# **NEWS FLASH: NOVEMBER 25, 2020**

# **Public Health Emergency Extended Another 30 Days**

On Sunday, November 22, 2020 Governor Murphy signed Executive Order No. 200 to again extend the Public Health Emergency another 30 days. "Despite the hope that is on the horizon, the COVID-19 pandemic is far from over," said Governor Murphy.

# NJDOL Investigates - Solar Company Owes \$800K in Unpaid Wages!

The now defunct Code Green Solar LLC, of Camden County, was cited for wage and hour violations on a prevailing wage project in Hillsborough. The NJDOL investigated after several employees filed complaints and issued the assessment and a notice of debarment. Code Green did not request a hearing to contest so the assessment and debarment are final.

"New Jersey's wage laws exist to protect workers' rights," said Labor Commissioner Robert Asaro-Angelo. "Our investigators are committed to ensuring compliance with these laws, weeding out bad actors, leveling the playing field for businesses that play by the rules and getting our workers the wages they are entitled to. We look forward to delivering this money to the workers who earned it." NJDOL Press Release

### CDC Updated Definition of "Close Contact"

In a late October update, the CDC reported that there is evidence that droplets can be transmitted farther than 6 feet in certain indoor conditions. They further explained that the 15 minute threshold is a cumulative total of 15 minutes or more over a 24 hour period. *CDC Definitions & Guidelines* 

### PPP Loan Guidance Clarifies Deductibility on Federal Tax Return

The SBA gave out \$525 billion in PPP loans with more than \$12 billion of that going to contractors. The loans are forgivable if 60% of the monies are used for payroll and 40% for other allowable business costs. The Treasury and IRS recently issued guidance clarifying the tax treatment of loan proceeds; expenses paid for by the loan, that are forgiven, are not tax deductible in order to prevent a "double tax benefit." These tax implications can be a little confusing and some firms may get hit with higher tax bills so be sure to check with your accountant. Articles and more information:

- <u>PPP-Funded Expenses Not Deductible for Borrowers that Receive Forgiveness</u>
- Treasury and IRS Issue Guidance Clarifying the Deductibility of Expenses Where a Business Received a PPP Loan

# Library Construction Bond Act - \$87.5 Million Awarded

In November 2017 New Jersey voters approved of the Library Construction Bond Act (LCBA) which authorized \$125 million in general obligation bonds to finance capital projects for the construction, expansion and equipping of New Jersey's public libraries. In early November of this year, the Legislature reviewed a list of proposed projects. All applicants had to identify a 50% match to fund their projects. Governor Murphy signed legislation on November 20, 2020 and authorized \$87.5 million for the first round of funding for projects that will provide crucial improvements, upgrades, and new technology. Ten new library buildings are also included in this first round of funding. *Projects to* 

Receive Funding

The State Librarian, in consultation with the President of Thomas Edison State University, is responsible for the administration and oversight of the Construction Library Act. A second round of awards is planned for the first quarter of 2021.

# Securing Our Children's Future Bond Act - \$500 Million Authorized

Early in October, grant applications were made available for \$500 million in bonds from the Securing Our Children's Future Bond Act, previously approved by New Jersey voters in November, 2018. In addition to \$75 million for School Security, \$100 million for Water Infrastructure (applications were due by November 20, 2020), and \$50 million for CTE Programs in County Colleges, the Securing our Future Bond Act includes \$275 million for CTE Programs in County Vocational-Technical School Districts to support the expansion of their CTE programs including building, expanding, and renovating facilities (applications are due March 2021). *Murphy Administration Announcement Details* 

Visti Our Website for All COVID-19 Resource Links

#### CONSTRUCTION OUTLOOK

As the COVID-19 pandemic, and safety protocols to control it, still trouble the country, employment continues to be impacted. The national unemployment rate in October fell to 6.9%, down 1 percentage point from September 2020 of 7.9%, but was 3.3 points higher than October 2019's pre-pandemic rate of 3.6%.

Construction added 84,000 jobs in October. Specialty trade contractors added 28,000 non-residential jobs and 18,000 residential. Building construction, and heavy and civil engineering construction, each added 19,000 jobs. In the last six months construction has added 789,000 jobs, but employment is down by 294,000 since February.

New Jersey's total unemployment rate was 8.2% in October, up from 6.7% in September. The New Jersey DOL November 19, 2020 press release reports that there was an increase in construction jobs which added 1,100 jobs in October for a total of 150,500 employed compared to September's 149,400. October 2020's numbers represent a change of -10,100 from the pre-pandemic levels for October 2019.

# Dodge Data & Analytics 2021

Released earlier this month, the 2021 outlook predicts a slow and uneven recovery throughout the year. Dodge Data & Analytics Chief Economist, Richard Branch, said "While the recovery is underway, the road to full recovery will be long and fraught with potential potholes. After losing an estimated 14% in 2020 to \$738 billion, total construction starts will regain just 4% in 2021." *Click Here* for the entire report and the pattern of construction starts for specific segments.

### **Architectural Billings Index (ABI)**

As decline in billings continue to slow in October, architecture firms report an increase in contracts signed for new work:

- Design Contracts are reported to be 51.7, up from 48.9 in September,
- Billings are reported to be 47.5, up from 47 in September.

Reports of rising prices of construction materials in many parts of the country are impacting many firms' material selection choices; some are putting projects on hold or dropping them entirely and some are redesigning to accommodate higher costs. *ABI for October 2020* 

### EARN LU/HSWs



# ICE ANNUAL MEETING IN REVIEW



#### INTERNATIONAL COUNCIL OF EMPLOYERS

of Bricklayers and Allied Craftworkers

The Annual ICE Meeting was held virtually this year on November 17-18, 2020. We heard from *Robin Donovick* about BAC IHF Health Care Benefits and the Plan rules designed with BAC Craftworkers in mind, and *David Stupa*r on IPF Retirement Benefits. CPWR's *Chris Trahan Cain* talked about improving conditions for construction workers and jobsites, and Littler's *Brad Hammock* about silica enforcement and COVID-19. There was a review of Wages, Workers & Winning Scoreboards comparisons from CLRC's *Carey Peters*, and a Legislative Outlook from Center Hill Solutions' *Colin Keohen*. Attendees also learned more about programs and initiatives from *Caryn Halifax*, CEO/President, IMI/IMTEF and *Tim Driscoll*, President, IUBAC.

No ICE Annual Meeting would be complete without an "After Hours Social Gathering". This year was no exception! Our Host, Comedian/Impressionist Steve VanZandt, entertained the group while attendees also had a chance to tell their best (or worst) jokes, to be judged by the Host. Jim O'Connor, Executive Director of the Mason Contractors Association of Greater Chicago, was crowned the winner and awarded a \$200 Amazon Gift Card. Masonry Contractors of New Jersey's Executive Director, Carol Ciesielski, came in a close second but Jim's infamous Irish accent won over our Host.

# A TIME FOR GIVING THANKS

At a time of year when being thankful is on everyone's minds, Masonry Contractors of New Jersey would like to tell our members how grateful we are for you and your continued support over the years.

2020 has been a year like no other, and despite its added challenges, we remain focused on our members and showing our appreciation to you for being a part of the Association.

We wish all of you and your loved ones a Safe & Happy Thanksgiving!

Visit our website www.mcofnj.org for more information