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**Memorandum**

To: FCA Affiliate Executives  
From: Michael Oscar / Robert Gray  
Subject: LEGISLATIVE UPDATE: The week of September 12th  
Date: September 19, 2011

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**Periodically and while Congress is in session, we will update you on legislative issues that may be important to FCA.**

**President Obama's Jobs Address:** On Thursday, September 8, 2011, President Obama delivered his address to a joint session of Congress regarding his jobs initiative, which included proposals to increase hiring with a blend of tax incentives for business and government spending for public work projects including:

- A one year extension of both a payroll tax cut for workers and jobless benefits for the unemployed (both are estimated to cost \$175 billion);
- Tax credits for businesses that expand their payrolls. Employers would receive a tax credit of up to \$5,000, subtracted from their share of federal payroll taxes for every net new hire;
- \$50 billion for a school-construction and renovation plan; and
- Passage of a two year extension of the highway reauthorization bill.

**Highway Bill:** Over the weekend, congressional leaders reached an agreement over two stop-gap measures affecting the FAA and the highway bill. Both will be extended; FAA's extension will run through January 31, 2012 and the highway bill through March 31, 2012. The highway bill extension does all the Department of Transportation to collect taxes for the highway trust fund through March 31<sup>st</sup>. The House will consider the bills in tandem this week.

**NLRB: (Recent Changes and Rulings)**

**New NLRB Chairman:** Mark Pearce

On Tuesday, August 30, 2011, President Obama named Mark Pearce, a Democrat, as the new chairman of the NLRB. Mr. Pearce succeeds Wilma Liebman, whose term expired on Saturday, August 27, 2011 after 14 years with the agency. Her departure leaves the board with three members, two of them Democrats.

**NLRB Rulings: (Organizing and Representing Workers)**

1. **Speciality Healthcare:** The NLRB Board decided that the union could seek to organize a group that consists only of nursing assistants at a long-term care facility. In their written decision, the board's majority suggested that while they were setting a new approach at many health care facilities, they were simply clarifying longstanding policy in other industries. They stated that if an employer thinks a union proposal improperly excludes some workers, the onus is on the employer to prove that the excluded workers share an "overwhelming community of interest" with workers in the proposed unit.
2. **Lamons Gasket Company:** The NLRB Board decided that the employees who opposed a union would no longer have the right to immediately challenge an employer's recognition of a card check vote.

3. **UGL-Unicco Service Company:** The NLRB Board decided that neither the owner nor employees nor rival unions can stage an immediate challenge to a union. Instead, they must give a “reasonable period” and “fair chance” for the union to prove its merits in collective bargaining.
4. **On Thursday, August 25, 2011, the NLRB issued a NEW RULE** requiring management to post notices about employee rights to unionize, collectively bargain, and strike under the National Labor Relations Act. The NLRB will design and distribute the notice. NOTE: The NLRB has no statutory authority to promulgate this new rule and the board only has powers when they are invoked by a union petition or an unfair labor practice allegation.
5. **In the Boeing Case,** the NLRB stymied Boeing’s plan to relocate a jet manufacturing factory in South Carolina. The case is now before an administrative law judge. **On Thursday, September 15, 2011,** the House is expected to vote on legislation that would ban the NLRB from pursuing the board’s pending action against Boeing.

**Disaster Relief:** Despite FEMA's dwindling assistance reserves, down to about \$407 million, the Senate is expected to consider a bill later this week that would provide the agency \$7 billion in funding, including \$500 million that the White House has said was necessary to keep FEMA disaster relief running through the end of the fiscal year. This year, tropical weather on the East Coast, droughts in the South, and wildfires across the parched Southwest have pushed federal disaster-aid funds to their limits. So far in 2011, Obama has issued disaster declarations in 48 states. FEMA has already spent \$365 million to aid cities and people affected by Hurricane Irene, including about \$38 million to New Jersey's storm victims. Individuals and businesses can also apply for federal aid by visiting [www.disasterassistance.gov](http://www.disasterassistance.gov) or calling 1-800-621-3362 between the hours of 10 a.m. and 7 p.m.

**Deficit Reduction Super Committee: On Tuesday, September 13, 2011, the** Joint Select Committee on Deficit Reduction had its first hearing, but members still haven’t met privately as a group to discuss policy. The hearing ostensibly achieved little in the way of changing minds or paving a way for consensus, even as Congressional Budget Office Director Douglas Elmendorf warned the panel that it would have to have a deal by the beginning of November to give the CBO time to score it. The hearing, which lasted for more than two hours, was filled with tedious questions about minor details, mild posturing, and calls for the other side to negotiate in good faith.

Despite this posturing and to be clear, the following are programs that would be protected from automatic budget cuts if Congress fails to complete a debt reduction plan by December 23, 2011 and they are:

Social Security, Medicaid, military pay, railroad retirement benefits, all programs administered by the Department of Veterans Affairs, Farm Credit Insurance, comptrollers general retirement system, pensions for former presidents, grants-in-aid for airports, U.S. Treasury Check Forgery Insurance Fund, Black Lung Disability Trust Fund, the compact of free association between U.S. and the federation of states of Micronesia, and payments to widows and heirs of deceased Members of Congress.

**House Special Elections: On Tuesday, September 13, 2011, Republican Bob Turner won the New York City congressional district that includes Brooklyn and Queens, a district that has been held by Democrats for nearly a century. Additionally, Republican Mark Amodei won a special election in Nevada’s second congressional district, which includes Reno and the state’s rural “cow counties.”**