of the United States.

The authority granted shall be effective only during the period when the holder is in compliance with the conditions imposed above.