

OE 324 claims that the health care plan cannot legally accept contributions from the MITA contractors and provide benefits to the operating engineer employees without a signed labor contract. This claim is untrue.

Federal courts have ruled that a signed, unexpired collective bargaining agreement between an employer and a union is not required before the health care fund can accept contractor contributions and credit employees for health care coverage. In fact, there is a written agreement authorizing the health care fund to accept the contributions and cover the employees. That written agreement is the Operating Engineers Local 324 Health Care Plan Agreement and Declaration of Trust. Under the health care plan, a “contributing employer” includes any “employer engaged in work coming within the jurisdiction of the union which contributes to the trust fund...” All MITA contractors who have given MITA a power of attorney are working within the jurisdiction of the union and are contributing to the trust fund. Therefore, the trust fund should be applying the contractor contributions to the benefit of the employees.

In reality, this is a manufactured situation created by the union’s refusal to meet with MITA to engage in good faith bargaining for a new contract. Even though the union refuses to meet on this important issue, on June 6, 2018, MITA reached out to OE 324 Business Manager Douglas Stockwell, asking him to put our differences aside and sign “a very limited extension - only for health care benefit purposes” to help the union members and their families. OE 324 rejected this simple, limited proposal to continue health care benefits.

The employers are working to resolve the health care issue. There was a recent attempt to continue health care benefits for the road and distribution employees. A motion was made by MITA representatives at the June 19, 2018 special meeting of the Operating Engineers’ Local 324 fringe benefit funds for the trust funds to accept contributions from the road and utility distribution contractors who have given MITA their power of attorney. That motion was not supported by the union trustees and did not pass.

According to the current trust fund rules, eligible road employees have health care benefits through August 31, 2018 and eligible utility distribution employees have health care benefits through July 31, 2018. MITA and the contractors are not giving up on resolving this matter.

The bottom line is that the contribution and credit issues can be easily resolved by Business Manager Stockwell’s signing of the June 6, 2018 MITA letter allowing health care contributions to continue during this process.