

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE FEDERAL AVIATION ADMINISTRATION
AND THE
NATIONAL AIR TRAFFIC CONTROLLERS ASSOCIATION**

This Agreement is made by and between the National Air Traffic Controllers Association, (“NATCA” or the “Union”) and the Federal Aviation Administration (“FAA” or the “Agency”), collectively known as the Parties. The Agreement represents the complete understanding of the Parties regarding the Agency’s implementation of a Special Rate for bargaining unit employees (“BUEs”) who occupy positions in the 2181 (Aircraft Operator) Occupational Series (“2181 Special Rate”) and are assigned to a position description/job analysis tool that requires the pilot to hold a valid medical certificate and serve as a required crewmember on FAA aircraft (“affected BUEs”).

Section 1. The Parties agree that affected BUEs shall receive the greater of the following: (1) the Locality Pay Rate to which they are entitled under Article 108, Section 2.a of the Parties’ collective bargaining agreement (CBA) dated April 7, 2011; or (2) the 2181 Special Rate published by the U.S. Office of Personnel Management (OPM) for the locality pay area applicable to the affected BUE’s official duty station, as applied to the Agency’s Core Compensation System in Section 2 of this Agreement.

Section 2. The 2181 Special Rate published by OPM for the General Schedule (GS) pay system applies to the Agency’s Core Compensation System as follows:

GS Grade	Core Compensation Pay Band
11	H
12	H
13	I
14	J
15	K

Section 3. The Agency will implement the 2181 Special Rate for affected BUEs effective October 27, 2019, with a first pay date of November 19, 2019.

Section 4. Until the 2181 Special Rate is integrated into the Agency’s payroll system, the Agency will take the following steps to compensate affected BUEs as if the 2181 Special Rate was in effect:

- a. Effective October 27, 2019, the Agency shall generate a Notification of Personnel Action (“SF-50”) for each affected BUE documenting a manual miscellaneous pay adjustment that increases the affected BUE’s Basic Pay (“Interim Basic Pay”) so that the affected BUE’s Interim Basic Pay plus his/her applicable Locality Pay is equal to the amount of the affected BUE’s Basic Pay plus his/her applicable 2181 Special Rate Pay.

- b. Effective the first full pay period in January 2020, the Agency shall generate an SF-50 for each affected BUE documenting a manual miscellaneous pay adjustment that increases the affected BUE's Interim Basic Pay so that the affected BUE's Interim Basic Pay plus his/her applicable Locality Pay is equal to the amount of the affected BUE's Basic Pay—including the annual increase to Basic Pay set forth in the Multi-Unit CBA Extension MOU dated April 18, 2017—plus his/her applicable 2181 Special Rate Pay.
- c. If the Agency's payroll agent has not yet integrated the 2181 Special Rate into the Agency's payroll system, then effective the first full pay period in June 2020, the Agency shall generate an SF-50 for each affected BUE documenting a manual miscellaneous pay adjustment that increases the affected BUE's Interim Basic Pay so that the affected BUE's Interim Basic Pay plus his/her applicable Locality Pay is equal to the amount of the affected BUE's Basic Pay—including the annual length of service adjustment to Basic Pay set forth in the Multi-Unit CBA Extension MOU—plus his/her applicable 2181 Special Rate Pay.
- d. Effective when the 2181 Special Rate is integrated into the Agency's payroll system, the Agency shall generate an SF-50 for each affected BUE documenting a manual miscellaneous pay adjustment that reduces the affected BUE's Interim Basic Pay to the amount of Basic Pay he/she would have had—including all contractual annual increases—absent the prior manual miscellaneous pay adjustments.

NOTE: The Parties acknowledge that the manual miscellaneous pay adjustments referenced in this Section may not be consistent with the Multi-Unit CBA Extension MOU; however, each affected BUE's Base Pay shall be equal to application of Article 108, Section 2 of the CBA plus the applicable 2181 Special Rate.

Section 5. For each affected BUE, the Agency shall provide NATCA with the calculations for: (1) each manual miscellaneous pay adjustment addressed in Section 4 of this Agreement; (2) the affected BUE's annual increase to Basic Pay; and (3) the affected BUE's annual length of service of adjustment to Basic Pay. The Agency shall provide the calculations at least fourteen (14) days in advance of the start of the pay period when the pay adjustment is effective.

Section 6. For annual pay adjustments in accordance with Section 2 of the Multi-Unit CBA Extension MOU, affected BUEs shall not be subject to the Agency's Core Compensation System pay band maximums. The statutory maximum set forth in P.L. 104-264, 49 U.S.C. § 40122(c) shall apply.

Section 7. An affected BUE shall be entitled to receive the 2181 Special Rate unless he/she becomes temporarily medically incapacitated/restricted for at least ninety (90) days. In the event that an affected BUE is temporarily medically incapacitated/restricted for at least ninety (90) days, the Agency shall provide the affected BUE and NATCA with the calculation for the reduction of the affected BUE's applicable 2181 Special Rate to the affected BUE's applicable Locality Pay Rate at least fourteen (14) days in advance of the start of the pay period in which the reduction will occur.

Section 8. The reduction to Basic Pay described in Section 4.d of this Agreement shall not constitute a disciplinary or adverse action under Article 10 of the CBA and shall not be grievable in accordance with Article 9 of the CBA.

Section 9. The Parties agree to collaboratively develop and distribute a joint message to all affected BUEs regarding the implementation of the 2181 Special Rate.

Section 10. Within fifteen (15) working days of the publication of any change to the 2181 Special Rate recommended by OPM and approved by the President and/or any change to the Locality Pay Rates, the Parties shall compare the applicable Locality Pay Rate and 2181 Special Rate for each affected BUE to determine which rate will be used to compensate the affected BUE.

Section 11. This Agreement does not constitute a waiver of any right guaranteed by law, rule, regulation, or CBA on behalf of either Party.


Section 12. This Agreement shall remain in full force and effect for the duration of the Parties' CBA dated April 7, 2011, unless modified by mutual agreement of the Parties.

Signed this 23 day of October 2019.

For NATCA:



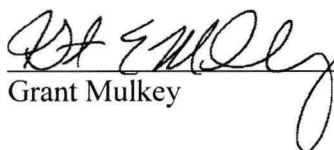
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