

**NOTICE TO EMPLOYERS PARTICIPATING IN THE
NATIONAL ELECTRICAL BENEFIT FUND**

The National Electrical Benefit Fund (“NEBF”) and the National Employees Benefits Board (NEBB) have adopted a temporary amendment to the NEBF Trust. Generally, the Trust requires that all employers that provide any sort of paid leave to an employee must pay the 3% contribution on the amount of that paid leave to the NEBF. In recognition of the extraordinary consequences of the coronavirus to employers, unions, and employees alike, the Trustees and the NEBB agreed that there should be a temporary suspension of the application of the 3% contribution obligation for up to a maximum of 80 hours of paid sick leave required under the Emergency Paid Sick Leave Act (“EPSLA”) portion of the Families First Coronavirus Response Act (“FFCRA”).

As you are probably aware, under federal law the NEBF is required to credit employees for hours of service associated with paid leave of any sort. Accordingly, each employer who pays this sick leave under the EPSLA is required to report on its monthly payroll reports (1) the names of all employees for whom the employer paid mandatory sick leave under the EPSLA, (2) and the periods of the paid leave in days and hours. This temporary amendment to the NEBF Trust is effective as of April 16, 2020 and will remain in effect through December 31, 2020. The 3% contribution is owed on paid leave paid prior to April 16, 2020 and will be owed on paid leave after the end of this year. However, for mandated paid sick leave between April 16 and December 31 of this year, the 3% contribution is waived for up to a maximum of 80 hours.

Below are three examples of paid sick leave circumstances that will not require the 3% contribution:

Example 1: An employee of a covered employer has been advised by a health-care provider to self-quarantine for two weeks related to COVID-19. The covered employer is required by the EPSLA to pay the employee 80 hours of sick leave over a two-week period at the maximum allowable daily rate of \$511 (\$5,110 total for 10 days). The covered employer is not required to contribute 3% to NEBF on the employee’s \$5,110 of mandatory sick pay, but the NEBF will credit the employee with 80 hours of service.

Example 2: An employee of a covered employer is subject to a state isolation order requiring isolation for one week related to COVID-19. The covered employer is required by the EPSLA to pay the employee 40 hours of sick leave over a week’s period at the maximum allowable daily rate of \$511 (\$2,555 total for five days). The covered employer is not required to contribute 3% to NEBF on the employee’s \$2,555 of mandatory sick pay, but the NEBF will credit the employee with 40 hours of service.

Example 3: An employee of a covered employer is caring for an individual who has been advised by a health-care provider to self-quarantine for eight days related to COVID-19. The covered employer is required by the EPSLA to pay the employee 64 hours of sick leave at the maximum allowable daily rate of 2/3 of pay up to \$200 daily (\$2,000 total for ten days). The covered employer is not required to contribute 3% to NEBF on the employee’s \$1,600 of mandatory sick pay, but the NEBF will credit the employee with 64 hours of service.