



# Legislative Committee Update

## U.S. House of Representatives Passes Senate's Budget Reconciliation Bill, Heads to President's Desk for Signature

NATCA Members,

This afternoon (Thursday, July 3), the House voted to pass the Senate's budget reconciliation bill. With its passage through the House, the bill will be sent to the President to be signed into law. We are pleased to report that all of the provisions that would have been harmful to federal employee benefits were removed from the final bill.

The original section submitted by the Senate Committee on Homeland Security and Governmental Affairs (HSGAC) contained very harmful provisions. They included:

- increasing all new employees' retirement contributions by at least 5% or 10% if they elected to maintain civil service protections, ("at-will employment provision");
- a charge for employees challenging unjustified personnel actions to the Merit Systems Protection Board (MSPB); and
- a charge to unions for their representatives' official time and union office space;
- a 10% tax on contributions through payroll deduction to tax-exempt organizations, including union dues and charities.

The Senate Parliamentarian ruled out of order all but one of the provisions under the Senate's Byrd Rule, which limits budget reconciliation legislation to only matters related to revenues, expenditures, the debt, and the deficit. The 10% tax on payroll deductions to tax exempt organizations remained in order, so NATCA focused on opposing that provision.

HSGAC then reintroduced revised provisions to comply with the Parliamentarian's rulings. The modified proposal included:

- an 11.2% increase to new employees' contributions to retirement, making the total contribution 15.6% for most federal employees, although it

exempted air traffic controllers and other special retirement category employees from the increase;

- a 10% tax on union dues and charitable contributions with exceptions for special retirement category employees;
- a charge to unions for their representative's official time and union office space with an exception for unions with at least 51% of their members comprised of ATCs or other special retirement category employees;
- a fee to access the MSPB, but with some exceptions for veterans' rights enforcement.

NATCA, again, turned its attention to the removal of these proposals. Our activists visited every Senate office over the course of two days last week. We also mobilized by using NATCA's Action Center to help our Union's members send thousands of messages to their Senators asking them to oppose these provisions. We succeeded. **All of the provisions were removed from the bill prior to the Senate voting on its final package on Tuesday afternoon.**

The House had previously included a different at-will provision, a different MSPB provision, and a change to the supplemental annuity in its version of budget reconciliation. **Because those sections were not included in the Senate bill that has now passed the House, all of the harmful provisions to benefits have been defeated for *all NATCA members*.** We should be very proud of what we were able to accomplish through our collective activism.

However, our work is not done. Although we were successful in protecting employee benefits, the Senate version contains poorly conceived consolidation provisions that will require continued action.

The Senate bill, like the House bill, included \$12.5 billion to ATC modernization. Both bills included similar investments in:

- telecommunications infrastructure;
- radar system replacement; and
- runway safety.

However, the Senate bill provided \$1 billion for TRACON consolidations and the building of one new Air Route Traffic Control Center for \$1.9 billion, consolidating three centers into one and \$100 million to study the consolidation of others.

Our activists lobbied to strike the Senate ATC consolidation proposals and replace them with the House proposals. We contacted each Senate office and had the AFL-CIO Transportation Trades Department put out a vote recommendation on two amendments. Unfortunately, the two amendments we supported never received a vote in the Senate, and the House adopted the Senate's bill today.

It's important to recognize that currently there is no timeline or implementation plan for the bill's facility consolidation provision. Specific facilities were not identified in any way. Although NATCA recognizes that the FAA's facility footprint today is not going to be the footprint of the future, we also know that consolidating facilities for the sake of consolidation does not make

sense. Certain types of realignments could seriously exacerbate the universally recognized staffing crisis. We will work to ensure that every decision to realign FAA's facilities considers the safety of the operation, the efficiency of the airspace, fiscal responsibility, and the considerable effects on employees.

We initiated the development of strategic plans in the event we could not defeat the Senate consolidation language and will continue to move forward with formulating and implementing these strategies.

We will keep you updated as these plans move forward.

In solidarity,

National Legislative Committee

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