# KANE KESSLER, P.C.

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#### **MEMORANDUM**

DATE:

August 14, 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:

Notice of Union Dues Rates and Initiation Fees

Enclosed please find a notice of new dues rates and initiation fees issued by the Hotel Trades Council. The new dues rates and initiation fees will go into effect beginning in the first pay week ending on or after September 7, 2014.

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 Lydakis.

cc:

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



August 11, 2014

Via Electronic & Regular Mail Joseph E. Spinnato. Esq. Hotel Association of New York City, Inc. 320 Park Avenue, 22nd Floor New York, NY 10022

Re.: Notice of Union Dues Rates and Initiation Fee

Dear Mr. Spinnato:

I am writing to inform you of the new dues rates and initiation fees that will go into effect beginning in the first pay week ending on or after September 7, 2014. The enclosed letter was sent to each Hotel Association member hotel and further explains these changes. Thank you for your cooperation with this matter. Please call me at 646.530.1158 if you have any questions or concerns.

Sincerely,

Richard Maroko

C) 12.019

Executive Vice President and General Counsel

Enclosure

cc: David Rothfeld, Esq.

RM/mf



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

August 8, 2014

Dear HR Manager,

Please be advised that 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 letter explains the changes to the dues rates and initiation fee. The Union will provide you with new instructions for reporting before the September report submission deadline.

#### **New Dues Rates**

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

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.

Reminder: Employers must retain in their records the signed dues checkoff authorization cards from those employees who have authorized dues checkoff.

#### **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 have not yet finished paying their initiation fee, are only required to pay the old initiation fee of \$100, which should continue to be deducted in 10 weekly installments of \$10.

#### Defense Fund

The Defense Fund assessment continues almost exactly as before. Upon an employee's completion of payment of the appropriate initiation fee (as described above), 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 the employee's obligation to pay the \$1,040 Defense Fund assessment is satisfied (by payment or waiver), you should immediately begin deducting a permanent monthly (not weekly) Defense Fund assessment of \$2 from the employee's first paycheck every month. Deducting the \$2 Defense Fund assessment monthly, in each employee's first paycheck of the month, is the only change from the current policy regarding Defense Fund deductions.

### 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.

## **New Combined Reporting Form ("CRF")**

The Union will notify you soon regarding the new reporting method.

#### Questions

Please refer any questions regarding this notice to: <a href="mailto:employerinquiries@nyhtc.org">employerinquiries@nyhtc.org</a> (and include your name, shop, contact information, and question).

Thank you for your anticipated cooperation.

Sincerely.

President