

WELFARE, ANNUITY AND APPRENTICESHIP SKILL IMPROVEMENT & SAFETY FUNDS

of the

International Union of Operating Engineers

Local 15, 15A, 15B, 15C & 15D, A.F.L.-C.I.O.

44-40 11th Street • Long Island City, N.Y. 11101

Employer Trustee

MICHAEL SALGO
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Administrator

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JAMES T. CALLAHAN
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December 15, 2020

Dear Participants:

Since 2018, the State of New York has required that all employees fund the cost of the state mandated Paid Family Leave (“PFL”) law through payroll deductions taken by employers. From there, employers are required to use those payroll deductions to provide the benefit. Effectively January 1, 2021, the PFL law is requiring that the benefit increase from 10 to 12 weeks and that the payable benefit as a percentage of an employee’s average weekly wage increase from 60% to 67%. However, to finance these benefit improvements, the PFL law is raising the employee contribution from 0.27% of an employee’s gross weekly wages to 0.511%. In turn, the Welfare Fund is seeing over a 75% increase in the cost of its insurance premium in order to fund the PFL and disability benefits.

In order for the Local 15 Welfare Fund to provide the PFL benefit in 2021 along with the New York State required disability benefit (which is enhanced to provide benefits in excess of the amount required by law), the Board of Trustees has directed a \$0.20 reduction in the hourly vacation benefit on hours redeemed in stamps on a participant-by-participant basis until the PFL law mandated employee payroll deduction of \$385.34, which is significantly higher than the 2020 deduction of \$196.72, is reached. By making this adjustment to the vacation benefit, the Local 15 Welfare Fund will be able to provide you with these benefits in 2021 and you will not be subject to the otherwise mandated 0.511% payroll deduction from your gross weekly wages.

In the event that you have any questions, please contact the fund office at 212-255-7657.

Wishing you and your families a Happy, Healthy Holiday Season!

Sincerely,

The Board of Trustees