



REJECT CONGRESSIONAL CUTS ON OVERTIME AND PENSION EARNINGS OF PUBLIC TRANSPORTATION WORKERS

As Congress struggles to fund our nation's mass transit systems, efforts to cut workers' pay and limit pension payments as a condition of receiving federal funds must be defeated. Specifically, legislation to fund the Washington D.C.'s mass transit system – the Washington Metro Area Transit Authority (WMATA) – was amended to cap overtime pay and to exclude overtime pay when calculating pension obligations for certain workers.

These amendments, offered by Rep. Lynn Westmoreland (R-GA), constitute an unacceptable assault on the living standards and rights of public transportation workers. They will do absolutely nothing to address the very real funding problems at WMATA and will only make it more difficult for the transit agency to operate efficiently and to serve its customers. Furthermore, if these provisions are allowed to stand they will no doubt be used by opponents of public transit when Congress considers broader spending and authorization bills affecting public transit systems throughout the nation.

The WMATA funding bill being considered in the House, H.R. 401, would provide \$1.5 billion over 10 years. It requires the District of Columbia, Maryland and Virginia to provide a dedicated funding stream for the system and pay for half of the maintenance and capital improvements. This bill has strong, bipartisan support and follows the model of federal-state partnerships long supported by transportation labor.

Despite the obvious need for this bill and its balanced approach, a minority in Congress has tagged the legislation as the "the largest earmark in history" and is attempting to use the overtime and pension issue to score cheap political points at the expense of WMATA's dedicated employees. The reality is that overtime assignments are an unavoidable feature of transit work. Many mass transit workers throughout the country have scheduled workday assignments that exceed eight hours; and when properly managed, overtime work can be used to ensure on-time performance and maximize transit reliability. Management at transportation authorities often schedules overtime to meet fluctuating demands for service. Congress should not inject itself into these local workforce decisions.

Capping overtime will not solve the fundamental staffing problems at WMATA and at other transit agencies. We agree that overtime can, at times, become excessive. But the solution is not to have Congress micro-manage labor-management relations at individual transit agencies and impose arbitrary limits on overtime. Instead, employers should hire enough employees to meet scheduling and service requirements. In fact, it can be much more cost efficient to hire new employees than it is to pay overtime to the existing workforce.

Limiting overtime earnings can cause serious problems with public safety and service. Restricting transportation agencies' ability to make staff assignments severely curtails their responsiveness in times of emergency or unanticipated higher ridership. When accidents occur agencies may wish to assign overtime to increase security, service, and maintenance.

Generally, pension plans incorporate earnings and service-related formulas. They are intended to replace a certain percentage of pre-retirement income. Employees' living standards during the active years are based in part on these overtime earnings. Eliminating or limiting overtime in the pension calculation would artificially shrink pension replacement rates, defeating the purpose of an earnings-related formula.

Fortunately, the Senate companion bill (S. 1446), introduced by Senator Ben Cardin (D-MD) and approved out of Committee, does not include the ill advised overtime and pension amendments offered in the House. It is also significant that neither WMATA nor any government entity in the District of Columbia, Maryland or Virginia requested these changes.

Transportation labor urges Congress to protect the living standards of transit workers and to ensure that transit agencies have the flexibility and support necessary to serve the customers. The Westmoreland amendments are counter to both of these objectives and should be rejected in the final legislation. Failure to do so will jeopardize passage of this important legislation and make it more difficult to meet the growing and diverse public transportation needs of our nation.

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