

Circle Kipato

From:

William J. Farrell, wjfarrell@cityofchicago.org

Sent:

Thursday, April 30, 2020, 12:01 PM

To:

Michael Cordiello, Local 1181

Re:

16,000 city school bus workers to be furloughed

Subject:

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2020

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BY MICHAEL ELSEN-ROONEY NEWS EDUCATION REPORTER

All 16,000 city school bus workers will be furloughed Thursday, barring a last-minute agreement with the city, after officials declined to renew contracts for bus companies, the Daily News has learned.

City officials were supposed to vote Wednesday night on whether to approve \$200 million in emergency payments to the private companies that operate the city's school bus system — money that covers employees' salaries, health insurance and vehicle costs. But the school bus contract renewals were pulled from the agenda shortly before the meeting was set to begin, and never voted on.

With contracts set to expire April 30, and no assurance of a renewal, school bus companies sent letters to the 10,000 workers who belong to Amalgamated Transit Union Local 1181 Wednesday night alerting them they will be furloughed effective Thursday, according to a copy of the letter obtained by the Daily News.

"The city is going to turn their back on these people and not only take away their employment but the medical benefits these people so desperately need right now," said Michael Cordiello, the president of ATU Local 1181.

Since schools closed in mid-March, city officials have continued to pay out 85% of their normal contracts with school bus companies, which are required to use that money to pay 85% of employees' salaries along with health insurance costs.

But critics have called on officials to scrap the expensive contracts while the city faces billions in budget shortfalls, and the Education Department is staring down hundreds of millions of cuts to classrooms and school operations.

Union officials and companies have argued that, in addition to the employees losing jobs and health insurance, companies have ongoing expenses while schools are closed, and cutting off payments will hamper their ability to restart operations in September.

City officials had already delayed the vote on the bus contracts by a week, and Education Department spokeswoman Danielle Filson said the contracts were pulled from Wednesday night's agenda so the city could "take the extra time necessary to review these contracts in light of the City's current financial situation."

But the bus companies say time has run out.

