

Subtitle B – Air Carrier Worker Support

SEC. 4111. DEFINITIONS.

1. **Broad Applicability:** Incorporates by reference definition of “air carrier” and other terms from 40102(a) meaning that various types of air carriers – scheduled airlines, charter, and other types of operations (e.g., air taxi) – are covered.
2. **Airline Catering Services and Contractors:** Includes Part 121 airline catering services and airline contractors and subcontractors involved in aviation support service providers (security, check-in/ticketing functions, ground-handling of aircraft).

SEC. 4112. PANDEMIC RELIEF FOR AVIATION WORKERS.

1. **Aviation Worker Allocations:** Financial assistance for continuation of payment of employee wages, salaries, and benefits to—
 - a. passenger air carriers – \$25,000,000,000;
 - b. cargo air carriers – \$4,000,000,000; and
 - c. contractors – \$4,000,000,000.
2. **Administrative Expense:** \$100,000,000 as a take down from the full \$33,000,000,000 funds.

SEC. 4113. PROCEDURES FOR PROVIDING PAYROLL SUPPORT.

1. **Air Carrier:** Financial assistance measured by DOT reported salaries and benefits for 2019 2Q and 3Q, or sworn financial statements of the same.
2. **Contractors:** Financial assistance measured by sworn financial statements of reported salaries and benefits for 2019 2Q and 3Q
3. **Clawback:** Provides for clawback of any financial assistance based on non-compliance with assurances for financial assistance
4. **Deadlines:** Treasury Secretary must issue procedures within 5 days and issue initial financial assistance within 10 days
5. **Pro Rata:** Treasury Secretary may reduce, on a pro rata basis, the amounts due to air carriers and contractors in order to address any shortfall in assistance (i.e., should the payrolls costs submitted exceed the \$25B for passenger, \$4B for cargo carriers, and \$4B for contractors, the Secretary can proportionally reduce grants for entities eligible under each section.)
6. **Audits:** Financial assistance subject to audits by Treasury Inspector General
7. **Terms and Conditions:** The Secretary may require the air carriers or contractors comply with terms and conditions that the Secretary determines are appropriate.
8. **Subsequent payments:** Should there be funds left over after the initial distribution of funds, the Secretary shall develop a method for timely distributing those funds to air carriers and contractors.

SEC. 4114. REQUIRED ASSURANCES.

1. **Recipient Assurances:** Air carriers or contractors must enter into agreement with Treasury Secretary that requires carriers or contractors to:
 - a. Refrain from involuntary furloughs or reduction in pay/benefits through September 30, 2020
 - b. Prohibit stock buy backs through September 30, 2021
 - c. Prohibit dividends through September 30, 2021
 - d. Protect collective bargaining agreements through September 30, 2020
 - e. Limit executive compensation

2. **Continuation of Service:** Authorizes DOT Secretary to require “to the extent reasonable and practicable” that air carriers receiving financial assistance maintain scheduled air transportation service to points, deemed necessary, served prior to March 1, 2020. DOT Secretary must take into consideration needs of (i) small and remote communities and (ii) health care supply chains
3. **Sunset on Authority:** March 1, 2022

SEC. 4115. PROTECTION OF COLLECTIVE BARGAINING AGREEMENT.

1. **Prohibiting CBA Condition for Financial Assistance:** Prohibits any condition for financial assistance to enter into collective bargaining negotiations under Railway Labor Act (45 U.S.C. 151 et seq.) or the National Labor Relations Act (29 U.S.C. 151 et seq.)
2. **Period of Effect:** From receipt of financial assistance to September 30, 2020

SEC. 4116. LIMITATION ON CERTAIN EMPLOYEE COMPENSATION.

1. **Executive Pay Limits:** During 2-year period beginning March 24, 2020, officers or employees, officers or employees of air carrier or contractor recipients of financial assistance are limited as follows:
 - a. **Category 1 – Exceeded \$425,000 in 2019** (other than covered under a CBA) –
 - i. **Capped at 2019 Levels:** Cannot exceed total compensation in received in 2019
 - ii. **Severance Package:** Cannot exceed twice the maximum total compensation received in 2019
 - b. **Category 2 – Exceeded \$3M in 2019:** Cannot be in excess of the sum of—
 - i. \$3,000,000; and
 - ii. 50 percent of the excess over \$3,000,000 of the total compensation received by the officer or employee in 2019.
2. **Total Compensation Defined:** Includes salary, bonuses, awards of stock, and other financial benefits provided by an air carrier or contractor to an officer or employee of the air carrier or contractor.

SEC. 4117. REPORTS.

The Secretary is required to submit by November 1, 2020 to Congressional Committees a report on the financial assistance to air carriers and contractors. The Secretary is required to update that report one year after the date of enactment of this Act.

SEC. 4118. COORDINATION.

The Secretary of the Treasury shall coordinate with the Secretary of Transportation.

SEC. 4119. DIRECT APPROPRIATION.

\$33,000,000,000 is appropriated from the Treasury to carry out this subtitle.

SEC. 4120. TAX PAYER PROTECTION.

The Secretary may receive warrants, options, preferred stock, debt securities, notes, or other financial instruments issued by recipients of financial assistance under this subtitle which, in the sole determination of the Secretary, provide appropriate compensation to the Government for the provision of the financial assistance.