



Aviation Manufacturers Eligible for Workforce-Related \$3 Billion Grant Fund Through July 13 (Updated: Extended to September 1)

Insights

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If your organization is classified as an eligible aviation manufacturer, you may be entitled to receive a massive financial boost to assist with workforce-related expenses thanks to a little-publicized provision of the latest stimulus package – but the clock is ticking before the program expires. The March 11 American Rescue Plan created the Aviation Manufacturing Jobs Protection Program to provide up to six-month grants – not loans – to cover up to 50% of an organization's costs of continuation of wages, salaries, and benefits for certain employees. Your application must be submitted by July 13, however, so you shouldn't delay if you can take advantage of this program.

[Editor's Note: Great news for qualifying aviation employers who missed the July 13 deadline. The Department of Transportation recently announced that it will reopen the application process for the Aviation Manufacturing Jobs Protection grant program beginning August 4 and it will remain reopened until September 1. The application process was reopened due to some confusion regarding the relationship between the aviation grant program and the Employee Retention Tax Credit program. All eligibility requirements and remain the same. If you applied by July 13 and received a confirmation email from the DOT, there's nothing further you need to do.]

Which Businesses Are Eligible?

There are two steps to determine if your organization is eligible to apply for these grants.

Step One

Your company must:

- actively manufacture aviation components under an FAA production approval;
- hold a certificate under Part 145 of Title 14 of the Federal Code for maintenance and repair of aircraft components; or
- operate a process certified to SAE AS9100 for aviation products or services.

Step Two

If you satisfy step one, you are eligible to apply for these grants provided you meet the following four criteria:

1. you are a U.S.-established company;
2. you have significant operations and a majority of your employees are in aviation manufacturing;
3. you furloughed 10% of your workforce in 2020 compared to 2019, or experienced a 15% reduction in revenues in 2020 compared to 2019; and
4. you must not have recently received employment tax credits under section 2301 of the CARES Act or financial assistance under section 4113 of the CARES Act, or received financial assistance through the Paycheck Protection Program under section 7 of the Small Business Act.

Which Employees Can Benefit From These Grants?

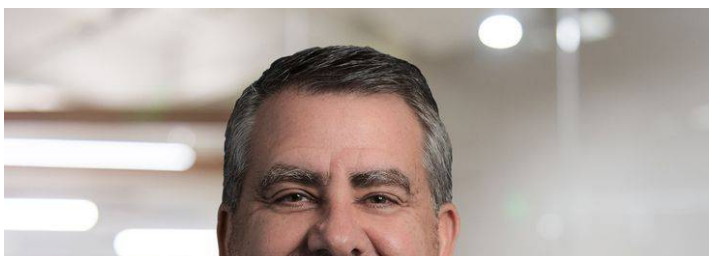
Provided your organization is eligible, you can apply for grants to receive up to 50% of your costs to continue wages, salaries and benefits for a certain class of employees in your workforce. You can only apply the grants to those employees who were engaged in aviation manufacturing as of April 1, 2020 in the U.S. provided their compensation and benefits was \$200,000 or less per year as of that same date. The group size is limited to 25% of your total U.S. workforce as of April 1, 2020.

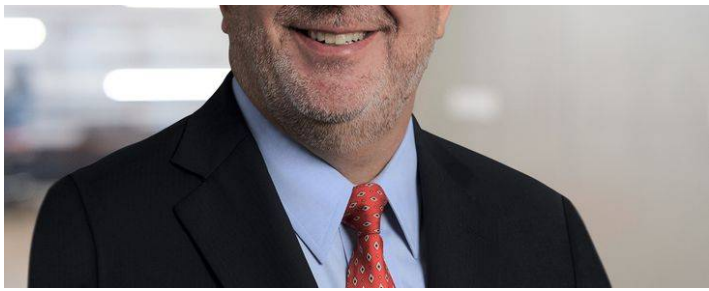
What Should We Do?

This grant program is administered by the Department of Transportation (DOT), and the agency published regulations on June 14 to provide definitions, supporting evidence requirements, and process timelines. If you are interested in pursuing these grants, you must first obtain a Data Universal Numbering System (DUNS) Number and register with the federal government's System for Award Management (SAM) before you can submit an application through the [GrantSolutions website](#). But note that your application must be submitted by 5:00 pm Eastern time on July 13, so the time to act is now. **[Editor's Note: As noted above, the application deadline is now September 1.]**

For questions on this program or eligibility criteria, contact your Fisher Phillips attorney, the author of this Insight, or any attorney in our [Manufacturing Industry Practice Group](#). We'll continue to monitor developments and provide updates as warranted, so make sure to [subscribe to Fisher Phillips' Insight service](#) to receive the latest information directly to your inbox.

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