March 28, 2020

To all Local Union 6 members,

We find ourselves nearing the end of week two for the Mayor’s Shelter-in-Place Order, and in recent interviews the Mayor has indicated that it is likely to be extended beyond April 7th. With many of our private sector members idled due to jobsite closures, others still are going to work every day. Most of our public sector members are still working, with few being idled at this point. We ask that all our members practice social distancing during these unsettled times, fully recognizing the difficulty presented by workplace conditions.

We have said it already, and it has been repeated it to all private sector members who have called the Local Union with questions, but if you are medically compromised, or do not feel safe in the workplace due to the Coronavirus, YOU HAVE THE RIGHT TO NOT GO TO WORK. Inform your Employer of your concerns and they are to provide you with a furlough for the duration of the Shelter-in-Place Order.

Public sector members can review my previous update. We will compile further updates as they come in from the City, and there is an update from the SFMTA today. We continue in discussions the City and SFMTA over scheduling and safety in the workplace. All updates will be posted on the Local Union website.

We unfortunately must inform you that we have had at least two members contract the Coronavirus in our jurisdiction. An apprentice was exposed at home by their roommate, and at last report was feeling fair while self-quarantining. The other member was on a large project, but we are unsure of the transmission history. The Employers have been taking the right steps to inform the Union and any affected fellow Employees. We ask that you keep all affected in your thoughts, and we send them our best wishes for a speedy recovery.

During these uncertain times, we will all be on edge. Your loved ones are all going through this exact same pandemic and are likely to have heightened tension. Take the time to check in with your spouse/partner/significant other. Know that your children may be scared and concerned about you. Make sure you lead by example and demonstrate safe distancing practices. By drawing on your understanding and training of safety in the workplace, you can help them to get through this difficult time. Show your love by making safety a priority.

Looking ahead, we are working to address issues such as Healthcare for members idled as a result of the shutdowns and expanding access to 401(k) withdrawals during this crisis. Nothing is finalized yet, but any changes required to our plans will be communicated after we have clarity on the newly enacted Federal Regulations (see more information below on National Items of Interest).
Local Union Matters

The Executive Board has requested and received approval from our International Union to cancel the April 8th General Membership Meeting. A notice advising of the cancelation is being produced and mailed. The Executive Board will continue to meet as scheduled in a format that allows for compliance with safety and social distancing requirements.

The Election of Local Union Officers was previously scheduled to be held on June 9, 2020. Following inquiries to and discussions with officials from the Department of Labor, I have been informed that all Local Unions are expected to make every effort to hold their elections on schedule. I asked specific questions about the election process and the Local Union Bylaws. Due to the restrictions on public gatherings, the DOL said that alternatives to in-person voting would not be considered a violation of the Act, provided the election was still held in a manner that is compliant with DOL guidelines.

The Executive Board has voted to move to an all-mail ballot election. The Local Union assures all eligible members who wish to be a candidate that they will have an opportunity to do so. Furthermore, all members will be afforded the opportunity to vote for the candidates of their choosing. A specific mailing for the Election of Local Union Officers will be coming to your mailbox within the next two weeks.

National Items of Interest

Over the last two weeks we have seen the Congress and Senate enact a pair of large Bills aimed at keeping our economy from collapsing while also providing some relief to working people idled by the COVID-19 outbreak. In the days and weeks to come we will be updating you about some of the provisions that may be of importance to the membership. Before we can do that, we must wait for the Federal Government to provide guidance on how these programs will work.

Our legal Counsel has provided a synopsis from H.R. 748 entitled the CARES Act, which was passed by Congress and signed into Law yesterday.

1. **Unemployment Benefit Increase by $600 a week**

   The bill increases state unemployment benefits. **All state unemployment benefits will be increased by $600 per week. The $600 per week increase is mandatory and will last through July 31, 2020.** A laid off employee will receive the state weekly benefit (up to $450 in California) plus $600, regardless of the level of state benefits. For example, a laid off employee who is entitled to $200 per week will receive $800 ($200 + $600), and a laid off employee who is entitled to $450 will receive $1050 ($450 + $600).

2. **Unemployment Eligibility Expansion**

   The bill also provides for an expansion of unemployment benefits, for those individuals who have exhausted their unemployment benefits, or are otherwise ineligible for unemployment benefits. For those individuals, if they self-certify that they are unemployed
due to coronavirus-related reasons, they will be eligible for state unemployment benefits. The unemployment expansion does not extend benefits to individuals receiving paid sick leave or other paid leave benefits.

3. **Penalty Free Deferred Compensation Distribution**

   The bill allows individuals to withdraw money from deferred compensation plans, including 401(k), 403(b) and 457 plans without paying the 10% penalty tax for early distributions. The distribution will still be taxed as regular income, but the additional 10% tax will not apply. Distributions must be coronavirus-related and are limited to $100,000. Distributions must be made between January 1, 2020 and December 31, 2020.

   The law defines a coronavirus-related distribution as distributions to individuals who: (1) are diagnosed with COVID-19; (2) have a spouse diagnosed with COVID-19; (3) suffers adverse financial consequences due to quarantine, furlough, lay off, reduced work hours, unable to work due to lack of child care, closing or reducing hours of a business owned by that individual. The administrator of the deferred compensation plan may rely on an individuals’ self-certification that they endured one of the above coronavirus-related events.

   **Repayment:** An individual who takes a coronavirus-related distribution may, within 3 years of taking that distribution, repay the plan the value of the distribution. The repayment need not be made all at once but can consist of multiple payments.

   **Loans:** The bill increases the limit on loans from deferred compensation plans, from $50,000 to $100,000. It also provides that the due date for any repayment of a loan taken out after the effective date of the Act is extended by one year.

   (Please note that the Trust Funds will have to finalize this new benefit right over the next few weeks and will depend heavily on guidance from the Department of Labor and Internal Revenue Service. That guidance is still forthcoming, so this benefit is not immediately available.)

4. **One Time Payment of $1,200 to Individuals**

   The bill also includes a provision for a one-time, $1,200 payment to individuals whose adjusted gross income is $75,000 or less. The payment is increased by $500 for each qualifying dependent child. For individuals with an adjusted gross income over $75,000, the payment is reduced “by 5 percent of so much of the taxpayer’s adjusted gross income” as exceeds $75,000.

   If the recipient has previously provided the IRS with a bank account for direct deposit of tax refunds, the payment will be deposited into that account. For recipients who do not have direct deposit account on file with the IRS, the payment will arrive as a check via U.S. Mail. Direct deposit payments are anticipated within three to six weeks, checks are anticipated within four months.

Thursday, the Department of Labor provided guidance on two key provisions for Paid Sick Leave and Expanded Family and Medical Leave from H.R. 6201, the Families First Coronavirus Response Act
(FFCRA). For those of you that have been idled, we had hoped that there would be some relief coming from the two provisions. As it stands today, that does not appear to be the case as the DOL has all but gutted this for construction work.

The Department of Labor under President Trump has shifted far more conservative and anti-worker than in prior administrations, and the guidance provided is in line with that shift. The DOL’s implementation of Paid Sick Leave and Expanded Family and Medical Leave will not benefit our idled members in any significant fashion. Below is from the Department of Labor’s website for FAQs on the FFCRA:

23. **If my employer closed my worksite before April 1, 2020 (the effective date of the FFCRA), can I still get paid sick leave or expanded family and medical leave?**

   No. If, prior to the FFCRA’s effective date, your employer sent you home and stops paying you because it does not have work for you to do, you will not get paid sick leave or expanded family and medical leave but you may be eligible for unemployment insurance benefits. This is true whether your employer closes your worksite for lack of business or because it is required to close pursuant to a Federal, State, or local directive. You should contact your State workforce agency or State unemployment insurance office for specific questions about your eligibility. For additional information, please refer to [https://www.careeronestop.org/LocalHelp/service-locator.aspx](https://www.careeronestop.org/LocalHelp/service-locator.aspx).

   It should be noted, however, that if your employer is paying you pursuant to a paid leave policy or State or local requirements, you are not eligible for unemployment insurance.

24. **If my employer closes my worksite on or after April 1, 2020 (the effective date of the FFCRA), but before I go out on leave, can I still get paid sick leave and/or expanded family and medical leave?**

   No. If your employer closes after the FFCRA’s effective date (even if you requested leave prior to the closure), you will not get paid sick leave or expanded family and medical leave but you may be eligible for unemployment insurance benefits. This is true whether your employer closes your worksite for lack of business or because it was required to close pursuant to a Federal, State or local directive. You should contact your State workforce agency or State unemployment insurance office for specific questions about your eligibility. For additional information, please refer to [https://www.careeronestop.org/LocalHelp/service-locator.aspx](https://www.careeronestop.org/LocalHelp/service-locator.aspx).

25. **If my employer closes my worksite while I am on paid sick leave or expanded family and medical leave, what happens?**

   If your employer closes while you are on paid sick leave or expanded family and medical leave, your employer must pay for any paid sick leave or expanded family and medical leave you used before the employer closed. As of the date your employer closes your worksite, you are no longer entitled to paid sick leave or expanded family and medical leave, but you may be eligible for unemployment insurance benefits. This is true whether your employer closes your worksite for lack of business or because the employer was required to close pursuant to a Federal, State or local directive. You should contact your State workforce agency or State unemployment insurance office for specific questions about your eligibility. For additional information, please refer to [https://www.careeronestop.org/LocalHelp/service-locator.aspx](https://www.careeronestop.org/LocalHelp/service-locator.aspx).
26. If my employer is open, but furloughs me on or after April 1, 2020 (the effective date of the FFCRA), can I receive paid sick leave or expanded family and medical leave?

No. If your employer furloughs you because it does not have enough work or business for you, you are not entitled to then take paid sick leave or expanded family and medical leave. However, you may be eligible for unemployment insurance benefits. You should contact your State workforce agency or State unemployment insurance office for specific questions about your eligibility. For additional information, please refer to [https://www.careeronestop.org/LocalHelp/service-locator.aspx](https://www.careeronestop.org/LocalHelp/service-locator.aspx).

27. If my employer closes my worksite on or after April 1, 2020 (the effective date of the FFCRA), but tells me that it will reopen at some time in the future, can I receive paid sick leave or expanded family and medical leave?

No, not while your worksite is closed. If your employer closes your worksite, even for a short period of time, you are not entitled to take paid sick leave or expanded family and medical leave. However, you may be eligible for unemployment insurance benefits. This is true whether your employer closes your worksite for lack of business or because it was required to close pursuant to a Federal, State, or local directive. You should contact your State workforce agency or State unemployment insurance office for specific questions about your eligibility. For additional information, please refer to [https://www.careeronestop.org/LocalHelp/service-locator.aspx](https://www.careeronestop.org/LocalHelp/service-locator.aspx). If your employer reopens and you resume work, you would then be eligible for paid sick leave or expanded family and medical leave as warranted.

28. If my employer reduces my scheduled work hours, can I use paid sick leave or expanded family and medical leave for the hours that I am no longer scheduled to work?

No. If your employer reduces your work hours because it does not have work for you to perform, you may not use paid sick leave or expanded family and medical leave for the hours that you are no longer scheduled to work. This is because you are not prevented from working those hours due to a COVID-19 qualifying reason, even if your reduction in hours was somehow related to COVID-19.

You may, however, take paid sick leave or expanded family and medical leave if a COVID-19 qualifying reason prevents you from working your full schedule. If you do, the amount of leave to which you are entitled is computed based on your work schedule before it was reduced (see Question 5).

Here again is a link to all of the FAQs.

Please Stay Safe, and I look forward to seeing you all as soon as allowed.

Fraternally,

John J. Doherty
Business Manager – Financial Secretary