IMPORTANT UPDATES ON COVID-19 - MARCH 26, 2020

UCON Members and Industry Partners,

This morning's bulletin (March 26, 7:00 am) contained an error related to the FFCRA Act. It stated "all employers with over 500 employees are covered." This was an error. It should state "all employers with UNDER 500 employees." That correction is below.

* In addition, please find updated information from our Labor Relations Team related to union guidance on paying employees.

As a reminder, all of these updates as well as a comprehensive list of information, guidelines, and resources are available at UnitedContractors.org/covid19. No member login is required.

UCON ANALYSIS - FAMILIES FIRST CORONAVIRUS RESPONSE ACT

Now Takes Effect April 1, 2020

The U.S. Department of Labor (DOL) has now clarified that the Families First Coronavirus Response Act (FFCRA) will go into effect April 1, 2020. (Previously, it was assumed that the effective date would be April 2, 2020 as it is supposed to be effective 15 days after being passed.) All employers with under 500 employees are covered, and it applies to leave taken on or after April 1, 2020. The Act will remain in effect through December 31, 2020 unless otherwise amended. Please see our revised FFCRA Executive Summary for more details and critical information.

Updated FFCRA Employee Rights Posters
The Families First Coronavirus Response Act (FFCRA) requires certain employers to provide their employees with paid sick leave and expanded family and medical leave for specified reasons related to COVID-19. These provisions will apply from April 1, 2020 through December 31, 2020.

Updated employee rights and information [posters](#).

**COVID-19 INDUSTRY FAQs**

United Contractors Labor & Member Services Team is working with counsel to bring you the most up-to-date answers to your most frequently asked questions related to contract law, employment/labor law, HR best practices, and government-mandated benefits for your employees. For a list of updated (03-25-20) FAQ's, [click here](#).

**COVID-19 UNION GUIDANCE ON PAYING EMPLOYEES**

Contractors seeking to provide a “stipend” or “bonus” to laid-off employees who are out of work due to job shutdowns must remember that the way you pay employees may trigger fringe benefit obligations. If you decide to pay employees who are not performing any work, for retention or other purposes, we strongly advise that you follow these best practices:

1. Pay a lump sum amount that does not resemble regular wages
2. Use a unique cost code, i.e., “COVID-19”, for tracking and accounting purposes
3. Retain detailed documentation on the reasons for the payment
4. Do not link the payment to any specific job or project

These best practices have been reviewed with our labor partners, but keep in mind the Trust funds may still ask questions on future audits.

* The Northern California Carpenters require unique authorization before an employer can pay any form of alternative “bonus” compensation. If you are considering paying your laid-off Carpenters anything other than their full package, please contact...
Finally, remember that you must still follow regular CBA and state procedures regarding lay-off notifications and payments. If you have any scenarios you’d like to review, please call UCON Labor & Member Services at (925) 855-7900.

SAN FRANCISCO - COVID-19 HEALTH & SAFETY REIMBURSEMENT DIRECTIVE

In an industry call that included SFDPW, PUC and other key stakeholders, a serious discussion was held on safety and health measures for contractors and workers that are continuing work defined as “essential infrastructure.” Per the language in the City directive, SF agencies will provide reimbursement for contractors engaged in safety and health measures that would exceed normal operational guidelines.

This would, as an example, include equipment, wash stations, additional personnel, staggered work assignments and related. You are encouraged to submit your best ideas and associated direct costs to the agency for whom you are working.

CAL/WARN INTERPRETATION UPDATE

Based on counsel’s review of federal WARN regulations, California Labor Code, and 9th Circuit case law, each construction site will be viewed as a separate “covered establishment” for those workers whose first reporting location is the jobsite each day. **At any jobsite, if there are fewer than 75 employees who have been employed within the preceding 12 months, Cal/WARN does not apply.** If the 75 number is met but 50 or more employees are not laid off at a single site there is not a “mass layoff” for that location and no notice is required. Where 50 or more are laid off at a jobsite, then the Cal/WARN requirements would apply under the Executive Order guidelines. For purposes of counting the 50 employees at a jobsite, employees who have not worked for the employer for at least 6 of the 12 months preceding the date on which the notice is required are not counted.
Therefore, the Cal/WARN notice requirements may affect only a limited number of contractors.

YOUR UCON TEAM IS HERE FOR YOU

During this extraordinarily challenging time, please know that United Contractors is available to assist you and your staff as you have come to expect. We continue to work with counsel, labor & agency leaders, elected officials and our full scale of team members to bring you the most up-to-date and important information. Please do not hesitate to reach out to us with any questions or concerns. For our staff directory, click here.

Stay up-to-date on all relevant information related to COVID-19 by visiting our website

UCON COVID-19 Website

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