AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES Affiliated with the AFL-CIO 80 F St NW, Washington, DC 20001-1583

MEMORANDUM: 1a/307104

June 1, 2012

TO: National Executive Council TSA Council 100 Officers TSA Local Presidents

John Gage John Gage National President FROM:

SUBJECT: Landmark Arbitration Victory

I am extremely pleased to be able to report to you today that the American Federation of Government Employees, AFL-CIO has prevailed in a landmark arbitration, strengthening the bargaining rights of 45,000 Transportation Security Officers at the TSA. In the decision, a panel of three prominent arbitrators agreed with AFGE and required *finality* to impass procedures if the parties are unable to reach an agreement in direct negotiations, thereby ensuring that the process *will* result in a collective bargaining agreement for the TSOs.

AFGE brought the case because, during negotiations, TSA claimed that if the parties fail to reach an agreement during negotiations, any ruling by an impasse arbitration panel would not be final. Management's interpretation of the process under the Pistole Determination would have created an endless loop that would prevent the TSOs from ever obtaining a contract. AFGE argued and the panel agreed the Determination requires contract terms imposed by the panel to be final and binding, meaning TSOs *will* have a collective bargaining agreement at the end of the process.

AFGE also brought the case to address whether TSA had to negotiate over AFGE's proposals governing ground rules for the negotiations. The arbitrators agreed that AFGE has the right to negotiate over ground rules provisions

Finally, the arbitrators' award puts an end to TSA's refusal to treat AFGE as the exclusive representative of TSOs. We all worked hard together to win the exclusive rights. TSA has tried to maintain a division between the TSOs and their union. That artificial distinction will no longer stand.

Our first priority remains to negotiate a contract that improves the work lives of TSOs, and one that the officers will support and ratify. Today's win for AFGE ensures the finality of the negotiations process and enables TSOs to get a fair collective bargaining agreement. We call on TSA management to join us in redoubling our efforts and negotiating a good contract.