

LOCAL SUPPLEMENT
Between
Department of Housing and Urban Development
And
American Federation of Government Employees
Local 476

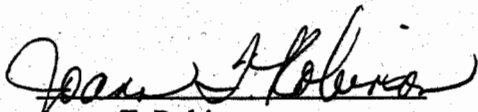
SUBJECT: Smart Benefits Segment of the Transit Subsidy Program

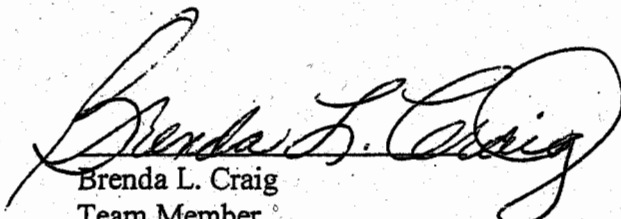
SCOPE: The scope of this supplement encompasses implementation of the Smart Benefits Program

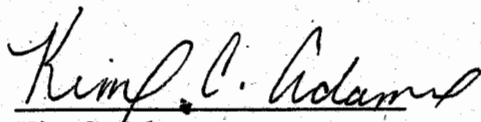
1. SmarTrip Cards: The Department will provide and register employees who presently have Smartrip cards during the initial startup period (through July 1, 2006). Management agrees to issue the initial SmarTrip card for other employees participating in the Smart Benefits segment of the transit subsidy program. Employees who already possess SmarTrip cards will register cards through Washington Metropolitan Area Transit Authority (WMATA) before June 7, 2006. The Department will continue to register participants for whom it is purchasing the card. After this period, replacement cards will not be issued.
2. Exclusion: During the initial startup period, Management agrees to allow an exclusion from the Smart Benefits program of up to 100 elderly and disabled participants in the transit subsidy program until October 1, 2006. They will join the mandatory Smart Benefits program on October 1, 2006. Elderly and disabled participants must have Washington Metropolitan Authority Transit Authority (WMATA) certification of their elderly or disabled status in order to qualify for this exclusion. Others will be excluded who can show good cause, as defined by management.
3. Mandatory Enrollment: Management will endeavor to enroll as many employees in the Smart Benefits program as possible prior to the July 2006 distribution. Participation in Smart Benefits will be mandatory by the time of the October 2006 distribution – except for employees as noted in item (2).
4. Adverse Action: Management will not take disciplinary action on bargaining unit employees solely based on the SmarTrip Card record as a result of their enrollment in the Smart Benefits Program. Management agrees that it will only obtain information from WMATA on the aggregate utilization of the subsidy to facilitate budget monitoring.
5. Metrocheks: Employees who ride modes of transportation that cannot accept the SmarTrip card will continue to receive Metrocheks until such time as the mode of transportation can receive the Smart Benefits. After the change, participants will be enrolled in the Smart Benefits program. A partial listing of transit systems that do not accept the SmarTrip card is included as an attachment.

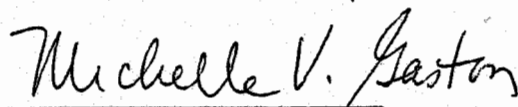
6. Request for Change: Management agrees that participants will be allowed to change their mode of transportation (i.e., metrorail/metrobus to commuter bus) no more than once a quarter in those instances where the change is not based on a change in residence.
7. Training: The Department will arrange for employees to obtain and register Smart Cards, as well as to enroll in the Smart Benefits program. Employees will learn how to download the transit subsidy, and otherwise learn how to participate in the electronic fare system – on HUD premises. The Department will arrange for at least two (2) in-person training sessions prior to the July 2006 distribution, and one (1) in-person training session prior to the October 2006 distribution. Employees may also view training via webcast, making it available to employees at any time.
8. Effective Date: This supplement will become effective April 17, 2006.

For Management:

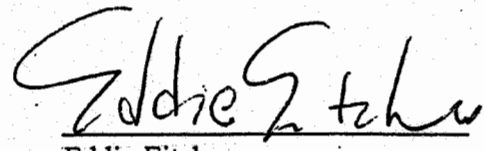

Joann T. Robinson
Chief Negotiator

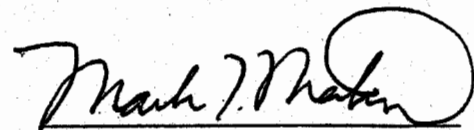

Brenda L. Craig
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For the Union:


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Date: April 6, 2006

Transit Providers Not Eligible for Smart Benefits

Commuter Train

1. Virginia Rail Express (VRE)
2. Maryland Rail Commuter (MARC)

Commuter Bus

1. Keller Bus Service
2. Maryland Transit Authority (MTA)
3. Dillion Bus
4. National Coach
5. Omni Coach
6. Eyre Motorcoach Tours
7. Loudon Commuter Bus
8. Commuter Ridge

Local Bus

1. Omni Bus (Prince William County)
2. Ride-On (Montgomery County)
3. DASH (Alexandria, VA)
4. The Bus (Prince Georges County)
5. Fairfax Connector (Fairfax County)
6. Arlington Rapid Transit (Arlington County)
7. Laurel Connector
8. Annapolis Transit