

Chicago & Vicinity Laborers' District Council

Health & Welfare Fund • Retiree Health & Welfare Fund • Pension Fund



11465 W. Cermak Road, Westchester, IL 60154-5768 | www.chicagolaborersfunds.com Toll Free: (866) 906-0200 • Telephone: (708) 562-0200

January 2025

RE: Important Guidelines for Contributing/Reporting Benefit Fund Contributions When Working Out of Town

Dear Employer,

The Chicago & Vicinity Laborers' District Council Benefit Funds ("Chicago Funds") are sending this communication to remind all signatory employers of the importance of proper contribution reporting when taking Chicago Laborers (union members with Chicago Laborers' Local Union membership) to perform work outside the jurisdiction of your collective bargaining agreement with the Construction & General Laborers' District Council of Chicago & Vicinity ("Chicago Laborers' District Council").

Signatory employers who work outside the jurisdiction of the Chicago Laborers' District Council **and are also under contract** with a local laborers' union in that out of area jurisdiction, must report and remit contributions to that local's benefit funds for all Laborers' work performed in that area. Benefit funds outside the Chicago Laborers' District Council's jurisdiction are referred to as "Away Funds."

Reciprocity with Away Funds

The Chicago Funds have reciprocity agreements in place with many "Away Funds" to facilitate the transfer of pension and/or welfare contributions for Chicago Laborers back to the Chicago Funds for work outside the Chicago Laborers' District Council's jurisdiction. Your employees who are not members of a Chicago Laborers' Local Union cannot have contributions transferred back to the Chicago Funds.

If there are reciprocal agreements in place with an Away Fund and your Chicago Laborer wishes to have pension and/or welfare contributions transferred from the Away Fund to the Chicago Funds, they will only be transferred when a fully executed transfer form for that member is on file with the Away Funds. Contribution transfers are only authorized and accepted by Away Funds directly from your Laborer employees. An employer cannot request a contribution transfer on their employee's behalf. Chicago Laborers can contact the Fund Office for assistance in completing and submitting transfer forms to an Away Fund.

Employers who are not familiar with the proper reporting of contributions for work performed outside the jurisdiction of the Chicago Laborers' District Council should contact the Fund Office prior to commencing work. Improper reporting of contributions can result in delinquent contributions, interest and liquidated damages assessments by the Away Funds having jurisdiction of the work performed.

Welfare Fax: (708) 562-0716

Pension Fax: (708) 562-0790

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Employer Participants: Chicagoland Associated General Contractors, Great Lakes Contractors Association, Illinois Road and Transportation Builders Association, Mason Contractors Association of Greater Chicago, Underground Contractors Association, Chicago Area Drywall Supply Association, Chicago Area Independent Construction Association, Chicago Area Hall Contractors Organization, Chicago Area Scaffolding Association, Contractors Association of Will and Grundy Counties, Concrete Contractors Association of Great Chicago, Chicago Demolition Contractors' Association, Illinois Environmental Contractors Association, Illinois Small Pavers Association, i.e. all those who employ Laborers Engaged in the Building and Construction Industry.

Making Up the Difference - Supplemental Contributions

The contribution rates and the benefit levels for the Chicago Funds may be higher than Away Funds. Employers may agree to provide their Chicago Laborers with Chicago level benefits on a project in the jurisdiction of an Away Fund. The difference in contributions can be made up with supplemental contributions for Chicago Laborers on that project paid directly to the Chicago Pension and/or Welfare Funds.

When agreeing to make up the difference in contribution rates and benefit levels for Chicago Laborers, employers should be aware of the following rules:

- Supplemental contributions are project specific. An employer may agree to make up the difference on one out of area project but is not required to do so on all projects.
- Supplemental contributions must be made for all Chicago Laborers on that project, for the duration of that project.
- An employer may agree to make up the difference for Pension contributions only, Welfare contributions only, or both Pension and Welfare contributions.

To make up the difference in contribution rates and benefit levels for Chicago Laborers, employers must adhere to the following procedures:

- Prior to commencing work in an out of area jurisdiction, contact the Fund Office, Finance Department, to confirm a reciprocity agreement is in place with that jurisdiction.
- Report and remit contributions to the "Away Funds" as required by the area labor agreement to which you are signatory.
- Request a Supplemental Contribution Reporting Form from the Finance Department to calculate and remit your monthly supplemental contribution for the duration of the project.
- Submit to the Finance Department copies of the monthly contribution reporting forms filed with the Away Funds for the duration of the project.

Disclaimer

The Chicago Funds' reciprocal policies do not require Laborers to request a transfer of their contributions back to the Chicago Funds, nor do they require an employer to make supplemental contributions for work perform out of jurisdiction. The policies provide the opportunity for your Laborers to maintain their full benefits with the Chicago Funds when they work out of jurisdiction. Your collective bargaining agreements control your obligations to contribute to the benefit funds in the jurisdiction where the work is performed.

Additional information including the Funds' Collection Policies & Procedures and Payroll Compliance Audit Policies & Procedures can be located at: www.chicagolaborersfunds.com or by contacting the Finance Department at 708-562-0200.

Sincerely,

Catherine Wenskus Fund Administrator

Cc: Construction & General Laborers' District Council of Chicago & Vicinity