

## **Aviation Manufacturing Jobs Protection (AMJP) Program**

### **FREQUENTLY ASKED QUESTIONS**

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The United States Department of Transportation (DOT) has prepared these responses to questions received from a variety of sources. This included questions submitted in response to a Federal Register notice published on April 14, 2021; questions submitted during a public webinar hosted by DOT on May 26, 2021; questions submitted through the AMJP web-pages or to [AMJP@DOT.gov](mailto:AMJP@DOT.gov); and other sources.

This document is intended to provide additional guidance to businesses interested in pursuing financial assistance through the AMJP. It should be considered in conjunction with the Federal Register notice published on June 14, 2021, as well as the detailed application form and supporting instructions published on June 15, 2021.

DOT has organized the questions into broad groupings for convenience only. Many questions have implications in other areas. DOT strongly encourages interested parties to review all available information before preparing and submitting applications for assistance under the AMJP.

## **1. Basic Eligibility**

- 1.1. **Our business is a wholly owned subsidiary of a business that is based in a country other than the United States. Are we eligible for funding under this program?**

*or*

- Our business is a legally established entity within the United States, but we are legally owned or controlled by a holding business based in another country. Are we eligible for funding under this program?**

The eligibility requirements do not include U.S. ownership, but the business entity that is applying for funding must be “established, created, or organized in the United States or under the laws of the United States.”

- 1.2. **Our business is a legally established entity within the United States, but we are currently going through Chapter 11 bankruptcy proceedings. Are we eligible for funding under this program?**

If the business meets all the eligibility criteria, then the business is eligible. However, the business must disclose the bankruptcy during the application process, and the resulting agreement may include special conditions regarding disclosure and recovery of funds.

- 1.3. **Our company holds a certification under the International Standards Organization (ISO), rather than through SAE. Are we still eligible?**

The business must meet at least one of the three basic categories to be eligible. Based upon the information presented in the question, this business does not appear to meet the SAE certification criterion for eligibility. However, it may still be eligible under one of the other criteria.

- 1.4. **The AMJP statutory provisions define “aviation manufacturing company” to include a corporation, firm, or other business entity that operates a process certified to SAE AS9100 related to the design, development, or provision of an aviation product or service, including a part, component, or assembly. Does this include a business entity that operates an otherwise eligible process that is certified to one of**

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**the derivative standards (AS9110 for provision of services and AS9120 for provision of products)?**

No. The statute refers specifically to SAE AS9100 and does not permit eligibility based on other certifications, regardless of how similar or related they may be.

The language in this question focuses on only one of three possible pathways for a business to be eligible under financial assistance under the AMJP program. DOT's AMJP web-page provides more complete information on all three criteria, at: <https://www.transportation.gov/AMJP/companies-eligible-help-under-amjp>.

**1.5. Can one business include another separate business in its application if the second business is a critical subcontractor?**

No business can apply on behalf of a subcontractor or supplier. A subcontractor or supplier that meets the eligibility criteria on its own merits would have to apply independently.

**1.6. Our business does not meet the eligibility criteria on its own, but we are part of a legally established joint venture (LLC) with another business that does meet the criteria. Can we submit a joint application?**

If indeed the LLC is a legally established entity, meets the statutory criteria, then it could independently apply. The LLC would have to demonstrate that it has clear authority to make all required legal commitments in connection with the AMJP funding.

**1.7. Can a bargaining unit submit an application on behalf of its member employees, particularly if their employer decides not to pursue assistance under this program?**

No, the only entities that are eligible under this program are employers that meet the statutory criteria.

**1.8. I am a contract employee working for a business that I believe meets all of the eligibility criteria. However, I understand from the Federal Register notice that the business cannot include me in the Eligible Employee Group. Can I apply for payroll assistance on my own?**

No, unless you own or control your own established business entity that meets all of the eligibility criteria independently.

**1.9. What is the appropriate date to determine that the Company had “involuntarily furloughed or laid off at least 10 percent of its workforce in 2020 as compared to 2019”? Should eligibility be determined by comparing headcount from April 1, 2019 to April 1, 2020, or from December 31, 2019 to December 31, 2020?**

DOT will base its eligibility calculations on either aggregate numbers of personnel as of December 31, 2019 and December 31, 2020, or the aggregate number of furlough days imposed between those dates. As explained in greater detail in the application

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instructions, the applicant must provide data for those dates if they are relying upon this criterion for eligibility. Businesses may also be eligible if they experienced at least a 15 percent decline in total operating revenues between tax-year 2019 and tax-year 2020.

- 1.10. **We have announced some layoffs during COVID, mostly outside of the U.S., but about 250 in the U.S. in 2021. Would this disqualify us from applying if we determine that we have an eligible pool of employees who we want to bring back or retain?**

DOT cannot determine from this limited fact-set whether the business would be eligible. That said, workforce changes that occurred in 2021 (but prior to the date of the AMJP application) do not affect eligibility.

- 1.11. **The AMJP statutory provision requires each eligible company to have “significant operations in, and a majority of its employees engaged in aviation manufacturing activities and services, or maintenance, repair, and overhaul activities and services based in the United States.” How does DOT define “significant operations”?**

“Significant operations” means “at least 50 percent of an applicant’s 2019 operating revenues were from aviation manufacturing activities and services, or maintenance, repair, and overhaul activities and services, based in the United States (including its territories or possessions).”

## **2. Prior Federal Financial Assistance**

- 2.1. **The statute refers to prior financial support under three programs. What do they refer to?**

The statute establishing the AMJP states that DOT cannot enter into an AMJP agreement with an employer who meets any one of the following three conditions:

- Received a credit under section 2301 of the CARES Act (26 U.S.C. 3111 note) for the immediately preceding calendar quarter ending before such agreement is entered into. This provision is the Employee Retention Tax Credit (ERTC) for employers subject to closure due to COVID-19.
- Received financial assistance under section 4113 of the CARES Act (15 U.S.C. 9073). This provision is commonly known as the Payroll Support Program (PSP).
- Is currently using, spending, or retaining financial assistance under the Paycheck Protection Program (PPP) established under section 7(a)(36) of the Small Business Act (15 U.S.C. 636(a)(36)), as of the date the employer submits an application for the AMJP.

In addition, if a business receives financial benefits from any other Federal or state financial assistance program (such as Sec. 3610 of the CARES Act), then to the extent those funds are used to help the business cover its payroll costs during the term of the AMJP agreement, those funds will reduce DOT’s Public Contribution under the AMJP.

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- 2.2. There is a lot of interest in how this will work (ERTC, PSP, and PPP), particularly regarding from PPP loan recipients. Will you provide clear guidelines to avoid confusion?**

The AMJP application forms and instructions provide clear direction.

- 2.3. Subsection 7202(c) of the Act restricts recipients of this assistance from also taking advantage of the Employee Retention Tax Credit, the Paycheck Protection Program (PPP), or financial assistance under Section 4113 of the CARES Act, subject to certain definitions and timeframes. Can DOT provide guidance explaining these provisions and what actions companies should take to ensure they meet these qualifications?**

The application forms and instructions provide additional clarification and guidance.

- 2.4. Our business has been allowed a credit against applicable employment taxes under section 2301 of the CARES Act (26 U.S.C. 3111 note) for the calendar quarter ending June 30, 2021. Are we still eligible?**

This refers to the Employee Retention Tax Credit (ERTC) pursuant to Sec. 2301 of the CARES Act. The AMJP application will ask whether the applicant earned or accrued such credits during the calendar quarter ending June 30, 2021, or whether the applicant requested (or plans to request) such a credit during the calendar quarter ending June 30, 2021.

Assuming the business meets all other eligibility criteria, it could still be eligible but only if it did not earn any further credits after June 30, 2021, and enters into an agreement for AMJP funding after October 1, 2021.

- 2.5. What is the scope of the applicable employment tax credit under Section 2301 of the CARES Act that would disqualify a company from participation? If the applicant received credits under Section 2301 during the quarter ending June 30, 2021, will the application period be open long enough for a company to regain eligibility by ceasing receipt of the credits and applying at the expiration of the immediately preceding quarter?**

Assuming the business meets all other eligibility criteria, it could still be eligible but only if it did not earn any further credits after June 30, 2021, and enters into an agreement for AMJP funding after October 1, 2021.

In other words, even if a company earned such credits during the quarter ending June 30, 2021, the business may still apply for the AMJP during the open application process. If all other eligibility criteria are met, then DOT would simply have to delay awarding an AMJP agreement until sometime after October 1, 2021.

- 2.6. We were eligible for ERTC (Employee Retention Tax Credits) for the second and fourth quarters of 2020, and the first quarter of 2021, but those credits won't be**

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**paid until July 2021 and between October-December 2021, respectively. Is eligibility based on when the credit is earned (i.e., when the activity occurred) or when the funds are actually credited (payment received)?**

AMJP eligibility is determined based on the calendar quarter in which the credit was earned (accrued based on taxable wages), even if the actual funds are not received until later.

- 2.7. **Is there any scenario in which a business could take advantage of the AMJP and ERTC during the same six-month period because the AMJP will only cover 50% of wages for 25% of a company's employees? Perhaps the 75% of employee wages not captured for AMJP would still be eligible for ERTC? Current guidelines only specify that ERTC cannot be claimed in the immediate quarter preceding application for AMJP.**

Based on current law, this question appears to be moot because the ERTC is available for wages only before July 1, 2021.

- 2.8. **We initially received Payroll Support Program (PSP) funds under section 4113 of the CARES Act (15 U.S.C. 9073), but we subsequently returned the funds. Does this prevent us from being eligible?**

Yes, the business would be ineligible because the statute does not provide an exception for an entity that later returned the funds.

- 2.9. **Is a business ineligible if it has previously received a PPP loan? Is there any change if the PPP loan has been formally forgiven by the SBA or not? What does “expending financial assistance under the PPP, as of date of application” mean?**

Having merely received a Paycheck Protection Program (PPP) loan does not disqualify the applicant. The applicant is disqualified only if it still has any of the proceeds of that loan (unspent) as of the date they submit an AMJP application. It is not relevant whether the loan has been forgiven or not.

- 2.10. **Does it matter if an applicant has received both PPP Loans and Economic Injury Disaster Loans (EIDLs)?**

Please see response to Question 2.9 for information about PPP loans. There is no specific impediment to AMJP eligibility related to the EIDL program. However, it is crucial to note that the EIDL program can provide both loans and advances. Funds remaining from an EIDL advance are grant funds and therefore cannot be used to fund any part of the “Private Contribution” required under the AMJP.

### **3. Complex Business Structures**

- 3.1. **We have multiple separate entities with operations in the United States. We believe that most will be eligible. Are we required to determine eligibility at the entity level or at the consolidated level (for U.S. entities)? Furthermore, are we required to**

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**submit an application at the entity level (i.e., separate applications assuming that all qualify), or at the consolidated level (one application covering all U.S. entities)?**

Each business entity needs to decide whether to submit a single application from the holding company, or separate applications from each of the separate, subsidiary entities. DOT encourages submission of consolidated applications for all eligible parts of a business, wherever possible. If the individual components are truly independent businesses, then they may apply separately, but the applicants must ensure that there is no overlap or redundancy in requested funding or the costs that would be covered.

- 3.2. The DOT criteria requests that a company provide its legal entity name. Many larger companies are typically made up of several legal entities despite their public name. When companies like that apply for the program, their eligible employee group will likely contain employees across a number of entities with different legal names (and different DUNS and SAMS numbers). Are these companies required to apply under each individual legal entity name, or can they make one application using the top-level legal entity name and list all legal entities represented within their eligible employee group?**

As stated above, each business entity needs to decide whether to submit a single application from the holding company, or separate applications from each of the separate, subsidiary entities. Applicants are encouraged to submit a single, consolidated application that includes all eligible parts of the business structure (including separate business locations). Applicants are strongly advised to apply at a level that clearly demonstrates their eligibility based on all criteria (with clear and complete supporting documentation), and that clearly demonstrates that there is no risk of redundant costs. The AMJP application form provides additional guidance on this subject.

## **4. Eligible Employee Group (EEG)**

- 4.1. Can the Eligible Employee Group span different departments of a single employer?**

Yes, the Eligible Employee Group may span different departments of a single employer, as long as the defined Eligible Employee Group meets the statutory requirements, and the business ensures that no employee is double-counted.

- 4.2. Can an otherwise eligible business include contract employees in their workforce calculations? (i.e., any individual who provides services but is compensated through fees reported on IRS Form 1099 rather than through salary or wages reported on IRS Form W2)?**

No, contract employees may not be counted as an “employee” for any purpose related to the AMJP. That means they cannot be included in an Eligible Employee Group, but it also means they cannot be included in the calculation of overall United States workforce, or in calculations related to layoffs, furloughs, or reductions in pay rates or benefits.

- 4.3. Some employees are subject to a temporary wage reduction of 5%-10% for the next 12 months. That wage reduction would move some of them from above the \$200,000**

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**threshold to below the \$200,000 threshold. Can we use their reduced wage in determining their eligibility?**

The Eligible Employee Group may only include employees whose total annualized compensation level (including base compensation plus benefits) was \$200,000 or less as of April 1, 2020. Changes to compensation that occurred after April 1, 2020 do not affect whether an employee may be in the EEG.

**4.4. Can I have an employee in the Eligible Employee Group whose total compensation exceeds \$200,000, and just limit the amount covered under the program?**

No. The Eligible Employee Group may only include employees with a total compensation level of \$200,000 or less per year, as of April 1, 2020.

**4.5. Section 7201(1)(C) states that the Eligible Employee Group “is engaged in aviation manufacturing activities and services, or maintenance, repair, and overhaul activities and services.” Does that mean each of the employees in the eligible employee group must be directly involved (i.e., mechanic, engineer, etc.), or are all employees potentially eligible (i.e., accounting, HR, etc.)? How are these lines drawn?**

Employees in the EEG must spend at least 50 percent of their time actually conducting technical engineering design, design oversight, and/or the physical steps involved in creating aircraft parts or components, or conducting inspections, maintenance or repair work on aircraft or aircraft components.

**4.6. If we are approved for a six-month period and an employee terminates after two months (quits or terminated for cause), can we backfill a different employee for the remaining four months?**

DOT recognizes that some natural attrition and turnover may occur within the EEG. If this happens, the recipient business may backfill the vacancy and continue to include the position in the EEG if the replacement employee meets all of the required criteria. However, the business must notify DOT of the change and document the change, if any, in payroll costs. If payroll costs decrease, the Public Contribution will decrease. Increases in payroll costs, however, will not increase the Public Contribution.

**4.7. If we had an employee on board as of April 1, 2020, who subsequently left and was replaced, can we still count that position in our application?**

Yes, the position can be included in the calculation of the maximum size of the Eligible Employee Group, and for inclusion in the Eligible Employee Group if it meets all of the required criteria.

**4.8. What if I include an employee in the Eligible Employee Group who was not employed with my business as of April 1, 2020? Employees who were hired after April 1, 2020 could include an employee who was hired to replace a furloughed employee who refused to return to service following a recall; an employee who was**

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**hired to replace a deceased employee; or an employee who was hired to replace a retired employee. How do I calculate total compensation for such an employee?**

The EEG can only include people who were employed by the company as of April 1, 2020. If one of those people subsequently left, for whatever reason, then the employer may consider backfilling the vacancy. However, the business must report any resulting change in Total Compensation Level to DOT, which may have to adjust the Public Contribution accordingly.

- 4.9. **What if we include an employee in the Eligible Employee Group whose total compensation was less than \$200,000 before April 1, 2020, but an increase in benefits costs (including health insurance) caused the employee's total average annual compensation to exceed \$200,000 as of April 1, 2020?**

It is up to the applicant company to decide which employees to include in the EEG. If an employee met the criteria as of April 1, 2020, then the applicant may include them if they so choose, even if the employee's total compensation subsequently increased beyond the \$200,000 threshold. However, the Public Contribution will still be limited based on compensation costs as of April 1, 2020.

- 4.10. **Do we have to identify the specific employees in the “eligible employee group” by name?**

Not in the application. The applicant must not identify employees by name during the application process or disclose any other Personally Identifiable Information (PII) in connection with any individual employee. However, the applicant must maintain records that document which employees are in the Eligible Employee Group. To apply, the applicant will have to provide the numbers of personnel in each job category reflected in the Eligible Employee Group, along with aggregate Total Compensation Level. DOT will also require documentation of the aggregate Total Compensation Level associated with the eligible employee group. DOT or other audit and oversight agencies may review such records to verify compliance with the terms of an AMJP agreement.

- 4.11. **Under the eligibility criteria, each employee in the Eligible Employee Group must be engaged in aviation manufacturing activities and services, or maintenance, repair, and overhaul activities and services (the “engaged in” criterion). If a company operates a process certified to SAE AS9100 related to the design, development, or provision of an aviation product or service, including a part, component, or assembly, what employee activities satisfy the “engaged in” criterion?**

The term “engaged in” means employees who spent at least 50 percent of their time actually conducting technical engineering design, design oversight, and/or the physical steps involved in creating aircraft parts or components, or conducting inspections, maintenance or repair work on aircraft or aircraft components. This is the case regardless of whether the business is involved in aircraft manufacturing or repair.

- 4.12. **For calculating its total U. S.-based workforce, can a company include subsidiaries that fit the definition of eligible criteria for an aviation-related company as**

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#### **described in the program guidance?**

Yes, in calculating their U. S.-based workforce, companies may include subsidiaries that meet the eligibility criteria for an aviation-related company. It is crucial, however, to avoid double-counting any employees that may do work for other subsidiaries from time to time.

### **5. Total Compensation Level**

#### **5.1. How do I define Total Compensation Level?**

The law defines “Total Compensation Level” as the total base compensation and benefits being provided to an eligible employee group employee, excluding overtime and premium pay, and excluding any Federal, State, or local payroll taxes paid, as of April 1, 2020.

#### **5.2. What is the correct way to calculate “total compensation” for the Eligible Employee Group?**

The AMJP application requires each applicant to identify the total compensation cost for the pay period that included Wednesday, April 1, 2020, and to identify the duration of that pay period and the factor by which to multiply it in order to calculate an annualized amount.

For example, if a given applicant pays its employees on a biweekly basis, then the applicant must identify the total compensation cost for the EEG for the pay period that included Wednesday, April 1, 2020. The applicant will then multiply that figure by 26 in order to derive a 52-week (annualized) cost. The AMJP application form and instructions outlines these steps in greater detail.

#### **5.3. What employee benefits may be included in “Total Compensation Level”?**

DOT is not imposing any limitations on the categories of benefits that may be included in the Total Compensation Level of the EEG, except that the benefits must be lawful and permissible in accordance with Internal Revenue Service (IRS) Publication 15B. If an eligible business reduced either the scope, magnitude, or corporate cost of employee benefits between April 1, 2020 and the date of application for the AMJP program (causing a decrease in the Total Compensation Level), then DOT will reduce the Public Contribution accordingly.

#### **5.4. If an employee in the Eligible Employee Group was hired during the applicable base period for calculating Total Compensation, or laid off or took unpaid leave before April 1, 2020 (so he or she was not employed for the entire base period) then how should that employee’s Total Compensation be calculated?**

An individual must have been on the payroll and engaged in aviation manufacturing activities as of April 1, 2020 in order to be included in the EEG. Even if the individual was subsequently laid off or furloughed, or left the company for any other reason, or had

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their compensation reduced, as long as those changes occurred after April 1, 2020, it would not affect the calculation of the Total Compensation Level for the EEG.

## **6. Other Application-Related Questions**

**6.1. Can an applicant rely upon the services of an external entity (e.g., accountant, law firm, government relations firm, etc.) to prepare its application?**

Yes. However, the applicant will retain full responsibility for certifying that all data provided is complete and accurate. If the applicant chooses to authorize any external parties to assist in preparation of their application (such as outside accountants, attorneys, or auditors), those parties must register in the online application system and be authorized by the applicant to provide information on behalf of the applicant.

**6.2. If an applicant retains the services of an external entity (e.g., accountant, law firm, government relations firm, etc.) to prepare its application, and that entity either misses the deadline or fails to provide complete or accurate information, is there any avenue for the applicant to appeal?**

No. If an applicant relies upon an outside entity to assist in the application process, the responsibility for meeting the deadline remains with the applicant, including all required documentation and certifications in the online system. DOT will not consider any application that is either incomplete or submitted after the application period closes.

**6.3. What kind of application assistance will DOT be providing for applicants?**

DOT will provide system-related support through an online help desk. However, DOT cannot assist applicants with substantive questions about the application process beyond what is stated in the Federal Register notice, subsequent supplemental notices, and what may be posted on DOT's official AMJP program web-page in the form of FAQs.

**6.4. Can DOT provide guidance on the types of supporting documentation it will prioritize in verifying compliance with the provisions related to revenue loss or furloughs, the composition of the EEG and the EEG total compensation level?**

Supporting documentation may need to include tax returns, audited financial statements or SEC filings where available; redacted payroll reports; and other documentation. The application forms and instructions provide additional direction.

**6.5. Will there be an opportunity to meet with DOT to present and explain our application?**

Applicants are strongly discouraged from contacting DOT outside of the established procedure for submitting questions or the formal application process. DOT will not be able to rely upon any information provided through any other mechanism. Additional contacts via telephone, email, letters, or requests for in-person meetings will add unnecessary burden and delay the overall process for all applicants. However, DOT may seek additional supporting documentation from any applicant at any time, either during

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the application review process or subsequently.

**6.6. For determining eligibility and allocating funds, will DOT evaluate the financial stability of an applicant, or their financial need for this type of assistance?**

No. In making its eligibility determinations and allocating the available funding, DOT will not consider any other factors, such as financial stability, financial need, economic impacts of the business, magnitude of lost revenues, size of the business, or regional considerations. DOT will make eligibility determinations based solely on the criteria set forth in statute, in the Federal Register notices, and in the application forms and instructions.

**6.7. What is the expected time from application to acceptance/notification of AMJP awards?**

DOT cannot predict how long this will take. The duration will depend heavily on the number of applications received.

**6.8. Section 7102(b) says in part “The Secretary shall enter into an agreement and provide public contributions, for a term no longer than 6 months...” Is this a specific six-month period, or theoretical 1,040 hours? Does it need to be whole months?**

DOT will issue agreements covering periods up to 184 consecutive calendar days (in order to cover a full six-month period). Where possible, DOT will strive to work with recipients to align the term of the agreement with the recipient’s payroll schedule, in order to simplify the supporting documentation, reporting and subsequent audit reviews.

**6.9. Congress appropriated \$3 billion for this program. What will DOT do if there are more eligible requests than available funding?**

The statute specifically requires DOT to reduce funding to AMJP recipients on a pro rata basis if there are insufficient funds to cover all eligible requests.

**6.10. Regarding allocation of the \$3 billion in funding, given that some participating companies may have larger payroll compared to small- and medium-sized companies, are there any provisions that will protect larger companies from taking the lion's share of the funding?**

DOT is conducting a single application process, with the intent of identifying all eligible recipients. This will enable DOT to determine whether funds need to be pro rated, before awarding any agreements. If eligible requests exceed available funds, then the amount of the Public Contribution will reduced proportionally based on the Total Compensation Costs for the Eligible Employee Groups.

## **7. Post-Award**

**7.1. Once an award has been made and an agreement established, how will the business**

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#### **actually receive the funds?**

Once an agreement is in place, DOT will establish an online process for the recipient to request disbursements, including all required documentation. DOT anticipates making an initial disbursement shortly after receiving the fully executed AMJP Agreement. The amounts and timing of subsequent disbursements will be addressed in the AMJP Agreement, and will depend upon reports and supporting documentation of allowable costs incurred during the term of the Agreement.

#### **7.2. What records does the applicant need to retain, particularly regarding the EEG?**

The applicant must maintain records that document which specific employees are in the Eligible Employee Group, along with their compensation levels. DOT or other audit and oversight agencies may review such records to verify compliance with the terms of an AMJP agreement.

#### **7.3. If we end up terminating employees due to performance or conduct issues in accordance with established business policy, do we have to disclose those details to DOT?**

Yes, DOT will require documentation of such actions, including the net change in total compensation costs, but excluding any detailed information about why the action was taken or any Personally Identifiable Information (PII) associated with the specific employee(s) involved.

#### **7.4. If any employees in the Eligible Employee Group leave voluntarily, or if we have to terminate one or more employees due to performance or conduct issues in accordance with established business policy, would we be required to backfill those positions?**

No, DOT would not require the business to backfill those positions. If this happens, the recipient business may backfill the vacancy and continue to include the position in the EEG if the replacement employee meets all of the required criteria. However, the business must notify DOT of the change and document the change, if any, in payroll costs. If payroll costs decrease, the Public Contribution will decrease. Increases in payroll costs, however, will not increase the Public Contribution.

#### **7.5. The law requires AMJP recipients to refrain from conducting involuntary layoffs or furloughs among the eligible employee group during the term of the agreement. However, if an AMJP recipient finds itself forced to conduct involuntary layoffs or furloughs after the agreement expires, can the AMJP recipient notify affected employees before the agreement has expired?**

Yes. Accepting an AMJP award does not affect the employer's ability to notify employees, during the period that the employer is receiving AMJP assistance, of employment actions that will occur after the AMJP agreement expires.

Many stakeholders clearly hope that this assistance program will make it unnecessary to

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conduct such layoffs or furloughs. However, if the recipient still deems such actions to be necessary after the agreement has expired, nothing in the AMJP should be considered to impair the employer's ability or responsibility to provide timely notice to the affected employees.

- 7.6. What happens if our business is awarded funds under this program but subsequently is unable to fulfill the terms of the agreement? For example, what happens if we cannot fund our share of the payroll costs necessary to retain the entire eligible employee group?**

If a recipient breaches their AMJP agreement, DOT may take remedial action, including terminating the agreement and recovering all funds previously disbursed.

- 7.7. What happens if our business is awarded funds under this program, but subsequently files for bankruptcy protection?**

It depends on whether the action prevents the recipient from fulfilling their obligations under the AMJP agreement. For example, if the bankruptcy prevents the recipient from funding the Private Contribution required under the agreement, DOT may take remedial action, including terminating the agreement and recovering all funds previously disbursed.

- 7.8. What happens if our business is awarded funds under this program, but is subsequently acquired by (or merges with) another business?**

It depends on whether the action prevents the recipient from fulfilling their obligations under the AMJP agreement or makes the recipient ineligible to receive funding. If the acquisition or merger is completed during the term of the agreement and causes a breach or makes the recipient ineligible, then DOT may take remedial action, including terminating the agreement and recovering all funds previously disbursed.

- 7.9. Will these funds be taxable to the recipient companies?**

Yes, Federal financial assistance is generally taxable unless there is a specific provision to the contrary in the law authorizing the funds. There is no provision making AMJP assistance non-taxable.