



# NERCA NEWS

NORTH / EAST ROOFING CONTRACTORS ASSOCIATION INC.  
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June 2020

## Save the Date for NERCA's Convention & Trade Show February 2-4, 2021

The NERCA Executive Committee and Board of Directors are pleased to announce that the Annual Convention & Trade Show has been rescheduled to February 2-4, 2021.

Despite the Convention slogan "See 2020 with NERCA", we were blindsided by COVID-19 in early March, the Association was forced to make the tough decision to suspend the 2020 Convention & Trade Show. Ultimately, this was the right decision, however it came at great cost for NERCA since we were one of the first of what would soon be numerous suspensions or cancellations as our country learned about social distancing and sheltering-in-place.



We are grateful to announce our new show dates. The Convention & Trade Show are part of the Association's culture bringing together our contractor and associate members along with other roofers from across the northeast. Now more than ever, we recognize the value of meeting in person to exchange ideas, find a competitive edge, and just have a few laughs.

The Hard Rock Hotel and Casino in Atlantic City is working with NERCA's staff and Board of Directors to cover every contingency and ensure that the rescheduled event will be every bit as successful as we know it would have been in 2020. As we proved earlier this year, the safety of our members, attendees, and staff will always come first, so please save the date!

**ANNUAL CONVENTION & TRADE SHOW**  
**February 2-4, 2021**  
**Hard Rock Hotel & Casino – Atlantic City, NJ**

## NERCA Resources Available

The Association always strives to deliver topical and relevant content for our members, but did you know that we have webinar recordings and a document library in our Members Only Section of NERCA.org?

Live viewings of our webinars are available to all our members and their employees. However, recordings of every webinar are available in the password protected Members Only section below.

<https://nerca.org/members-only/>

In addition, NERCA provides many of our older webinar recordings free to the public on our YouTube page. Please click the link below and subscribe!

<https://www.youtube.com/channel/UCGGuw5iU6FmD0GrGcq5KP5Q/featured>



# NERCA

**NORTH/EAST ROOFING CONTRACTORS ASSOCIATION**

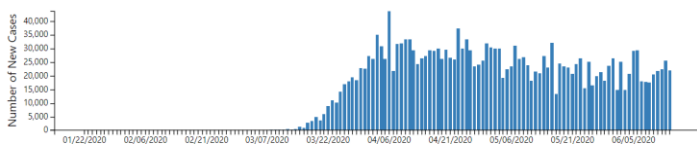
Also, NERCA members have free access to our template Safety Plan which now includes a COVID-19 addendum. The COVID-19 plan can be accessed in the members only section of the NERCA website at <https://nerca.org/members-only/covid-19-safety-plan/>. Members can also contact the Association staff to get a copy sent to them directly.

If you have any questions or comments regarding the safety plan, please contact John Ferrante, NERCA's Director of Government and Industry Affairs, at [jferrante@nerca.org](mailto:jferrante@nerca.org).

## As States Reopen, COVID-19 Still Prevalent in US

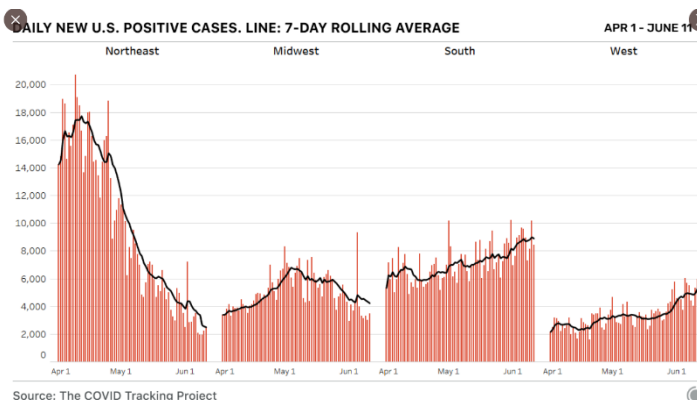
Over the past few weeks many states have begun reopening following months of required social isolation and government mandated business closures. However, we must keep the situation in perspective in order to avoid complacency.

The graph below depicts the daily count of new cases in the United States. As you can see, after the initial spike in cases, the total number of new cases has pretty much remained flat. This is a positive because it shows that the steps taken to limit the spread of the virus have worked. However, the number of new cases has not greatly declined which means that even though the virus may be currently under control, if reopening is treated as a return to normalcy then the curve could resume an upward trend.



As we are all aware, the northeast was the hardest hit area during the initial surge in cases of COVID-19. This is likely due to high population density as well as a steady stream of international travelers ensuring the disease was widely distributed before safety precautions had been implemented.

As a result, places like New York, New Jersey, and Massachusetts became epicenters for the disease. The graph below illustrates that the northeast region (left) has been responsible for the greatest decline in daily cases while the south and west are actually seeing an increase in new cases. This means that we must remain vigilant in order to keep the disease under control and that our hard won gains can't let us lose sight of the need for [continued precautions](#).



Source: The COVID Tracking Project

## With Unemployment Rate Falling, Is the Recovery On?

In May, just as states began to reopen, the Department of Labor reported an unexpected decline in unemployment. Many people with agendas, promoted or dismissed this to support their views on political leaders and government restrictions.

Construction employers have learned to expect boom and bust cycles in our industry. However, after a 4-month period in which the economy was basically frozen in time, what kind of outlook should the industry expect moving forward?

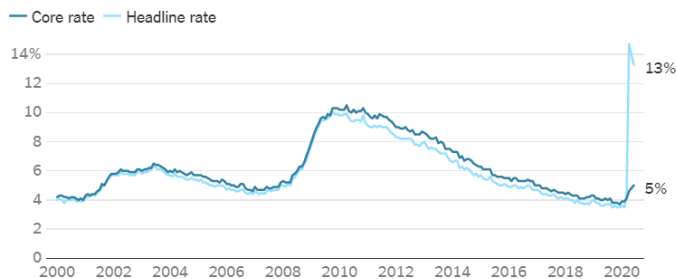
For now, most experts don't believe the optimism. Jerome Powell, Chairman of the Federal Reserve informed the public that they plan on keeping interest rates at or near 0% well into 2022 which is how long they believe it could take to recover. Chairman Powell also indicated that many of the 40 million unemployed might never get their jobs back in industries like restaurants, hospitality, and others.

The Massachusetts Legislature recently heard from Bob Luz, President of the MA Restaurant Association, who said that they predict over 20% of restaurants will never reopen. The Massachusetts Taxpayers Foundation is predicting that state revenues will not recover from the pandemic until FY 2025 as sectors of the economy like healthcare, higher education, tourism, and commercial real estate will be "fundamentally altered".

Even that rosy jobs report is being questioned as an outlier. Most people expected unemployment to fall as states reopened some industries, however a more detailed analysis of the unemployment rate reveals that sustained joblessness has begun rising even as temporary unemployment falls. This signals the types of permanent job losses being warned about.

### Core vs. Headline Unemployment

The headline unemployment rate is now falling from the highest level since the Great Depression. Core unemployment is relatively low but climbing.



Core rate = U-5 minus temporary unemployment. Headline rate = U-3.

Source: Bureau of Labor Statistics • By The New York Times

## Supreme Court Rules Sexual Orientation and Identification Now Protected Classes

The US Supreme Court recently extended discrimination protections under Title VII to cover a person's sexual orientation and gender identity. Title VII protects people from employment discrimination based on race, color, religion, sex, or national origin.

If you are not familiar with employment law, then you could have mistakenly thought these were already protected classes. However, the 6-3 ruling was the first time that the Supreme Court granted these protections to LGBTQ individuals.

The ruling was even more surprising because several conservative Supreme Court Justices ruled in the majority including President Trump's first appointee Justice Neil Gorsuch who also wrote the decision.



Justice Gorsuch's opinion was not based on any change in his conservative politics, but rather on his textualist belief that the law must be interpreted based on how it is written. The opinion holds that LGBTQ people are protected from discrimination because sex is the determining factor of whether their relationship or identity is deemed proper.

The opinion uses examples to exhibit how the logic plays out for LGBTQ people. "Consider, for example, an employer with two employees, both of whom are attracted to men. The two individuals are, to the employer's mind, materially identical in all respects, except that one is a man and the other a woman. If the employer fires the male employee for no reason other than the fact he is attracted to men, the employer discriminates against him for traits or actions it tolerates in his female colleague." "Or take an employer who fires a transgender person who was identified as a male at birth but who now identifies as a female. If the employer retains an otherwise identical employee who was identified as female at birth, the employer intentionally penalizes a person identified as male at birth for traits or actions that it tolerates in an employee identified as female at birth. Again, the individual employee's sex plays an unmistakable and impermissible role in the discharge decision."

## Companies Consider Insurance Claims Against COVID-19 Related Losses

With most of the US economy on pause for the last 8 weeks, business owners are beginning to feel the pinch of liquidity issues and considering their options regarding how to remain solvent if the economy is slow to reopen.

Many employers were quick to apply for government programs designed to keep them afloat. The Payroll Protection Program (PPP) has been popular with construction employers but is designed to keep businesses afloat not generate any profit. As a result, many employers are considering other possibilities to decrease their losses during this period.

Business Interruption Insurance is a policy designed to cover any revenue lost because of a catastrophic business closure. Typically, this type of insurance is utilized following natural disasters like hurricanes or tornados. While property insurance would help the business physically rebuild, business interruption insurance protects the employer by covering lost profits, fixed costs, and other extra expenses beyond their typical overhead.

When COVID-19 shut down the economy, many businesses began to turn to their insurers to pay out on these policies as their businesses suffered economically. Insurers have uniformly rejected these claims because pandemics are not explicitly stated as covered. However, some policies do list pandemics as excluded from coverage, which has led businesses to argue that some insurers were making a distinction when others may not have considered it.

Many businesses are wary to challenge a determination by their insurers which can also provide other insurance products that the businesses need to operate. Therefore, some employer groups are filing suit on behalf of their members to ensure some level of insulation from the lawsuit.

Already, there are several class-action suits against several insurers. President Trump has weighed in that he believes insurers should pay out on policies that do not specifically exclude pandemics. Meanwhile, Massachusetts and New York have legislation pending to require coverage under these policies. The Treasury Department has weighed in on this and similar federal legislation stating that insurers cannot be required to provide a certain type of coverage after the fact.

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## CORONAVIRUS LEGISLATIVE CORNER

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### **NATION: Total Cases – 2,263,756**

As the economy reopens, employers are concerned about lawsuits involving claims of unsafe practices if customers or employees contract the coronavirus. So, lawmakers are examining various proposals for liability protections to include in the next COVID-19 relief legislation. The GOP has indicated that liability protection for businesses is a top priority in the next round of legislation. However, House Democrats have already shown their hand in their next stimulus bill the Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act which does not include any such liability protections for business owners.



### **CONNECTICUT: Total Cases – 45,510**

Governor Ned Lamont announced that his administration has [released documents detailing specific rules](#) for eligible businesses falling under phase 2 of Connecticut's reopening plans which took effect on June 17. Phase 2 includes the following sectors: hotels, indoor dining, museums, zoos, aquariums, indoor recreation (e.g. bowling, movie theaters, etc.), libraries, sports, and fitness facilities (e.g. gyms, fitness centers, pools, etc.)

### **MAINE: Total Cases – 2,878**

Gov. Janet Mills announced this week that more businesses can begin the reopening process in Cumberland, York, and Androscoggin counties. Now all 16 Maine counties are in the same phase of reopening. Restaurants in Cumberland, York, and Androscoggin counties can reopen for dine-in service with added health and safety protocols outlined in the [COVID-19 Prevention Checklist](#).

### **MASSACHUSETTS: Total Cases – 106,422**

As the number of new cases continues to decline, Gov. Charlie Baker is likely to announce that restaurants and other high-contact businesses like nail salons should be permitted to open for indoor operations. Phase 2 of the reopening has happened in two steps, with activities such as indoor restaurant dining put on hold and businesses like nail salons told to wait a little longer. The second step of Phase 2 also included tanning salons, tattoo parlors, personal training, massage therapy, hair removal, and hair replacement.

### **NEW HAMPSHIRE: Total Cases – 5,450**

Governor Chris Sununu has allowed restaurants and hotels to resume 100% indoor capacity for operations. In addition, there are plans to reopen day camps, overnight camps, adult day services, amusement parks, movie theaters, and concert venues by the end of the month. All business are required to follow the [universal guidelines](#) in order to reopen and must ensure compliance with the guidelines to ensure customer and employee safety.

### **NEW JERSEY: Total Cases – 171,029**

Governor Phil Murphy announced a smooth transition to Phase 2 of a [multi-stage approach](#) to reopen the state. This allows restaurants and bars to open outdoor dining and retail stores to permit shopping at 50% capacity. Also, daycare centers and places of worship were allowed to open at limited capacity. All indoor gatherings are currently limited to 50 people, or 25% of a building's capacity — whichever number is less. The limit for outdoor gatherings is currently 100 people, although this could [increase to 250 by June 22 and double to 500 by July 3](#).

### **NEW YORK: Total Cases – 408,426**

Mayor Bill de Blasio announced that NYC will enter Phase 2 of reopening under the state's reopening plan next week. In Phase 2, outdoor dining, playgrounds some in-store shopping, hair salons, barbershops, real estate firms and offices in the city [would be allowed to open up in the second phase](#), with social distancing and restrictions on capacity. The Mayor announced that the 43 miles of streets that have been closed to give residents more access to the outdoors would remain closed with restaurants being allowed to host dining on sidewalks and streets beginning in July.

### **PENNSYLVANIA: Total Cases – 84,792**

Mayor Jim Kenney says Philadelphia is on track to enter the green phase of Pennsylvania's reopening plan as early as July 3<sup>rd</sup>. In announcing plans for Reopening With Care, the mayor said on Thursday that it's contingent on COVID-19 rates continuing to decline. The city will allow certain activities to resume on Friday, June 26, including residential or private swimming pools, salons, barber shops and spas, religious gatherings up to 25 people and zoos from the outside only.

### **RHODE ISLAND: Total Cases – 16,269**

Rhode Island has been in Phase 2 since June 1. Businesses once closed have been allowed to reopen with relatively few issues. In fact, the state has now reported a positive test rate below 2 % for the first time since early March. Channel 12 WPRI [reports](#) that the curve continues to flatten even as businesses resume operations throughout the state.

### **VERMONT: Total Cases – 1,135**

Vermont, one of the state's least impacted by the pandemic, has now detailed a reopening plan for public schools in the fall. Governor Phil Scott emphasized that continuous testing and safety precautions like mask wearing and alternative schedules for lunches and other high contact activities were critical to ensure that schools could reopen. However he believes it is critical to get students back to school in the fall and said the state continues to work with colleges and universities to ensure that they are able to bring back their students as well.