The Coronavirus Aid, Relief and Economic Security (CARES) Act provides significant support for aviation workers and the industry in general. Here are the most important provisions of the bill:

**Grant Funding**

- Provides **$32 billion** in grants
  - $25 billion to passenger carriers
  - $4 billion to cargo carriers
  - $3 billion to airline contractors
  - Funds allocated based on salaries and benefits reported to the Department of Transportation (DOT) in 2019
  - The first transfer of grant funding must take place within 10 days of enactment of the Act
  - The federal Treasury may take equity in airlines in exchange for these grants

**Loans**

- Provides **$29 billion** in loans and loan guarantees (in addition to grant funding)

**Money Goes to Workers, not Executives or Shareholders**

- All money must be spent on frontline workforce (wages, salaries, and benefits)
- No reductions in pay rates or benefits or involuntary furloughs through September 30, 2020
- No dividends, stock buy backs or other capital distributions through September 30, 2021
- No conditions may be placed on these funds that would undermine the collective bargaining process while the airline is receiving grants or loans from the federal government
- Places limits on executive compensation for two years – until March 24, 2022

**Employer Accountability**

- Maintains scheduled air transportation, until March 1, 2022, by authorizing the DOT Secretary to require “to the extent reasonable and practicable” that air carriers receiving financial assistance maintain scheduled service to points served prior to March 1, 2020.

- Provides for clawback of any financial assistance based on non-compliance with assurances for financial assistance

**For more information:** contact your TWU local union leadership.

*Updated March 26, 2020*