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***ATTORNEY/CLIENT PRIVILEGED CONFIDENTIAL MEMORANDUM***

**DATE:** August 25, 2014

**TO:** Hotel Association of New York City, Inc.  
Labor Relations Members  
General Managers, Human Resources Directors and Controllers

**FROM:** Kane Kessler, P.C.  
Labor and Employment Law Department

**RE:** Hotel Trades Council:  
Notice of Reporting Union Dues Rates and Initiation and Reporting Requirements

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On August 14<sup>th</sup>, we notified Hotels of the Union's new, increased dues rate and initiation fees. Late Friday, August 22<sup>nd</sup>, we received the attached above referenced Notice from the Union instructing Hotels how to deduct and remit such dues and fees on an ongoing basis and how to complete and file electronic reports regarding same.

While we evaluate Hotels' obligation to comply with this Notice, we would appreciate your feedback on the feasibility of complying.

Please email your comments to:

Michael Lydakakis at: [mlydakakis@kanekessler.com](mailto:mlydakakis@kanekessler.com)

Thank you. In the meantime, if you have any questions, please do not hesitate to contact David R. Rothfeld, Judith A. Stoll, Niki J. Franzitta, Lois M. Traub, Alexander Soric, Robert L. Sacks or Michael Lydakakis.

Enc.

cc: Joseph E. Spinnato, Esq.  
Geoffrey A. Mills, Chairman



## NOTICE OF UNION DUES RATES AND INITIATION FEE AND REPORTING REQUIREMENTS (VERSION FOR SHOPS WITH STANDARD DUES RATE A)

August 22, 2014

Dear HR Manager,

As you have already been advised, the new union dues rates and initiation fees will go into effect for your shop, starting in the first pay week ending on or after September 7, 2014. This is the amended version of the notice dated August 8, 2014, which includes a description of the new reporting requirements for employers, starting under the sub-heading, "New Combined Reporting Form" (on page 3). Note: There are also modifications (from the August 8, 2014 notice) to the sections entitled "Initiation Fee" (see page 2), "Defense Fund" (see page 2), and "Arrearages" (see page 2), and an additional section entitled "Vacation and Multi-week Paychecks" (see page 2).

### New Dues Rates for Your Shop

The union is simplifying and standardizing its dues structure to eliminate complicated variations in dues rates for different categories of members. So, effective on 9/1/14, most current and all new employees will begin paying one standard rate (Standard Dues Rate A). A few existing employees (those who currently pay less than \$13.99 per week and were hired before 9/1/14) will temporarily pay different rates ("Phase-in Dues Rates") which will gradually increase annually until all of your employees will be paying the same standard rate. Dues should be deducted weekly. This chart explains the new rates applicable to your shop:

Employees Affected	New Weekly Dues Rate
All employees who currently pay dues at a rate of <b>\$13.99 per week or more</b>	Standard Dues Rate A (\$16.99 per week)
All employees <b><u>hired on or after 9/1/2014</u></b>	Standard Dues Rate A (\$16.99 per week)
All employees hired before 9/1/2014 who currently pay dues at a rate that is <b><u>lower than \$13.99 per week</u></b>	Phase-in Dues Rate (current weekly dues rate + \$3.00)

To convert monthly rates to weekly rates: If any of your employees are currently paying dues at a monthly rate, you can calculate their current weekly rate by multiplying the monthly rate by 12 and dividing the product by 52, rounded to two decimal points.

The Standard and Phase-in Dues Rates will increase each year. The union will provide you with more detailed information about this at a later date.

### **Dues Checkoff Authorization Cards**

Employers must retain in their records the signed dues checkoff authorization cards from those employees who have authorized dues checkoff. If you need more cards, contact the union at [employerinquiries@nyhtc.org](mailto:employerinquiries@nyhtc.org).

### **New Initiation Fee**

All employees hired on or after 9/1/2014 who are not already members of the union will pay a new initiation fee of \$200, which should be deducted in 20 separate weekly installments of \$10 each, in addition to dues.

Employees hired before 9/1/2014 who are not already members of the union, are only required to pay (or finish paying) the initiation fee in effect prior to 9/1/2014, of \$100, which should be deducted in 10 weekly installments of \$10. Note: Do not deduct the initiation fee from the paychecks of employees who have already paid it or for whom that initiation fee was waived or credited by the union.

### **Defense Fund**

Once an employee's obligation to pay the appropriate initiation fee (as described above) has been satisfied, you should immediately begin making deductions of the \$1,040 Defense Fund assessment in 104 consecutive weekly installments of \$10 each. Note: Do not deduct the \$1,040 Defense Fund assessment from the paychecks of employees who have already paid it or for whom that assessment was waived by the union.

Once an employee's obligation to pay the \$1,040 Defense Fund assessment has been satisfied, you should immediately begin deducting a permanent monthly (not weekly) Defense Fund assessment of \$2 from the employee's first paycheck of every calendar month.

### **Arrearages**

Because union fees are deducted weekly (except the monthly \$2 Defense Fund assessment described above), employees will commonly incur arrearages if there are weeks when they do not work. So, you should deduct, in addition to the dues for that week, one additional week's dues from the employee's next paycheck (or, if more than one week of arrearages is owed, paychecks) to satisfy the arrearages. Do not deduct from any one paycheck an arrearage deduction that amounts to more than the equivalent of one week's dues. Do not deduct arrearages that are the result of an absence from work of two or more full consecutive calendar months, unless you receive specific instructions from the union to do so.

### **Vacation and Multi-week paychecks**

There may be circumstances in which the employer pays an employee for more than one week in one paycheck (e.g., some vacation or retroactive pay situations). In such cases, you should deduct the appropriate dues, initiation, defense fund, or arrearage payment for each of the weeks covered by the paycheck. For example, if the employee is receiving a vacation paycheck for three weeks, deduct dues from that check for three weeks.

## **New Combined Reporting Form (“CRF”)**

The union is consolidating the reporting requirements that apply to employers and has established a secure automated website (SendToUnion.org) to facilitate the secure transfer of information. This requires that all employers submit their reports in a uniform format. These instructions explain how to do this. To satisfy the shop’s reporting obligations regarding dues and benefit contributions, you will submit, on a monthly basis, the new Combined Reporting Form (“CRF”), which will consist of three different electronic reports:

- the “MONTHLY REPORT OF WEEKLY PAYROLL” (“MRWP”),
- the “NOT-ON-THE-PAYROLL REPORT” (“NOPR”), and
- the “MASTER SHOP ROSTER” (“MSR”).

Every month, you will upload these reports to the union’s secure website in the form of separate precisely formatted spreadsheets.

**NOTE TO SIGNATORIES OF THE IWA:** Because the MRWP and MSR are nearly identical to reports already required under Article 66 of the IWA, this new reporting method will eliminate the need to provide this information under Article 66. New shorter Article 66 Compliance Instructions will be sent to you soon.

### **Download Supplemental Documents from Union’s Secure Website**

The following instructions explain how these CRF spreadsheets should be created and submitted to the union. At various places in the instructions, a number of supplemental documents are referred to. You can download these supplemental documents from the same secure website that you will use to submit your CRF each month. See the section entitled “Using the Union’s Secure Website” on page 6 to learn how to log on to the website and to download these supplemental documents.

### **Descriptions of the CRF Reports**

#### **1. The “MONTHLY REPORT OF WEEKLY PAYROLL” (“MRWP”)**

This report will consist of one spreadsheet file for each of the pay weeks of the “reporting month” that is being remitted to the union listing every paycheck issued to bargaining unit employees for that week (including newly hired employees whether or not they have worked 30 days or have completed probation, and banquet roll-call employees).

**NOTE:** The term “reporting month” throughout these instructions is different from a calendar month and refers to the period of time for which the employer is reporting dues checkoff, hours and wages to the union and is comprised of a set of full pay weeks (normally four or five pay weeks). So, the starting date of the reporting month will be the first day of the first pay week included in the report for that reporting month, and the ending date of the reporting month will be the last day of the last pay week included in the same report.

In reporting months in which there are four pay weeks, this MRWP will consist of four separate spreadsheet files (one for each week), and in reporting months in which there are five pay weeks, it will consist of five separate spreadsheet files (one for each week), etc.

There should be one row for each paycheck, and one column for each of the fields listed in the supplemental document, Column List A (see the section entitled “Using the Union’s Secure

Website" on page 6 if you have not yet downloaded this list). The number of rows in the spreadsheet must equal the number of paychecks issued to employees during that week (in addition to the first row which contains the Column Heading Codes listed in Column List A).

## 2. The "NOT-ON-THE-PAYROLL REPORT" ("NOPR")

NOTE: If there were no employees who did not receive a paycheck and who were employed by the shop at any point during the pay weeks covered by this reporting month, you do not need to submit this report.

This report will consist of one spreadsheet file listing every bargaining unit employee who was employed by the shop at any point during the reporting month covered by the MRWP (including employees who were hired or terminated during that reporting month) but who did not receive a paycheck in any of the pay weeks during that reporting month.

This list should include employees who received no pay during the reporting month but who were employees of the shop at any time during the reporting month (including, but not limited to, employees on extended vacation, suspension, medical leave, leave of absence, or layoff, and substitute or extra employees who did not work). Do not include any employees who received one or more paycheck and who would therefore appear in the MRWP.

There should be one row for each listed employee, and one column for each of the fields listed in the supplemental document, Column List B (see the section entitled "Using the Union's Secure Website" on page 6 if you have not yet downloaded this list). The number of rows in the spreadsheet must equal the number of employees of the shop who were employed by the shop at any time during the reporting month covered by that reporting month who do not appear in the MRWP (in addition to the first row which contains the Column Heading Codes described in Column List B).

## 3. The "MASTER SHOP ROSTER" ("MSR")

This report will consist of one spreadsheet file listing every bargaining unit employee who was employed by the shop at any point during the reporting month covered by the MRWP (whether or not the employee worked, and including employees who were hired or terminated during that reporting month, and employees who have not yet authorized dues checkoff or begun paying dues).

The employees listed in this report should exactly match the combined list of employees who appear in the MRWP (excluding banquet roll-call employees) and the NOPR for that reporting month.

There should be one row for each listed employee, and one column for each of the fields listed in the supplemental document, Column List C (see the section entitled "Using the Union's Secure Website" on page 6 if you have not yet downloaded this list). The number of rows in the spreadsheet must equal the number of employees of the shop who were employed by the shop at any time during that reporting month (in addition to the first row which contains the Column Heading Codes described in Column List C).

## How to Format the Reports

To be properly importable, it is important that you format these spreadsheets precisely as specified in these instructions, in .XLS, .XLSX, or .CSV format, with one column for each of the fields listed in the supplemental documents entitled "Column List A," "Column List B," and "Column List C" (see the section entitled "Using the Union's Secure Website" on page 6 if you have not yet downloaded these lists). Every listed column should be included, whether or not the column is applicable to your shop, and placed in the same order as listed. There should be no other rows in the spreadsheet for any other purpose (such as totals, subtotals, group headers, titles, etc.). There must only be one spreadsheet cell per column in each row. The spreadsheet file should consist of only one worksheet or tab. Delete any remaining blank worksheets or tabs in each file.

Column headings should be labeled only with the correct Column Heading Code (listed in the supplemental documents referred to as Column Lists). The only information contained in the spreadsheet should be the Column Heading Codes at the head of each column and the data contained in each field listed below, in the appropriate row and column (cell) of the spreadsheet.

No cells should be blank, unless there is no applicable data for the specified paycheck in that field. For example, the MRWP "Overtime Wages" field ("PRL08") should only be blank if no overtime wages were paid. However, certain fields should never be blank, like the NOPR "Social Security Number" field ("NP01") or the MSR "Checkoff Authorization Card" field ("WRK04"). Blank cells will indicate that you are affirmatively reporting that there is no data for the applicable field.

## List of Supplemental Documents

You can download the following supplemental documents from the union's secure website (see the section entitled "Using the Union's Secure Website" below):

Column List A	List of Columns for the MONTHLY REPORT OF WEEKLY PAYROLL	Important Reference File
Report Template A	Template spreadsheet file for the MONTHLY REPORT OF WEEKLY PAYROLL with the appropriate Column Heading Codes	Convenience Tool
Column List B	List of Columns for the NOT-ON-THE-PAYROLL REPORT	Important Reference File
Report Template B	Template spreadsheet file for the NOT-ON-THE-PAYROLL REPORT with the appropriate Column Heading Codes	Convenience Tool
Column List C	List of Columns for the MASTER SHOP ROSTER	Important Reference File
Report Template C	Template spreadsheet file for the MASTER SHOP ROSTER with the appropriate Column Heading Codes	Convenience Tool
Report Set-up Checklist	Use for setting up the Combined Report Form reports	Convenience Tool
List of Contractual Job Classification Codes	List of the contractual job classifications for this shop with reference codes to be used in the MASTER SHOP ROSTER	Important Reference File

### **Using the Union's Secure Website**

To download the supplemental documents and to satisfy your monthly reporting obligation, you will need to log in to HTC's secure website at:

**<https://SendToUnion.org>**

To manage your shop's login accounts for this site, please follow the instructions on the attached page entitled "Managing Access to HTC's Secure Website" which has information specific to your shop.

#### **1. Downloading Supplemental Documents**

Once you have logged in to the site, click the "Download CRF Supplemental Documents" link, which will take you to another page with links to two files: "CRF Supplemental Documents Part A" (a zip file, containing the first seven of the supplemental documents listed in the table above), and "CRF Supplemental Document Part B" (a zipped Excel file containing the "List of Contractual Job Classification Codes" specific to your shop).

#### **2. Submitting the Monthly CRF**

When you have logged in to the site, move your cursor to the "Reports" menu at the top of the page and choose the menu item entitled "Submit CRF."

Enter the requested information and follow the prompts to select the files you wish to upload. Only the following file formats are acceptable: .xls, .xlsx, .csv.

If your reports were uploaded successfully you will see a confirmation message including a confirmation code with information about the file(s) you uploaded. In addition, you will receive an email confirmation from [automated.reports@nyhtc.org](mailto:automated.reports@nyhtc.org) (you may wish to add this email address to your contacts to help ensure that you will receive these confirmation messages, but do not send email to that address).

### **Reporting Deadline**

The new monthly reporting method for dues checkoff remittance and reporting of hours and wages for the Benefit Funds will go into effect with the reporting month of September 2014. In accordance with the existing practice, these reports will be due no later than 5:00 p.m., on the 10th day of the calendar month following the reporting month.

**IMPORTANT:** Do not submit any reports by email. Only use the union's secure website.

### **Questions**

Please refer any questions regarding these instructions to: [employerinquiries@nyhtc.org](mailto:employerinquiries@nyhtc.org) (and include your name, shop, contact information, and question).

Thank you for your anticipated cooperation.