To establish a program to preserve jobs in the aviation manufacturing industry, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 11, 2020

Mr. Estes (for himself, Mr. Larsen of Washington, Mr. Marshall, Mr. Cole, Mr. Connolly, Ms. Davids of Kansas, Ms. Schrier, and Mr. Carbaajal) introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

A BILL

To establish a program to preserve jobs in the aviation manufacturing industry, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Aviation Manufacturing Jobs Protection Act of 2020”.

SEC. 2. DEFINITIONS.

In this Act:
(1) **At-risk employee group.**—The term “at-risk employee group” means—

(A) the 25 percent of an employer’s United States workforce that is most at risk of a permanent reduction in force or furlough due to the COVID–19 public health emergency; but

(B) does not include senior executive employees.

(2) **Aviation employer.**—The term “aviation employer” means an aviation manufacturing company.

(3) **Aviation manufacturing company.**—

The term “aviation manufacturing company” means a corporation, firm, or other business entity that—

(A) holds a type or production certificate or similar authorization issued under section 44704 of title 49, United States Code;

(B) holds a certificate issued under part 145 of title 14, Code of Federal Regulations, for maintenance, repair, and overhaul of aircraft, aircraft engines, components, or propellers; or

(C) under contract or subcontract, produces components, parts, or systems of aircraft,
aircraft engines, or appliances for inclusion in
an aircraft, aircraft engine, or appliance.

(4) **COVID–19 PUBLIC HEALTH EMERGENCY.**—
The term “COVID–19 public health emergency”
means the public health emergency with respect to
the 2019 Novel Coronavirus.

(5) **SENIOR EXECUTIVE EMPLOYEE.**—The term
“senior executive employee” means a chief executive
officer, chief operating officer, or chief financial offi-
cer.

(6) **TOTAL COMPENSATION LEVEL.**—The term
“total compensation level” means the level of total
base compensation and benefits of an employee, ex-
cluding overtime and premium pay, as of April 1,
2020.

**SEC. 3. PAYROLL SUPPORT EXTENSION PROGRAM.**

(a) **IN GENERAL.**—The Secretary of the Treasury, in
coordination with the Secretary of Transportation, shall
establish a payroll support extension program to enter into
agreements with aviation employers to provide up to a 50
percent share for the compensation of employees finan-
cially impacted by the COVID–19 public health emer-
gency.

(b) **PROCEDURES.**—Not later than 10 days after the
date of enactment of this Act, the Secretary shall estab-
lish, and make available to the public, procedures for application and minimum eligibility requirements for participation in the program established under subsection (a).

(c) COMPENSATION CONTRIBUTIONS.—Under the program established under this section, the Secretary may enter into agreements to provide up to a 50 percent contribution to ensure the total compensation level of the at-risk employee group of an aviation employer for any period beginning on or after April 1, 2020, and ending not later than April 30, 2022.

(d) ELIGIBILITY.—The Secretary may enter into an agreement with an aviation employer under this section if the Secretary determines that—

(1) the aviation employer establishes that economic conditions as of the date of the application for assistance under this section make necessary a permanent reduction or furlough of a portion of the workforce of such employer that is devoted to aviation manufacturing;

(2) the aviation employer has an identifiable at-risk employee group;

(3) the aviation employer agrees to provide the non-Federal share of the agreement under this section; and
(4) receipt of assistance under this section will reduce the likelihood of a permanent reduction in force or furlough of the at-risk employee group of the aviation employer.

(e) REQUIREMENTS.—An agreement entered into under this section shall require that—

(1) the aviation employer may not carry out any permanent reduction in force or furlough of employees in the at-risk employee group for the duration of the agreement, subject to the aviation employer’s right to discipline or terminate an employee in accordance with policies of the aviation employer;

(2) assistance provided under this section may not be used for stock buybacks or to pay out dividends;

(3) assistance provided under this section shall be used solely for the purpose of providing compensation and benefits of the at-risk employee group;

(4) the aviation employer may not—

(A) circumvent or abrogate a collective bargaining agreement at a partner company; or

(B) move jobs assisted by this program out of the United States; and
(5) the aviation employer may only provide compensation to United States-based employees.

(f) Duration of Agreement.—An agreement entered into under this section shall be for a period not to exceed 6 months, and may be renewed for a period of 2 years, at the discretion of the Secretary, so long as the Secretary recertifies such agreement every 6 months.

(g) Federal Share.—The Federal share of assistance provided to an aviation employer under an agreement entered into pursuant to this section shall not exceed 50 percent.

(h) Multiple Agreements.—The Secretary may enter into multiple agreements with an aviation employer under this section, except that the total assistance shall not exceed beyond the applicable at-risk employee group.

(i) Coordination with Employee Retention Credit.—The Secretary shall not enter into any agreement under this section with an employer who was allowed a credit under section 2301 of the CARES Act for any calendar quarter ending before such agreement is entered into and such section 2301 shall not apply to any employer who enters into any agreement under this section.

(j) Report.—An aviation employer entering into an agreement under this section shall submit to Congress, after submission to the Secretary for review, on the imple-
mentation and allocation of funds provided pursuant to this section.

(k) **TAX TREATMENT.**—For purposes of the Internal Revenue Code of 1986, any public partner contribution provided by the Secretary under this section which is received by any employee shall be included in the gross income of such employee and no deduction shall be allowed under such Code to the employer with respect to any such contribution.

(l) **TERMINATION.**—

(1) **SUNSET.**—The authority established by this Act shall end on April 30, 2022.

(2) **AGREEMENT DURATION.**—No agreement may be entered into under this section that provides for assistance after April 30, 2022.