



UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF AMERICA

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March 27, 2020

To: District Vice Presidents
Executive Secretary-Treasurers

From: Kyle Makarios

Re: Update on CARES Act provisions that may benefit our members

Today, Congress passed the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act) in to law. This law will spend \$2 trillion from the federal treasury to help Americans get through the current crisis. Here are some details about several of the provisions that may be of interest to UBC members.

Direct payments to American workers

U.S. residents with a valid social security number will automatically receive a payment from the government of up to \$1200 per adult and \$500 per child. Single adults whose adjusted gross income is less than \$75,000 or married couples making \$150,000 will receive the full amount. The income limits go up depending on how many children you have. If you make more than that, the amount of the check begins to reduce. Here is a good resource to estimate how much your check might be:

<https://www.washingtonpost.com/graphics/business/coronavirus-stimulus-check-calculator/>

If you've already filed 2019 taxes, you will automatically receive your payment via direct deposit or check. If you have not, you will likely receive a check in the mail based on your 2018 tax return. The Treasury Department has a goal of sending out checks the week of April 6.

Unemployment Insurance enhancements

While the specifics of how much any laid off member will get depends on a number of factors, including the rules set by their State, the CARES Act contains provisions that will help many members get through a period of unemployment if they get laid off.

1. Many States have waived their one-week waiting period for eligibility. If they have done this, the Federal Government will pay for the cost of this, so States have an incentive to do it.
2. Laid off workers will receive an increase of \$600 per week, regardless of how much they would normally receive, in their benefits. This could last for up to four months, but not past July 31, 2020.
3. Members will be eligible to receive unemployment for an additional 13 weeks before it is exhausted. This provision lasts until the end of 2020.
4. There are provisions to encourage States to work with employers on “short time compensation” arrangements where an employer could reduce the hours of many workers instead of laying some off completely. Those with reduced hours would be eligible for partial unemployment to help offset their reduced income.

Mortgage Relief

Borrowers with federally-backed mortgages (FHA, VA) or mortgages purchased by Fannie Mae or Freddie Mac would suspend mortgage payments for an initial 180 days (and possibly get a subsequent 180 day extension) without accruing additional fees or interest by attesting they are having financial hardship due to the coronavirus.

Penalty waived for access to retirement plans

This new law temporarily waives the 10% IRS penalty for accessing some retirement plans, including 401ks and annuity plans. If members are facing hardship, they will not be penalized by the IRS for dipping into these plans.

Coronavirus impacted individuals with retirement plan loans due by December 31, 2020 would have an extra year to repay them.

REAL ID extension

The implementation of REAL ID has been pushed back for a full year and will now take effect on October 1, 2021. On this date, Members wishing to board an airplane, enter a Federal facility, or apply for federally-regulated credentials (like a TWIC Card) will need to have a REAL-ID compliant driver's license or other identification. It was originally planned to take effect on Oct. 1 of this year.

Other provisions

This bill has many other provisions, including small business loans that many contractors may be able to access, direct aid to hospitals and the health care system, and help for struggling industries. For a good summary of resources that may be available to help union contractors continue to employ our members, see this summary of provisions provided by the Signatory Wall And Ceiling Contractors Alliance (SWACCA), which is entirely made up of UBC-signatory interior systems employers: <http://www.swacca.org/news-events/congress-passes-cares-act-stimulus-bill/>

Sick leave and paid family leave

The provisions in the CARES Act are in addition to the sick leave and paid family leave benefits that members may be entitled to under a separate law passed earlier. That law makes workers eligible for paid sick leave from their employer if they get sick with COVID-19 or are quarantined due to contact with the disease or are otherwise ordered to quarantine. It also allows for paid leave to care for a family member who is quarantined, and for paid leave to care for children who cannot attend school or daycare because they have been closed. More details about these provisions can be found here: <https://action.carpenters.org/covid-19>