

# **DEFENSE FUND AND ROBERT LILJA MEMBERS' RELIEF FUND- LOCAL OFFICERS' GUIDE**

*The purpose of this guide is to assist Local officers in administering CWA's Defense and Robert Lilja Members' Relief Funds. We appreciate any suggestions or comments you may have on this workshop and the material that was distributed and covered.*

*Please send your suggestions and/or comments to:*

*Teri Pluta, Assistant to the Secretary-Treasurer  
Communications Workers of America  
501 3rd Street, NW  
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## **CONTENTS**

### **Section I History and Purpose**

*This Section gives a brief history of the Robert Lilja Members' Relief Fund and the Defense Fund and their stated purpose.*

### **Section II Getting Started**

*Instructions on the steps a Local Union should follow prior to the expiration of the Collective Bargaining Agreement.*

### **Section III Application of Fund Rules**

*This Section provides insight into the most common situations that we encounter in the administration and application of the Fund's Rules and Ground Rules.*

### **Section IV Health Care Benefits During Strikes**

*An easy reference guide to CWA's policies on providing health care benefits to strikers.*

### **Section V Record Keeping**

*Information is provided on CWA and IRS record-keeping requirements as it relates to Fund and IRS rules.*

### **Section VI Frequently Asked Questions**

*Contained in this Section are frequently asked questions (FAQ's) which will assist the Local officer in providing timely and accurate responses to members' queries.*

### **Section VII Frequently Asked Questions - Health Care**

*Some of the most commonly asked questions on COBRA elections and time frames as well as CWA policies relative to providing health care for strikers are answered in this Section.*

## **SECTION I**            ***History and Purpose***

The CWA Defense Fund was established by the 1952 CWA Convention. Its funding is maintained by a fifty-cent per capita per month allocation from member and agency fee payer dues.

CWA Defense Fund money is used to maintain the picket lines and reimburse Local Unions for increased costs, and other approved mobilization costs (as outlined in the Fund rules) during a strike.

The CWA Robert Lilja Members' Relief Fund was established by the 1990 CWA Convention. Its funding is maintained by an allocation of 1/4 hour of basic wages (.15%) per month from members and agency fee payers who are eligible to strike.

CWA Robert Lilja Members' Relief Fund money is used for direct assistance to strikers and victims of collective bargaining strategies, monies can also be used to provide necessary health care to strikers and victims (and dependents) of collective bargaining strategies.

The structure of our Defense/Member's Relief Fund is as follows:

- CWA Executive Board
- Defense Fund Oversight Committee
- CWA Fund Director
- Agents and Field Representatives (District Fund Directors)

Generally, the Locals' primary contact for assistance from either Fund is the District Fund Director. Appeals to the decisions made by District Fund Directors shall be directed to the attention of:

Jeff Rechenbach, Secretary-Treasurer  
Communications Workers of America  
501 Third Street, NW  
Washington, DC 20001-2797

## **SECTION II**            ***Getting Started***

It's always a good idea to proceed as if every Contract negotiation will end up in a strike. Prior to the expiration of the Contract Local Unions should:

- Determine the number of members and agency fee payers in the bargaining unit and notify your District Fund Director, who will then forward this information to the Secretary-Treasurer's Office. This number is used to make the ***initial*** deposit into the Local's Defense Fund and Robert Lilja Members' Relief Fund accounts. Thereafter, it is the Local's responsibility to provide a weekly Striker/Victim count to the District Fund Director.
- Establish two separate checking accounts, segregated from all other funds (resources) of the Local. These separate checking accounts are designated as the "CWA Local\_\_\_\_\_ Defense

Fund” and the “CWA Local \_\_\_\_\_ Robert Lilja Members’ Relief Fund.” You must set up these accounts as commercial banking accounts so that cancelled checks are returned to the Local with the monthly bank statements. We recommend that Locals set up direct deposit accounts so that we can wire transfer the necessary funds as quickly as possible.

- Appoint and train the Local Union Fund Director. The District Fund Director has the responsibility of providing the training. The Secretary-Treasurer’s Office is always available to assist in such training.
- In accordance with the CWA Constitution, a Local Community Services Committee (CSC) must be appointed. Among their other duties, the CSC has the responsibility of assisting the Local in the overall administration of our Funds and assisting strikers with their health care needs (in cases where an employer ceases to provide health care coverage during a strike).
- Identify members and/or their dependents who have no other source of health insurance, and whose healthcare needs have historically exceeded or are expected to exceed the monthly premiums.
- Have each member/agency fee payer complete and sign a “Striker Certification Form.” These forms can be found in the back of the “CWA Defense Fund and Robert Lilja Members’ Relief Fund Rules and Ground Rules” booklet.
- Select a Robert Lilja Members’ Relief Fund Option as stated in the Rules. RLMRF Funds may be distributed to strikers as:
  1. Flat payout each week regardless of need;
  2. On an “as needed” basis;
  3. A combination of need basis and flat payout.
- Notify every member and agency fee payer of the strike benefits that will be provided by the Union. Members and agency fee payers must also be advised as to their obligation to perform strike duty in order to qualify for these benefits.  
(See attached sample letter to members.)

### **SECTION III      *Application of Fund Rules***

#### **A.      DEFENSE FUND**

- Defense Fund assistance does not begin prior to the strike. Therefore, Local Unions are responsible for all expenses related to strike preparation.
- The Defense Fund can only reimburse the Local for “authorized expenditures” once a strike has started, provided such expenditures receive prior approval, and are directly related to strike activity and picket line maintenance.

- The Defense Fund **will not** reimburse Locals for expenses related to the normal operation of the Local, including strike preparation expenses, as well as any costs incurred in connection with the administration of the Defense Fund and the Robert Lilja Members' Relief Fund (i.e., cost of printing checks, postage, supplies, and banking fees).
- The Defense Fund **will not** reimburse a striker for expenses related to traveling to their primary picket line assignment. When travel expenses are authorized and necessary for picket line maintenance or strike activity, the Defense Fund **will** reimburse the Local for the actual cost of gas and/or public transportation. The Fund does not pay a mileage allowance.
- In addition to the items listed in the CWA Defense Fund and Robert Lilja Members' Relief Fund Rules and Ground Rules, the Defense Fund **may** also be used to support the Union's bargaining strategies where a strike is not in progress (i.e., public relations campaigns). A request for such assistance requires the support of two-thirds of the CWA Executive Board and the Defense Fund Oversight Committee.
- Locals must obtain permission from the District Fund Director **prior** to spending any money that they will want reimbursed by the Defense Fund. It is always a good idea to provide the District with a projected budget of Defense Fund expenditures. The District will then advise the Local as to which items on the projected budget qualify for reimbursement to the Local. **Failure to obtain prior approval will likely result in the Local being liable for the expense.**

## **B. ROBERT LILJA MEMBERS' RELIEF FUND**

- The CWA Robert Lilja Members' Relief Fund (RLMRF) provides direct assistance to members and agency fee payers, Local Union Officers who are on the Local's payroll and lose wages, and victims of collective bargaining strategies during sanctioned strikes... Currently, the weekly benefit to strikers and victims is \$200.00 beginning with the fifteenth day of the strike and \$300.00 per week beginning with the twenty-ninth day of the strike. **The fourteen-day waiting period does not apply to victims of collective bargaining strategies.** MRF payments end on the seventh day following the conclusion of the strike MRF benefits are subject to availability of funds.
- Locals shall be held accountable for any money disbursed in violation of Fund Rules.
- **Strikers are required to perform strike duty.** It is the Local's responsibility to advise every member/agency fee payer that strike duty is required in order to receive RLMRF benefits. The Local determines the amount of strike duty. As a result, a striker's obligation may vary from Local to Local. Keep in mind that the rules require some level of involvement by each and every striker who applies for RLMRF benefits.
- A uniform method for payout to strikers must be selected prior to the commencement of a strike. The payout options and selection procedure is outlined in Section III (B) of the Defense Fund and Robert Lilja Members' Relief Fund Rules and Ground Rules. Locals are responsible

for notifying all members/agency fee payers of the benefits available under the selected payout option.

- In “right to work” states, non-members are not eligible for assistance from either Fund.
- If a strike ends mid-week, RLMRF payments shall be one-fifth of the weekly payout. RLMRF payments cannot be made for Saturday and/or Sunday unless these days were part of the normal five-day workweek.
- “Victims of Collective Bargaining Strategies” are:
  1. Members/agency fee payers who lose wages as a result of honoring a sanctioned CWA picket line.
  2. Strikers who are disciplined as a result of strike related activities.
  3. Members/agency fee payers who are disciplined as a result of their mobilization activities during “approved mobilization actions.”
  4. Members/agency fee payers who lose wages as a result of a lockout.
  5. Pay for necessary medical/hospital expenses. In some extreme cases the Fund Director may authorize payment of health care premiums (COBRA) on behalf of strikers/victims, or their dependents, where chronic medical conditions have been identified and documented by the Local’s Community Services Committee.

**NOTE: Personal loans cannot be made from either Fund!!!**

#### **SECTION IV            *Health Care Benefits During Strikes shall be paid from the RLMRF***

- In strike situations where an employer cuts off health care benefits, CWA will pay for necessary medical/hospital expenses. In some extreme cases the Fund Director may authorize payment of health care premiums (COBRA) on behalf of strikers and their dependents. The CWA Robert Lilja Members’ Relief Fund will only pay COBRA premiums for healthcare. CWA self-insures for other medical needs such as “necessary” dental and vision care. The Robert Lilja Members’ Relief Fund does not pay life insurance premiums.
- The term “necessary” does not include any treatment not normally covered under the employer’s health plan, nor does it include any care such as elective procedures or dental visits that can be postponed until the end of the strike.
- Whenever an employer stops healthcare coverage during a strike and the Local’s Community Services Committee decides that it is prudent to pay COBRA on behalf of the striker, then the

COBRA form and necessary justification (doctor's prognosis, medical bills etc.) must be attached to the disbursement voucher and available for inspection.

- Strikers must still pay healthcare premium contributions as well as any deductibles and co-pays that existed before the strike. The concept being that no one should have a better benefit during a strike than that which was in effect before the strike.
- It is the responsibility of the Local's Community Services Committee to attempt to get the healthcare provider (doctor, dentist, hospital, etc.) to accept as full payment an amount less than that which was billed. A notation of this attempt must be made in that strikers' record.
- All bills submitted for payment must contain all the necessary information (name of patient, date of treatment and service rendered).
- Strikers who can obtain health care coverage through other sources, such as a spouse's health plan, should rely on those sources during the strike.
- Canadian Locals should refer to the attached letters of this Guide.

## **SECTION V**      ***Record Keeping***

- Locals are responsible for IRS Form 1099 in any year where a striker receives \$600.00 or more in payouts from the RLMRF. Some Local Unions have established their own strike funds. In such cases, the \$600.00 limit must include any payout a striker receives from their Local's strike fund.
- IRS regulations require organizations that issue Form 1099 to file an "Annual Summary and Transmittal of U.S. Information Returns" (Form 1096 if the Local has issued less than 250 of the 1099's), or a "Transmittal of Information Returns Reported Magnetically" (Form 4804 if a Local has issued more than 250 of the 1099's). Local Unions may make a request a waiver from filing information returns magnetically. (IRS Form 8508) The IRS normally grants a one-time waiver to a requesting organization.
- Locals shall provide to the District Fund Agent a weekly report on the number of members/agency fee payers on strike.
- A "Striker Certification Form" (DFR-1) must be kept in the Locals' files for each and every member/agency fee payer on strike. MRF payments cannot be made to any member/agency fee payer that the Local does not have a DFR-1 on file for.
- Locals shall maintain up-to-date CWA Robert Lilja Members' Relief Fund (DFR-2) and CWA Defense Fund (DFR-3) "Reimbursement and Reporting Forms" which outline all Defense Fund and Robert Lilja Members' Relief Fund disbursements. Computerized check writing programs or equivalent spreadsheet documentation is acceptable provided such programs or

spreadsheets contain all the information that is requested in forms DFR-2 and DFR-3.

- Locals that have selected a RLMRF “Combination Option” or “Needs Basis Option” must maintain records that reasonably attest to the members’ hardship. Locals that select these options must also maintain DFR-4 “Striker’s Assistance Record” and DFR-5 “Striker’s Application for Assistance” for each striker requesting assistance (Refer to Section III (D) of the “Defense Fund and Robert Lilja Members Relief Fund Ground Rules” for detailed information).
- In strike situations where the employer has cut off health care benefits, the Local must have receipts as well as justification for any medical assistance given to strikers.
- Locals must have receipts and/or vouchers covering any Defense Fund, and/or RLMRF expenditures
- A complete financial accounting and a final report must be submitted to the District’s Fund Agent within ninety days after the termination of the Strike.

**NOTE: The Department of Labor (DOL) requires that financial records be kept for a minimum of five (5) years, while the Internal Revenue Service (IRS) requires that financial records be kept for a minimum of seven (7) years.**

## **SECTION VI      Frequently Asked Questions (FAQ’S)**

- Q.    Are CWA members who honor sanctioned CWA picket lines eligible for assistance from the RLMRF?**
- A.    CWA members and agency fee payers **who lose wages** because they honor one of our picket lines are considered “victims of collective bargaining strategies.” As victims, they would be entitled to a prorated benefit from the MRF on the same basis as strikers for each day of wages lost.
- Q.    Does the fourteen-day waiting period under RLMRF rules apply to “victims” before they are eligible for RLMRF payments?**
- A.    No - Victims become eligible on the first day they lose wages.
- Q.    If a member or agency fee payer is disciplined upon returning to work after a strike and the discipline is related to his/her activity on the picket line, does the Defense Fund or RLMRF help?**
- A.    **Yes** - Such member/agency fee payer is considered a “victim” and RLMRF payments will resume and continue for the length of the discipline or in case of a dismissal until his/her case receives a final determination. In cases of dismissals for strike related activities, the RLMRF

will pick up the cost of necessary medical care or, if appropriate, health insurance premiums (COBRA). The Defense Fund will pay any legal costs associated with strike related legal proceedings.

**Q. Does a member or agency fee payer who is disciplined for strike related activities have to wait the 14 days before receiving RLMRF benefits?**

A. No - He/she will resume RLMRF payments at the same level they were receiving at the conclusion of the strike. In addition, strike time is counted towards qualifying for the \$300.00 RLMRF benefit (e.g. if the strike lasted twenty days, his first day of discipline would be the 21<sup>st</sup> day for purposes of meeting the 28 day period before benefits are increased to \$300.00).

**Q. During an “approved mobilization,” one of my members was disciplined for engaging in a sanctioned mobilization action. Is this Member entitled to any help from the Defense Fund or Robert Lilja Members’ Relief Fund.**

A. Yes - These “victims” are treated the same as those victims disciplined for strike related activities.

**Q. Does the Local need to have victims of collective bargaining strategies fill out “Striker Certification Forms” (DFR-1)?**

A. No - However, all Fund benefits given to victims must be documented in the other (DFR) forms found in the back of the “Defense Fund and Robert Lilja Members’ Relief Fund Rules and Ground Rules.”

**Q. Do strikers get prorated RLMRF payments if a strike ends mid-week?**

A. Yes - The RLMRF will prorate the benefit amount that was being paid at the time the strike ended (\$200/\$300).

**Q. We returned to work from a lengthy strike on a Thursday; however, some of our strikers, due to their schedule, lost out on four days pay that week (Sunday-Wednesday). Are they entitled to prorated RLMRF benefits of three or four days?**

A. These strikers should have received RLMRF benefits for four days. Remember, this only applies when a weekend day is part of the normal workweek (one of the five days scheduled).

**Q. Are Local Officers who lose their wages from the Local as a result of a strike, eligible for benefits at the same level as strikers?**

A. Yes, the CWA 62nd Annual Convention authorized this benefit for Local Officers who are on a Local’s payroll and lose their wages during a strike.

**Q. Are strikers who are allowed by their employer to take vacation time with pay during any week of the strike entitled to RLMRF benefits?**

A. No - Since a striker who receives vacation pay during any week of the strike is not suffering any loss of wages that week.

**Q. Will the CWA Defense Fund pay the cost of hiring clerical help to assist with the administration of the Defense Fund and the Robert Lilja Members' Relief Fund during a strike?**

A. No - The costs of administration of the Funds are the responsibility of the Local.

**Q. Does the Defense Fund reimburse strikers for travel expenses in order for them to get to rallies or their picket line?**

A. No - We do not reimburse for travel to the initial picket line assignments, strike rallies or ratification meetings. However, with prior approval from the District Fund Director, we do reimburse for actual gas expenses for picket captains, officers, stewards, and representatives where such travel is necessary for maintaining the picket lines. We also (with prior approval) reimburse actual gas costs incurred by members assigned to roving picket lines ("flying squadrons").

**Q. Does the Defense Fund reimburse the Local for cell phones that are needed for communication and coordination with the picket lines?**

A. Depending on the circumstances, we can reimburse for necessary communication costs such as cell phones; however, as with any other Defense Fund request, prior approval from the District Fund Agent is a must.

**Q. Does a Local's RLMRF account remain open past the 90-day deadline if that Local still has "victims" entitled to benefits?**

A. No - The Fund accounts must be closed within 90 days of the end of the strike and/or approved mobilization activities. Beyond this 90-day period, victims are to receive benefits from Local funds. The Local should then provide the required documentation to the District Fund Director so that the RLMRF can reimburse the Local Union.

## **SECTION VII      *Frequently Asked Questions - Health Care***

**Q. I am on strike. What protections do I have that I will not go without needed health care?**

A. A law called COBRA\* requires group health plans to offer striking workers and their covered dependents the opportunity to continue health coverage for up to 18 months when they go on

strike by paying for it out of their own pockets. This applies to medical, dental and vision benefits. Strikers do not have to continue any coverage, they can choose to pay for only the core medical benefits, or they can choose to pay for only themselves or only their dependents. CWA has made a commitment to assist striking workers in paying for their health care needs out of the RLMRF during their participation in the strike. Working with Local Union's Community Services Committee, members can make decisions about the best way to cover their needs, and the Union will determine whether to pay for monthly premiums or to assist in paying for health care services on an "as needed" basis.

\*U.S.A. Bargaining Units Only

**Q. How much will I have to pay if I elect to continue coverage?**

A. Employers are allowed to charge striking workers up to 102% of the current health plan premium. For example, if the current premium is \$200, then the striking worker cannot be charged more than \$204. Striking workers should check with the Local Union's Community Services Committee before electing to continue coverage. In those cases where there is an immediate, ongoing and serious health condition, CWA will provide immediate financial assistance toward paying the COBRA health plan premium. In other cases, CWA may ask strikers to delay the election and will assist in defraying any unforeseen or minor health care expenses as they arise. The goal is always to assure strikers' access to needed health care during the strike.

**Q. How much time do I have to make a decision?**

A. Strikers have 60 days to elect COBRA coverage. The 60-day period begins either on the day the strike begins or the date on the notice sent by the employer describing COBRA rights, whichever is later. However, coverage does not begin until the premium is paid. If necessary, your premium can be paid retroactively. Working with the Local Union's Community Services Committee, you can determine whether you should apply for continuation coverage immediately.

**Q. When do I have to begin paying the premium if I elect to continue coverage?**

A. As mentioned above, COBRA allows you up to 60 days to decide whether you want to continue your coverage. If you make an election to continue, then you have another 45 days to pay the premium. However, before electing coverage or paying a premium, you should contact your Local Union's Community Services Committee.

**Q. What happens if I haven't elected coverage, but a serious emergency arises?**

A. Most health care providers will bill you for their services. Bring that bill and all necessary documentation to your Local's Community Services Committee, who will after determining that the medical care was necessary, issue a check payable to the provider. If a provider wants to be paid up front, go ahead and make the payment, then bring the necessary documentation to

the Local Union for reimbursement. You should explain to your health care provider that timely billing will expedite payments.

**Q. I belong to an HMO. What happens if I need medical attention during the 60-day election period?**

A. If you need medical attention before you have elected continuation coverage, but before the 60-day election period is over, the HMO may ask you to either elect continuation coverage at that time or to pay the reasonable and customary fee for the services required. If you can pay for the services at the time (by credit card if possible), do so. Then, immediately contact your Local Union's Community Services Committee to begin the process of applying for assistance from the RLMRF.

**Q. What if the Fund decides to pay for my care on an "as needed" basis, but I think my family would be better off with continuation coverage?**

A. You are always free to make your own decision about whether to continue coverage or not. The Defense Fund Coordinator makes recommendations on the best way to use Defense Fund monies so that CWA striking members' necessary health care needs are met. If you do not agree with his/her decision, you can still elect to continue coverage on your own.

**Q. What is the limit on how long a striking worker can continue coverage?**

A. COBRA limits continuation coverage during a strike situation to no longer than 18 months after the strike begins. Coverage is also discontinued if premiums are not paid during the time, if the employer discontinues the group health plan, if you qualify for Medicare benefits or if you become covered under another plan. CWA has made a commitment to help striking workers with their health care needs as long as the strike continues.

**Q. We are Canadian members and COBRA does not apply to us. We have a national health plan but many basic benefits are covered under "supplemental" insurances. What is the Union's policy about health care coverage for us during strike and lockouts?**

A. CWA provides the same commitments to our Canadian members that are provided to those in the States. In considering the differences in national healthcare approaches of our two nations we have established some basic principles for healthcare benefits in strikes and lockouts that occur in Canada. These principles are highlighted in the attached letters in this Guide.

## SAMPLE

Dear Fellow Member,

Negotiations will soon begin between CWA Local \_\_\_\_\_ and (employer's name). In order for us to achieve our reasonable bargaining goals it is imperative that each and every one of you get involved.

This round of negotiations will be extremely crucial to all of us as a Union. We have numerous issues that must be addressed. Your support and enthusiasm will play a major role in the Bargaining Committees' ability to achieve success at the bargaining table.

(Employer's name) is a profitable company thanks to your hard work. In return, all we want a fair and equitable contract that provides improvements in wages, benefits and other conditions of employment.

***The National Union's Strike Fund requires every striker to perform strike duty in order to be eligible for strike benefits.*** You will be advised as to your strike assignment in the near future.

Picket Captains have been working on getting everyone scheduled for picket duty. If you haven't been contacted or signed up, see a job steward or call the Local. If you are unable to walk a picket line because of a medical problem we can assign you other duties and need you desperately.

The CWA Robert Lilja Members' Relief Fund provides a striker benefit of \$200.00 per week beginning with the 15th day of a strike and \$300.00 per week beginning with the 29th day. These monies are not retroactive; however you will get one additional strike fund check seven days after the conclusion of the strike.

The CWA Robert Lilja Members' Relief Fund is healthy, and contributions by all our members will continue during the time we are on strike, should a strike become necessary.

As a point of information, the IRS requires us to send you a 1099 Form in any year where a striker receives \$600.00 or more in strike benefits. Strike benefits are taxed similar to the way your interest on a savings account is taxed.

In addition to the weekly striker benefit provided by the Robert Lilja Members' Relief Fund, CWA's RLMRF insures that necessary medical and dental care will be provided to you and your dependents in cases where the employer stops medical coverage during a strike.

In some extreme cases the Union will pay your medical premiums rather than reimburse you for "necessary" medical/dental care.

If you or one of your dependents has some ongoing or serious medical need, you must contact the Local's COBRA Coordinator, (name of person) as soon as possible.

Enclosed is a Striker Certification Form. Please fill this out, sign it and get it back to the Local Union office. The Local Union must have this form on file before any disbursements can be made from the

Defense Fund or the Robert Lilja Members' Relief Fund.

It is every member's responsibility to actively support the bargaining committee during this time.

***Remember, divided we beg, united we bargain.***

Don't forget to attend the Union Meeting on (DATE, TIME AND LOCATION).

In Unity:

President, CWA Local \_\_\_\_\_