



SHEET METAL, AIR CONDITIONING & ROOFING CONTRACTORS ASSOCIATION

CONTRACTOR UPDATE

October 2020

The Impact of the Pandemic on Productivity

The New Horizons Foundation has commissioned a study to quantify the impact of the pandemic on construction productivity. We encourage you to read the study so you are not surprised by a drop in productivity and you can take action to maintain or improve profitability. Sheet Metal Contractors can use this resource to:

- Reduce pandemic related productivity losses
- Seek compensation and change orders for lost productivity
- Adequately price upcoming work that will occur during pandemic work rules and conditions
- Properly formulate financial projections

You can access the study by clicking here:

[New Horizons - Pandemic and Productivity](#)

The New Horizons Foundation is led by HVAC and sheet metal contractors, industry partners and leading researchers. Their mission is to turn good ideas into research that will give HVAC and sheet metal contractors a chance to grow. The Foundation commissions investigations of business management issues and strategies that are important to every contractor's growth and productivity.

SMACNA Members have access to all of the New Horizons Foundation reports and white papers free of charge. www.newhorizonsfoundation.org.

Paid Time Off to Vote

Election Day is Tuesday, November 3rd and Minnesota law mandates paid time off to vote. "Every employee who is eligible to vote in an election has the right to be absent from work for the time necessary to appear at the employee's polling place, cast a ballot, and return to work on the day of that election, without penalty or deduction from salary or wages because of the absence. An employer or other person may not directly or indirectly refuse, abridge, or interfere with this right or any other election right of an employee." Minn. Stat. §204C.04 (emphasis added).

Employers are allowed to ask for notice if an employee intends to be absent to vote. It may be worthwhile to remind employees taking time to vote that they will only be paid for the time necessary to go to the polling place, vote and return. Additional time to have lunch or run personal errands will not be paid. Employers may ask, but not require, employees to vote at the end of the day so as to limit the time away from work, if any. Employers cannot require paid vacation or other PTO be used for the time to vote.

State of Minnesota Bonding Bill

At the end of the last Special Session, the Legislature passed a bonding bill that included \$1.32 billion for building construction and \$544 million for transportation funding. The legislation also changed the Minnesota Tax Code to allow expensing of qualifying depreciable property consistent with the federal Section 179 limits. Federal law has allowed certain qualifying property to be expensed rather than depreciated beginning in 2018. Minnesota did not adopt all of the federal changes in its tax code. The current legislation does adopt the 2018 federal changes allowing expensing and allows for retroactive application back to 2018. We encourage you to consult your tax professional to determine the impact on your company.

SMARCA Safety Program

The pandemic and related work site restrictions has reduced the field time for our Safety Director Mark Walber. Mark has spent a considerable amount of time in the office updating and creating new safety policies. We understand many of these policies may not be immediately relevant to the work you are performing, but we want you to be aware of the many resources available through our Safety Program.

Zoom presentations may become a new tool for delivering safety training and Mark has been experimenting with this opportunity. In-person training continues to be available if needed and allowed. If you have a specific training need, we will do our best to find a solution that works for you. Mark continues to be a phone call away for safety questions or concerns you are encountering. His direct dial number is 651-260-0941.

Staying in Touch

As you know, SMARCA has eliminated most contractor meetings in the interest of safety and contractors not wanting in-person meetings. This has been a challenge for us because we are a member-driven organization and rely on contractor input for direction and determining industry needs. Whether we like it or not, virtual meetings have become part of all of our lives. SMARCA will be implementing more virtual meetings in the coming months to replace the in-person meetings.

Some contract areas have been open to in-person meetings. Please let us know if you would like to schedule lunch or other contractor meetings. Please also call us with questions and comments on what additional services and needs you would like us to address.

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