



July 15, 2020

Support Aviation Workers
Sign Letter Urging Extension of Payroll Support Program

Dear Representative:

On behalf of the undersigned labor organizations, we urge you to sign the bipartisan letter being led by Reps. Peter DeFazio, Brian Fitzpatrick, Rick Larsen, John Katko, Sharice Davids, Karen Bass, and Rodney Davis. The letter asks House and Senate leadership to include an extension of the airline Payroll Support Program (PSP) in the next COVID-19 response legislation passed by Congress.

The central airline worker relief component of the CARES Act, PSP allocated \$32 billion in payroll grants to commercial airlines and airline contractors exclusively “for the continuation of employee wages, salaries, and benefits.” By preventing airline recipients from any layoffs or involuntary furloughs while ensuring the continuation of payroll and benefits until September 30, 2020, the program kept hundreds of thousands of airline workers employed and with benefits during the pandemic, helped our economy, and preserved the safe movement of people and supplies across the nation and throughout the globe.

Air travel remains a slight fraction of last year’s levels and demand will remain depressed well into next year. Aviation workers account for five percent of the nation’s GDP. Should October 1 arrive without extending the PSP, mass layoffs are inevitable. In fact, last week United Airlines announced that it could be forced to furlough half of its workforce—36,000 aviation professionals throughout the country—when the current program ends. In total, hundreds of thousands of workers will lose their jobs and health insurance—not only in aviation, but across our entire economy. Further, the industry would lose a large portion of the experienced and credentialed

workforce that will be critical to bringing the sector and the broader economy back to prosperity once the COVID-19 crisis is over. Airline industry employment cannot simply be put back together overnight, and mass layoffs will do great damage to the sector and our economy, with potentially irrevocable consequences.

This sign-on letter calls for leadership to pass a clean extension of the PSP through **March 31, 2021**, allowing the program to continue as intended under the current statute without requiring additional applications or agreements between Treasury and the recipients. This is the simplest and fastest way to maintain Congress' historic commitment to keep aviation workers on payroll—many of whom are on the front lines of this deadly virus.

Only through an extension of PSP grants can Congress ensure that airline workers will continue to stay on payroll and ready to turn the industry around, prevent mass unemployment in October, and keep aviation workers ready to lift off as travel picks back up. We urge you to stand up for airline and airline contractor workers and sign on to this important letter. To be added, please reach out to Cheniqua Johnson (Cheniqua.Johnson@mail.house.gov) on the Transportation and Infrastructure Aviation Subcommittee.

Sincerely,

Joe DePete, President, Air Line Pilots Association

Eric Ferguson, President, Allied Pilots Association

Julie Hedrick, National President, Association of Professional Flight Attendants

James P. Hoffa, General President, International Brotherhood of Teamsters

Pedro Leroux, President, NetJets Association of Shared Aircraft Pilots

Sara Nelson, International President, Association of Flight Attendants-CWA

Sito Pantoja, General Vice President for Transportation, International Association of Machinists and Aerospace Workers

Mike Perrone, National President, Professional Aviation Safety Specialists

Paul Rinaldi, President, National Air Traffic Controllers Association

John Samuelsen, International President, Transport Workers Union

Christopher M. Shelton, President, Communications Workers of America

Jonathan L. Weaks, President, Southwest Airlines Pilots Association

Larry I. Willis, President, Transportation Trades Department, AFL-CIO

July __, 2020

The Honorable Nancy Pelosi
Speaker
United States House of Representatives
U.S. Capitol, H-232
Washington, DC 20515

The Honorable Mitch McConnell
Majority Leader
United States Senate
U.S. Capitol, S-230
Washington, DC 20510

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
U.S. Capitol, H-204
Washington, DC 20515

The Honorable Charles Schumer
Minority Leader
United States Senate
U.S. Capitol, S-221
Washington, DC 20510

Dear Speaker Pelosi, Leader McConnell, Leader McCarthy, and Leader Schumer:

As you enter into negotiations regarding legislation to further address the public health and economic crises caused by the COVID-19 pandemic, we write to urge you to extend the extremely successful Payroll Support Program (PSP) included in the Coronavirus Aid, Relief, and Economic Security Act (CARES Act, Pub. L. No. 116-136), which saved the jobs of 950,000 of frontline airline industry workers such as mechanics, baggage handlers, gate agents, catering workers, flight attendants, and pilots, among others. Roughly 750,000 of these women and men work directly for airlines, and at least 200,000 work for airline contractors and clean cabins, prepare meals, and handle baggage, among other things.

The PSP—a novel program in which the government effectively passes paychecks to airline industry workers through their employers—will keep workers on the payrolls and off unemployment lines through September 30, 2020. But while time marches on, so does the pandemic, with hardly any green shoots sprouting for the airlines as they continue to face the worst crisis by far in the industry’s history. On Wednesday, United Airlines put 36,000 workers across the country on notice that they could be furloughed on or after October 1. Other carriers have issued and will issue similar notices.

According to the most recent airline traffic data, U.S. air carriers reported a 96 percent drop in passenger traffic for April 2020 over April 2019.¹ And so far in July, total traveler throughput at Transportation Security Administration checkpoints dropped by, on average, more than 70 percent compared to the same period in 2019.² Without further relief from Congress, mass layoffs among airline industry workers are inevitable—and their magnitude will eclipse those of any furloughs the industry has ever seen.

¹ Dep’t of Transp., Bureau of Transp. Stats., “Preliminary Air Traffic Data, April 2020: 96% Reduction in U.S. Airline Passengers from 2019,” at <https://www.bts.gov/newsroom/preliminary-air-traffic-data-april-2020-96-reduction-us-airline-passengers-2019>.

² See TSA, TSA Checkpoint Travel Numbers for 2020 and 2019, <https://www.tsa.gov/coronavirus/passenger-throughput>.

The PSP's payroll pass-through saved hundreds of thousands of frontline airline workers' jobs—and not a penny went to the airlines themselves or their shareholders.

According to Secretary Mnuchin's own calculations, taxpayers realized a 70 percent return just from payroll and income tax receipts and reduced unemployment insurance payments. Other sizable government savings, made possible by keeping tens of thousands of airline workers employed, include those to Medicaid and state unemployment programs.

With the resurgence of COVID-19 in several States across the country and a vaccine for the virus yet to be developed, passenger demand for air travel will not recover before the PSP expires on September 30. **And without an extension of the PSP before then, hundreds of thousands of airline workers will be fired or furloughed on October 1.** To save nearly one million airline industry jobs, we must extend the PSP through March 31, 2021.

Thank you for your attention to this extremely important matter that will save jobs and ensure the U.S. airline system remains viable as a national security asset and engine of economic recovery once the pandemic is finally behind us.

Sincerely,