January 15, 2020

NO. Commercial Bulletin #405
Contractor Bulletin #28

TO: Representatives of Commercial Buildings and Contractor Members in the RAB

SUBJ: 2020 Commercial Building Agreement
2020 Contractors Agreement

The Realty Advisory Board and Local 32BJ, SEIU have reached tentative agreement on the terms of the 2020 Commercial Building Agreement and the 2020 Contractors Agreement (together, the “Agreements”), each subject to ratification by the Union membership. The RAB Board has ratified the Agreement and we are now waiting for the Union to ratify. We expect that this will occur on or about January 31 so do not implement changes discussed herein, until February 1 unless you are notified by the RAB that the Union has failed to ratify the Agreement. The Agreements provide for the continuation of the existing Agreements with the following modifications:

TERM: The Agreements shall be effective as of January 1, 2020 and shall expire on December 31, 2023.

The Agreement will terminate on February 1, 2024, for all Engineers and Superintendents employed under the Commercial Building Agreements and Contractors Agreements.

WAGE INCREASES:

(a) OTHERS:

1) Effective January 1, 2020 – $26.00 per week ($0.65 per hour).
2) Effective January 1, 2021 – $28.00 per week ($0.70 per hour)
3) Effective January 1, 2022 – $28.00 per week ($0.70 per hour)
4) Effective January 1, 2023 - $33.00 per week ($0.825 per hour)

(b) HANDYPERSONS, FOREPERSONS & STARTERS:

1) Effective January 1, 2020 – $28.00 per week ($0.70 per hour)
2) Effective January 1, 2021 – $30.00 per week ($0.75 per hour)
3) Effective January 1, 2022 – $30.00 per week ($0.75 per hour)
4) Effective January 1, 2023 – $35.00 per week ($0.875 per hour)

(c) SUPERINTENDENTS:

1) Effective January 1, 2020 – $30.00 per week
2) Effective January 1, 2021 – $32.00 per week
3) Effective January 1, 2022 – $32.00 per week
4) Effective January 1, 2023 – $37.00 per week

FUND CONTRIBUTION INCREASES:

HEALTH FUND:

Effective January 1, 2020 – $13.56 per week
Effective January 1, 2021 – $14.31 per week
Effective January 1, 2022 – $18.23 per week
Effective January 1, 2023 – $19.39 per week

PENSION FUND:

Effective January 1, 2020 – $4.00 per week
Effective January 1, 2021 – $4.00 per week
Effective January 1, 2022 – $4.00 per week
Effective January 1, 2023 – $4.00 per week

LEGAL FUND:

No change from $3.839 per week ($199.60 per year) from January 1, 2020 through December 31, 2022.

From January 1, 2023, to December 31, 2023, the rate will be reduced to $.69 per week ($36 per year).

TRAINING FUND:

No change from $3.262 per week ($169.60 per year) from January 1, 2020 through December 31, 2023.

SRSP:

No contribution change during the Agreements and continues at $13 per week, per employee.
UNION RECOGNITION & UNION SECURITY:

The parties agreed that all Employers will accept electronic records as valid written authorizations or revocations for deductions and remittance of Union dues and fees, and for voluntary contributions to the Union’s American Dream Fund. All Employers who are not presently doing so, will begin accepting such electronic records the above-mentioned deductions no later than nine (9) months from the date the employer becomes a signatory to the agreement. For the nine (9) month period, no employer who deducts appropriately, but whose electronic transmissions are delayed, shall be subject to interest or penalties because of such delay.

The Union has agreed to provide reasonable training on electronic records for authorization of deduction or revocation of deduction.

WAGES, HOURS & WORKING CONDITIONS

Employers under these agreements will provide temporary schedule changes in accordance with New York City’s temporary schedule change law. Employees will only be able to pursue grievance and arbitration regarding alleged violations of the law.

MANAGEMENT RIGHTS

Employers are permitted to contract with a preferred provider organization (PPO) to deliver all medial services mandated by the Workers’ Compensation Law.

Contractors taking over work previously performed by the property owner or manager, under the Commercial Building Agreement, will retain the superintendent (if any) without loss or reduction of wages, benefits, and working conditions applicable to that superintendent.

GRIEVANCE PROCEDURE:

All grievances will be simultaneously submitted to Joint Industry Grievance Committee when the grievance is filed.

All Contractor grievances will be submitted to the RAB at the time such grievance is filed.

ARBITRATION:

The Panel of Arbitrators was updated to include additional arbitrators to hear cases under the Agreements at the Office of the Contract Arbitrator.

HEALTH FUND:

The parties agreed to continue the Health Fund Study Committee to achieve continuous savings on medical, administrative and other costs associated with the Health Fund, while maintaining the high quality of care for Health Fund participants. The parties intend that if an
extraordinary event resulting in materially adverse impact to the Health Fund occurs, the Health Fund Study Committee will be empowered to negotiate and recommend savings mechanisms to the Trustees for adoption.

The waiting period for new employees is changed from 3 months to 90 days to conform to the Affordable Care Act.

**JOINT INDUSTRY ADVANCEMENT**

The parties agreed to continue, in good faith, their efforts to coordinate on issues of mutual concern. Such agreement requires that each party will provide 30 days’ notice prior to the proposal of any legislation or regulation on matters of mutual concern.

**SICKNESS BENEFITS:**

Perfect attendance definition was amended to exclude from consideration “Union-paid, Union-sponsored leave for collective bargaining and Union governance functions.”

**HOLIDAYS:**

Effective in 2021 and thereafter, Employers will have the option to treat Martin Luther King Day as a contract holiday and to designate Columbus Day as an elective holiday. Notice of the implementation of this change must be provided to the Union by December 31 of the year prior to the implementation of the change.

**LEAVE OF ABSENCE AND PAID FAMILY LEAVE:**

New York Paid Family Leave was recognized as a leave that may be granted by Employers, and any leave granted under the contract may be deemed to run concurrently with Paid Family Leave or any other applicable, statutory leave of absence.

**WAGE AND HOUR CLAIMS**

Employees asserting wage and hour claims under any applicable statute must first initiate mediation with the employer. Employers may seek a stay of any lawsuits to permit the completion of the mediation process.

**DISABILITY TERMINATION PAY**

An employee unable to perform the functions of their job may resign and receive termination if the employee submits a valid certification from the Social Security Administration relating back to the date such employee ceased working because of the disability. This replaces the prior language that required a physician’s certification.
TRIAL PERIOD

As introduced in the Apartment Building Agreement, the trial period of 60-days for all applicable classes of employees may be extended one time for a period of 30-days upon written request to the Union from the Employer. The Union must consent to the request, but the trial period is extended while waiting for the Union’s response.

PERMISSIVE GUIDELINES FOR BUILDING CLOSINGS

The Union and the RAB have created guidelines that employers may choose to follow in the event of a building closing. The guidelines are optional but offer a preferred manner in which an employer may interact with the Union to achieve the desired goals regarding the closing.

LANGUAGE CHANGES:

In addition to the above changes, there are several date changes and language changes of a technical nature that will appear in the new Agreements. The new Agreements will be mailed to RAB members as soon as possible.

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