



March 23, 2020

Honorable J.B. Pritzker, Governor, Illinois
Honorable Richard Durbin, U.S. Senator
Honorable Tammy Duckworth, U.S. Senator
and Honorable Members of the U.S. House of Representatives from Illinois

The Tri-Council Development Fund (TCDF) serves as a single voice on behalf of the members and leaders of our three District Councils – 14, 30, and 58 – of the International Union of Painters and Allied Trades and their affiliated contractors associations: Finishing Contractors Association of Chicago, Finishing Contractors Association of Illinois, and Associated General Contractors of Illinois. We correspond with you on the gravest of occasions: the coronavirus/COVID-19 pandemic that is wreaking havoc on the personal and working lives of our members. As you consider and undertake planning and policy interventions that may offer our members and the communities in which they live and work relief from the harsh consequences of the pandemic, we are asking that you enter into constructive dialogue with us and the leadership of the IUPAT concerning the following critical priorities:

First, state and federal resources devoted to workplace health and safety must remain active during the crisis; in fact, these resources must expand so that they can address any and all deficits in equipment and supplies that construction tradespersons require to work safely in the midst of an outbreak of a contagious virus. Even if elective construction is suspended, Illinois' construction workforce will continue to function in support of infrastructure needed to maintain critical systems and transform space to meet public health needs. Moreover, the unionized construction workforce possesses the discipline and regimented commitment to safety that is needed to safely address a number infrastructure needs during the pandemic; when that capacity is mobilized, we will need diligent worksite safety oversight so that construction workers can work safely and stay healthy.

Second, as workplaces are closing across the country due to COVID-19, our members will need to qualify for any income relief measures, unemployment or workers compensation insurance, and extension of medical leave benefits made possible through state and federal relief legislation. Unlike some industries, construction and finishing trades workers do not get paid leave. If we don't work, we don't get paid. The majority of our membership and workers in the construction industry are hourly wage earners. Some work for multiple employers during a single year. These dynamics of our kind of work could easily be forgotten as policy is drafted and rules are made to determine eligibility for relief benefits. Federal bills we have seen so far, such as H.R. 6074 – the Coronavirus Preparedness and Response Act – will have very little benefit for construction workers in this dire situation. Any policy must also aid contractors in extending medical leave to employees so that they can weather this storm. Workers covered by collective bargaining agreements need to be included in any family, medical and paid sick leave proposals.

Third, we are depending on you to protect the hard-earned assets and critical healthcare and retirement programs we have built over decades of self-sufficiency and innovation in plan design. Our multiemployer health funds are "self-funded" by our members, on whose behalf a portion of their total hourly wage is contributed, allowing us to generate the financial resources to pay providers and hospitals for medical care. We have functioned this way for decades, even during significant economic downturns. While we contract with insurance companies to access their provider networks and pricing, the only resource we have for catastrophic healthcare costs are reserves. The continual existence of our resources is thus dependent on continued contributions (driven by employment), the control of healthcare expenses (much of which is out of our control), and mitigation of the impacts of regular healthcare inflation through investment earnings (which are being devastated by the collapsing stock market). If providers and hospitals are permitted to bill our funds without limitation for the life-saving measures associated with coronavirus, while we are also experiencing dramatic reductions of contributions and investment losses, the very existence of these funds may be in jeopardy. Moreover, we believe such

unrestricted billing would constitute an epic and shameful transfer of wealth from the working people to doctors and hospitals in the form of profits. You can prevent this from happening by demanding that no insured or uninsured person have to pay for lifesaving care due to coronavirus infection. You can also provide relief to multiemployer health plans so that our members and their families can continue to receive healthcare with no break in coverage during the crisis.

The impact on our pension funds due to the collapsing stock market needs no additional explanation; however, we are aware that proposals exist that would provide relief to our retirement plans. While not all multiemployer defined benefit pension plans were struggling before the coronavirus crisis and related market collapse, those that were will require decisive action in the U.S. Congress if they are to remain viable means of providing their beneficiaries reasonable retirement income. We are learning only of actions being contemplated to protect corporations and financial institutions. We learned a crucial lesson from the last economic crisis: trillion dollar bailouts for Wall Street, billionaires, and corporations left working people in the cold and provided little relief to our union, our members, and their private retirement system. This time around, working people must come first.

Fourth, the government must provide a macroeconomic stimulus to uphold the economy as a whole. Any stimulus package should include a plan to quickly put America's construction workers back to work once this pandemic is under control. In the short term, we need to be looking at emergency appropriations to support our weakened public health infrastructure, especially hospitals. In the medium and long term, recovery efforts should focus on creating jobs for millions of workers and strengthening our country's essential infrastructure like roads, bridges and energy production.

We know many of you well and have worked closely with you during the political seasons and on public policy initiatives to improve the lives of our members and working families across Illinois. We are ready and able to be part of the solution as we work together to care for our communities and rebuild our economy. We are bold enough to demand that the unique needs of our members and our industries not be forgotten while you craft a path through and out of this crisis.

Yours very truly,



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Tri-Council Development Fund



Zach Lowe, Director of Planning
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