

Memo

To: Kate Breen, NAATS President
From: Wally Pike, Congressional Affairs
CC: file
Date: October 19, 2005
Re: Update

As the senate continues to work its way through amendments to TTHUD today, it appears less and less likely that ours will see the light of day. I have exchanged messages with Senator's Murray's staff regarding their support but it's doubtful that this will lead to any meaningful change in the current situation. Despite the efforts of members like Paul Chilbert and Donavon Decker it looks like the amendment is now on life support.

We are starting to see more senate interest in addressing the retirement concerns for our membership. Most of the discussion centers on the "two additional years" language which is reproduced below.

Sec. _____. (a) Notwithstanding any provision of title 5, United States Code, during the period beginning October 3, 2005, and ending October 3, 2007, an employee of the Federal Aviation Administration, who would be involuntarily separated as a result of the outsourcing of flight service positions and duties to a contractor, and who, assuming continued Federal employment, would otherwise attain eligibility for optional retirement by October 3, 2007, may, with the approval of the Administrator of the Federal Aviation Administration or his or her designee, accept an assignment under section 3372 of title 5, United States Code, to such contractor. The contractor to which the flight services function is moved, is deemed an "other organization" for purposes of the Intergovernmental Personnel Act assignment. Such an assignment shall terminate upon the date of the employee's first eligibility for optional retirement. Such funds as may be necessary are provided for the Federal Aviation Administration to pay the salary and benefits of an employee so assigned, but no funds are provided to reimburse the employing contractor. An employee so assigned shall not be required to serve in the civil service upon completion of the assignment.

This language was drafted by the FAA but was not circulated to the Hill. It is unknown whether the FAA is still supportive of this concept. We're aware that key senate offices are discussing this and hopefully a conference resolution would be the mechanism used to correct the problem. While this is not the ideal language we would like to see adopted, it may well be the best we can get.

The other major issue is the 1.7% retirement calculation. Our proposal to correct the inequity is:

FERS

2) Amend the FERS provisions in 5 USC 8412(a), by amending PL 108-176, Section 226 (e), by adding after 2109(1)(A)(i) the following:

“or 2109(a)(1)(A)(ii)”

Discussion:

- ATCS contribute an extra .5% to fund their ATCS retirement, over the amount that other federal employees pay.
- PL 106-176 modified the formula used for all ATCS (including supervisors and managers), **except personnel working at Air Flight Service Stations as Air Traffic Control Specialists**, to an annuity amount calculated as 1.7% average of the high 3 salary times the number of year employed.
- As a result of this oversight, the formula used for Air Traffic Control Specialist is 1.0% of the high three salary average times the number of year employed, despite the fact that they have paid in higher contribution levels.
- Unless a correction is made there will be no way for the Air Traffic Control Specialists to recover this loss.

Again, we believe this can be accomplished through conference resolution.

Finally, I have learned of a Senate Commerce hearing on October 26 to address safety and outsourcing. Unfortunately the topics are limited to runway incursions and maintenance; specifically how outsourcing affects these issues. There may be an opportunity here for us to work in our transition and equipment concerns through testimony from you so I'm continuing to coordinate with the appropriate staffers.

I'll keep you advised of developments.