



Labor & Employment Issues In Focus

Pitta LLP
For Clients and Friends
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THAT'S A WRAP ON ACTORS' STRIKE AS SAG-AFTRA REACHES AGREEMENT AFTER 118 DAYS

The film and television industry looks to be back in business. The Screen Actors Guild-American Federation of Television and Radio Artists (“SAG-AFTRA” or “Union”) reached a tentative agreement with the Alliance of Motion Picture and Television Producers on November 8, 2023 after a months-long strike. The Union’s National Board approved the agreement by a vote of 86% to 14% and recommended a vote of “yes” to the general membership, which will vote to ratify the contract between now and December 15, 2023.

The three-year contract earns the actors some serious gains. Wage-wise, they will be getting a 7% hike in minimum pay, which is the Union’s largest increase in minimum wages in the last forty years. Another 4% increase will go into effect in July 2024, with another 3.5% increase effective in July 2025. Background actors will receive an 11% increase beginning November 12, 2023, with another 4% in July 2024 and 3.5% in July 2025. For the first time, the number of background positions that are “covered” by the contract on the West Coast will equal those on the East Coast, which is projected to add 11,000 new covered background workdays per year.

As to Health and Pension/Retirement Funds, the contribution cap for one-hour productions will increase by nearly 43%, and the contribution cap for half-hour productions will increase by nearly 67%. This will not only result in increased contributions, but also expand the number of performers who qualify for coverage.

As with the recent Writers’ Strike, streaming was one of sticking points in the negotiations. The contract provides for \$40 million dollars a year in streaming bonuses for streamed shows that do extremely well, with 75% of the bonuses going directly to the performers on the shows and 25% to the broader union membership, on top of existing residuals. This provision is designed not only to benefit the actors on shows that go viral, but also provide pooled additional compensation and sustainability that reaches a larger group of actors.

The contract also addresses unique social concerns for actors, including hair and makeup equity provisions to ensure that actors have access to hair and makeup professionals who are qualified to work with a range of hair types and skin tones. The contract also eliminates “wiggings,” where male stunt doubles are put in wigs to perform women actors’ stunts, and “paintdowns,” where white stunt doubles are literally painted to match actors of color. The contract also requires the sharing of aggregate diversity statistics and access to gender-affirming care and translation services. Also included are

heightened sexual harassment prevention protections, such as increased use of intimacy coordinators.

Other provisions include improved relocation allowances and protections for the casting process, including limitations on page numbers and notice requirements, compensation for memorization, and a prohibition on requiring actors to audition in anything more revealing than a bathing suit that could be worn at a public pool.

BIG CHANCE OF BIG STRIKE BY BIG PURP

In the heart of New York City, the Service Employees International Union, Local 32BJ (SEIU 32BJ) (“Union”), representing 20,000 commercial maintenance workers, is at a critical juncture as its collective bargaining agreement is set to expire on December 31, 2023. This contract, vital to the livelihoods of these workers, spans over 1,300 commercial buildings. This includes iconic City landmarks like the Empire State Building, Rockefeller Center, Hudson Yards, One World Trade Center, Grand Central, the Museum of Modern Art and New York University.

The COVID-19 pandemic left a lasting mark on these workers as during its peak, a third of the Union’s office cleaners were temporarily laid off, with about 2,000 jobs not returning. Now, as they approach contract negotiations, they face a daunting real estate landscape, with approximately twenty percent office space vacant in Manhattan.

The potential for a strike looms large, though it has been almost thirty years since the Union’s last strike in the winter of 1996. That strike, which lasted a month with around 1,000 commercial buildings going without approximately 35,000 maintenance workers, led to significant disruptions, highlighting the indispensable role these workers play in maintaining the city's infrastructure, especially during the winter months. That strike required building managers to hire temporary replacement workers who were unable to match the 32BJ members’ work. Bathrooms became unusable and garbage piled up in offices. The memory of near-strikes, like the one in 2010 involving more than 3,000 apartment buildings and 30,000 Union doormen, porters, janitors, and building superintendents underscores the tense atmosphere surrounding these negotiations.

With soaring living costs in New York City, union representatives have been advocating for wage increases and health insurance protection, as they gathered in a powerful demonstration of unity and determination in recent weeks. The Realty Advisory Board on Labor Relations, representing the city's major commercial building owners, points to the pandemic-induced shift to remote work and high vacancy rates as significant challenges. Their stance suggests a need for flexibility in the collective bargaining agreement to ensure the industry's sustainability.

This situation is not just a local issue but part of a larger national labor movement as strike news in recent years seems to appear almost daily. The negotiations between

the Union and the Realty Advisory Board are symbolic of the broader struggles faced by workers in adapting to the post-pandemic economic landscape.

THE AMAZON VERDICT - A LANDMARK IN PROTECTING DISABLED EMPLOYEES IN THE WORKPLACE

In a groundbreaking verdict that has sent ripples across the corporate world, a California jury awarded \$1.2 million in damages to a disabled former employee, Michael Kopp, against Amazon. This case is not just a victory for Kopp but a loud message to employers everywhere about the serious implications of failing to protect disabled employees.

Michael Kopp, who suffers from Asperger's Syndrome and Autism Spectrum Disorder, faced continuous harassment and belittlement at Amazon's ONT2 warehouse in California. Despite his pleas for help, Amazon's Human Resources department failed to take appropriate action, leading to Kopp's wrongful termination in 2020. This case highlights a severe violation of the legal obligations employers have towards disabled employees.

Under various federal and state laws, employers are required to provide a safe and non-discriminatory work environment for all employees, including those with disabilities, and reasonably accommodate disabilities where necessary. This includes the duty to investigate any complaints of harassment or discrimination and to take appropriate corrective action. In Kopp's case, Amazon's failure to act on his complaints and subsequent termination for his absence, which was a direct result of the harassment he faced, clearly violated these legal obligations.

This verdict is significant for several reasons. The award of damages for intentional infliction of emotional distress acknowledges the severe impact that workplace harassment can have on an individual's mental health, especially for those with disabilities. The verdict also serves as a stark reminder to corporations – union or otherwise – that they cannot ignore their legal responsibilities towards employees. It sets a precedent that companies, regardless of their size, are accountable for the actions of their employees and their own failure to address issues of harassment and discrimination. This case underscores the need for companies to review their policies regarding harassment and discrimination, especially towards disabled employees, and ensure that their staff, particularly in human resources, are adequately trained to handle such issues.

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