

CARES Act Emergency Appropriations Summary for IAM Members

Stimulus Checks

Single

Your Income	Your Check
\$75,000 and below	\$1,200
\$80,000	\$950
\$85,000	\$700
\$90,000	\$450
\$95,000	\$200
\$99,000 and above	\$0

Married

Your Income	Your Check
\$150,000 and below	\$2,400
\$160,000	\$1,900
\$170,000	\$1,400
\$180,000	\$900
\$190,000	\$400
\$198,000 and above	\$0

- Income level based on 2019 tax return. If you have not prepared your 2019 tax return yet, you can use your 2018 return.

- \$500 per child added to stimulus checks (phases out for those with higher incomes). Only applies to children 16 and under.

- \$600 per week added on to state unemployment assistance payments for up to four months.

- Checks expected to be delivered within three weeks, according to U.S. Treasury Secretary Steve Mnuchin.

Businesses Critical to Maintaining National Security – Applies to Companies with 10,000 or More Employees

Topline: Total of \$17B in Loans to businesses critical to national security

The bill sets aside \$17B for loans to businesses critical to maintaining national security, as part of \$500B made available for loans and loan guarantees to eligible businesses, states and municipalities.

Additionally:

- The law prevents the federal government from conditioning any grants or loans on renegotiating collective bargaining agreements to reduce employee pay or benefits. For loans, this protection is in effect until one year after the loan is paid.
- The bill mandates the loan be as short as practicable, but no more than 5 years.
- Prohibits stock buybacks and dividend payments and CEO/Executive pay increases for loan recipients for 1 year after date of loan issue or until the loan is paid back. (Note: There is a waiver clause if needed “to protect the interest of the Federal Government”)
- Loan recipients must maintain employment levels as of 3/24/20 until 9/30/20 “to the extent practicable, and in any case shall not reduce its employment level by more than 10 percent.”
- Eligible businesses must have majority of employees in the US.

Midsized Businesses

To the extent possible loans will be offered to troubled mid-sized businesses with between 500 and 10,000 employees.

Additionally:

- The bill mandates the funds will be used to retain 90 percent of workforce at full compensation and benefits.
- The recipient will not pay dividends or buy back stock.
- The recipient will not outsource or offshore jobs for the term of the loan and 2 years after completing repayment of the loan.
- The recipient will not abrogate existing collective bargaining agreements for the term of the loan and 2 years after completing repayment of the loan.
- The recipient will remain neutral in any union organizing effort for the term of the loan.

Aviation

Topline: Total of \$61B for the airline sector. \$10B for airports.

The bill provides \$33B in direct grants to the aviation industry. \$25B is allocated for passenger airlines, \$4B is allocated for cargo airlines, and \$4B is allocated for contractors. The bill also authorizes DOT to make loans and loan guarantees of up to \$25B for passenger carriers and \$4B for cargo carriers. The bill also includes \$10B in grants for airports.

Additionally:

- The law mandates that grant funds shall be used exclusively for the continuation of payment of wages, salaries and benefits for workers.
- Recipients of grant funding cannot conduct involuntary furloughs or reduce pay rates and benefits until September 30, 2020.
- Prohibits recipients from making stock buy backs or paying dividends until September 30, 2021.

- The law prevents the federal government from conditioning any grants or loans on renegotiating collective bargaining agreements to reduce employee pay or benefits. For grants, this protection is in effect until September 30, 2020. For loans, this protection is in effect until one year after the loan is paid.
- Prevents executive pay increases or severance packages for a two-year period until March 24, 2020.
- Airport grant recipients must maintain employment levels of at least 90 percent of the levels employed on the date of enactment, through December 31, 2020
- Unfortunately airlines and their Republican allies blocked a provision that we pushed that would have guaranteed a basic level of affordable health care to all airline catering workers. After the airlines opposed that provision, we pivoted to an alternative proposal that would have appropriated \$1 billion to set up a Taft-Hartley health care plan and required any catering contractor who received a grant under Title IV to purchase affordable health care for catering workers through the Taft-Hartley fund for five years. This alternative provision was ultimately taken out due to Republican insistence on attaching the Hyde amendment to these funds.
- We were also unable to secure language on CBA protections during bankruptcy, a snapback provision for any CBA concessions made by unions, or a prohibition on outsourcing by companies that receive funds.

Maritime

The bill contains \$3,134,000 to MARAD prevent, prepare for, and respond to coronavirus, of which \$1M goes to the Merchant Marine Academy and \$1M goes to State academies. Importantly, a number of interests who sought to use this legislation as a vehicle for waivers of the Jones Act were unsuccessful. Additionally, the flexibility provided for FTA grants (discussed below) will apply to the Passenger Ferry Grant Program, and will allow ferry operators the ability to use funds to support operations, which is a critical need when some ferry services are reporting ridership reductions as high as 90%, if they remain operational at all.

Finally, the bill takes expenditures from the Harbor Maintenance Trust Fund off budget, beginning on Jan. 1, 2021 or the date of enactment of the next water resources development bill. This would allow full revenue taken in each year by the Trust Fund to be spent out without concerns for budget implications and spending caps. The language does not include a mechanism for the spend-out of the approximately \$9B in the Trust Fund currently. TTD has long been supportive of efforts to reform the HMTF, and applauds this important first step.

Rail

Amtrak

Northeast Corridor: \$492M

National Network \$526M

\$1.018 billion for Amtrak funding

- * \$492 million for Northeast Corridor (NEC) + \$526 million for National Network = \$1.018 billion.
- * All funds are subject to Amtrak's existing labor protections
- * Amtrak must report all furloughs to Congress every 7 days
- * Job Protections: Once Amtrak service returns to March 1, 2020 levels, Amtrak must offer all employees the opportunity to be recalled to their previously held positions as of March 1, 2020.

\$25 billion for transit agencies

- * These funds will flow through existing formula grant programs at the Federal Transit Administration.
- * We expect billions to flow through to our commuter rail employers for them to continue operations – including keeping our members employed.

Railroad Retirement Board – Railroad Unemployment Insurance (RUI)

- * Expansion – Those qualifying for RUI will receive expanded benefits (the RRB is currently calculating what the new max benefits will be).
- * Extension – The current 26-week limit for RUI benefits is being extended by 13 weeks (39 weeks total)
- * Waive Waiting Period – The standard 7-day waiting period for applying for benefits has been waived.
- * Funding – Congress has appropriated \$425 million to cover RUI extension and expansion. They also appropriated \$5 million to the RRB to be able to administer these benefits.

Public Transportation

Topline: \$25B

On Sunday, March 21, TTD led a letter cosigned by the American Public Transportation Industry, the International Brotherhood of Teamsters, and a number of our affiliated unions requesting [\\$16B in assistance for public transportation](#) to offset the direct costs associated with COVID-19 (e.g., cleaning costs) and significant losses in farebox revenue from reduced ridership and service. TTD separately sent a letter to Congressional staff asking that any funding made available to public transportation agencies protect important labor protections including 13(c). While \$16B was the best estimate of impacts to the industry at the time of our request, the rapidly unfolding impacts of COVID-19 subsequently made it clear that a larger funding amount would be necessary to ensure transit employees' livelihoods were not jeopardized and that the public's access to jobs, food, and other critical services are not brought to a

halt. We are grateful to see that Congress provided \$25B for transit in the final package to cover direct costs and operating costs, while also preventing the Federal Transit Administration from waiving labor protections. Furthermore, these grants are made available to the recipient at a 100 percent federal share and requires disbursement of those funds within 7 days of passage of the bill.

Funding should be distributed approximately as follows:

Formula	Estimated Amount
§5307 Urbanized Area	\$13.9 billion
§5311 Rural Area	\$1.8 billion
§5337 State of Good Repair	\$7.6 billion
§5340 Fast-Growth High-Density State	\$1.7 billion
Total	\$25.0 billion

Pensions

Topline: Nothing for Multiemployer Pensions. Limited relief for Single-employer plans.

Multi-employer pensions: The bill does not include the Butch Lewis Act, Composite Plan (GROW Act) or any multiemployer pension relief.

For single employer plans the bill allows for:

- Plans to delay minimum required contribution until 1/1/21. Required payment will increase by accrued interest on amount.
- Plans to use last year's funding percentage as their 2020 funding percentage in order to avoid benefit restrictions.