

CPMCA-UA JOINT ARBITRATION BOARD

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JAB Joint Subcommittee Meeting

Date: November 13, 2008

A Joint Arbitration Board Subcommittee meeting was called to order by Chip Martin. Also in attendance was Mike Layton. Pursuant to section B.3 of the Master Labor Agreement, including section B.3.9 of this Agreement, the Joint Arbitration Board agreed to address whether or not it is appropriate to establish a new rule pertaining to the level of contributions that contributing employers make on behalf of non-collectively bargained employees on whose behalf they make contributions. This matter has been referred to this JAB Subcommittee. The Master Agreement at section 3.1.2.3 provides that Employers shall make contributions on behalf of owners "at the construction journeyman contribution rate of one hundred ten (110) hours per month, or hours worked, whichever is greater." Other non-collectively bargained employees have contributions made on hours worked only. Because non-collective bargained employees, including owners, in contrast to many bargaining unit employees, tend to work steady hours each week, often including substantial and consistent overtime, 52 weeks a year, contributions paid to the Southern California Pipe Trades Health & Welfare Fund over the course of the year could significantly exceed the contributions paid on behalf of collectively bargained employees and could significantly exceed the cost of the benefits provided under the Health & Welfare Plan. The COBRA rate, which reflects the actual cost of the benefit plus a 2% administrative charge, equates to approximately 117 hours of contributions per month.


Accordingly, this JAB Subcommittee believes it is appropriate to establish a new rule pertaining to the level of contributions made on behalf of owners and other non-collectively bargained employees to the SCPT Health & Welfare Fund. Effective January 1, 2009, contributing employers shall be required to pay contributions on behalf of their non-collectively bargained employees, including owners, at the rate of 120 hours per month, regardless of the hours worked. This will ensure that contributions made on behalf of non-collectively bargained employees will fairly reflect the value of the benefits received from the Health and Welfare Fund.



Mike Layton

So. Ca Pipe Trades District Council 16

ML:cl Opeiu/af-cio



Charles "Chip" Martin

California Plumbing & Mechanical Contractor
Association

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CONTRACTORS
COMPLIANCE DEPT.