

In for the Long Haul

Every year PIASC honors businesses which have been members for 25 years with a Silver Award and those that have been members for 50 years with a Gold Award. On February 1, these awards were presented by PIASC Board of Directors Chair Peter Young from Digital Printing Systems, Inc. and PIASC President, Lou Caron.

The honorees were:

SILVER AWARD

- Advanced Litho Printing & Bindery, Lake Forest
- AMC Colorgrafix, South El Monte
- AV Graphics, Inc., Chatsworth
- Citrograph Printing, Redlands
- Ink On Paper, Moorpark
- Johnson Lampier & Associates, Arcadia
- Kelly Paper & Spicers Paper, Santa Fe Springs
- Lombard Graphics, Pico Rivera
- The M&A Brokers, Canyon Lake
- Monterey Graphics, Inc. Torrance
- Orange County Printing Company, Irvine
- PMA, Cerritos
- Presentation Media, Inc., Gardena
- SCEP, Inc., Monrovia
- STN Media Co. Redondo Beach



(Top, L-R: Peter Young, Digital Printing Systems, Inc.; George Hicks, M&A Brokers; David Tobman, Automation Printing; Richard Jacobs, AV Graphics; Joseph Baima, Reliable Printing Service; Damien Bradley, Spicers Paper; Rod Schaar, Kelly Paper. Bottom, L-R: Jan Gottesman, Spicers Paper & Kelly Paper; Leslie Rice, Pacific Rim Printers & Mailers; Laura Bruno, M&A Brokers.)

Susan Feldman Tucker Design, Los Angeles
Zevy Graphics, Valley Village

GOLD AWARD

- Automation Printing Co., Los Angeles
- Capitol Press, Los Angeles
- Markey Printing & Graphics, Inc., Glendora
- Pacific Rim Printers & Mailers, Culver City
- Reliable Printing Service, Whittier
- Scarlet Letters, Toluca Lake

WELCOME NEW MEMBERS

PIASC's Board of Directors and staff welcome the following members, who joined from September to January:

A Solano Industries
Broker
562.420.3334

Copyland Printers
Commercial Printer
310.479.3957
www.onedaycopy.com

Crash Paper
Print Broker
310.717.7258
www.crashpaper.com

Eleven 12 Imaging
Large Format Printing
626.524.9960
www.eleven12imaging.com

Gold Coast Inc.
Consumer Labels
800.752.4968
www.goldcoast-inc.com

Iggesund Paperboard
Paperboard Manufacturer
201.804.9977
www.iggesund.com

Image 2000
Document Imaging
562.316.8764
www.image-2000.com

Pacific Hill Group
Graphic Design, Marketing Agency, Staffing
949.734.9119
www.pacifichillgroup.com

Robinson Printing
Medical Printing Instructions & Folding Cartons
951.296.0300
www.robinsonprinting.com/medical

Trial & Appellate Resources, PC
Legal Consultants
917.848.3210

Yoeweb Designs Inc. Digital Marketing Solutions & Printing
562.375.8576
www.yoeweb.com

Know a company that could benefit from our services and benefits the same way you do? Refer a friend and get money back towards your dues! Visit www.piasc.org.

GOVERNMENT & LEGISLATIVE

OSHA and Cal/OSHA Recordkeeping Requirements Changes and Reminders

• **OSHA 300 Log and Form 301 are no longer submitted electronically** – OSHA has rescinded the requirement for companies with at least 250 employees to electronically submit the OSHA 300 Log and the OSHA Form 301.

However, Cal/OSHA has scheduled an advisory committee meeting in May to evaluate this. The concern is that by rescinding the requirement to electronically submit Forms 300 and 301 data, OSHA has substantially diminished the ability to improve the tracking of workplace injuries and illnesses.

• **OSHA 300 Log and Form 301 must still be maintained on site** – You must still have these available on site for OSHA inspectors to review.

• **Submission of OSHA Form 300A is overdue** – Companies with 250 or more employees, and those with 20 to 249 employees in specific industries (including printing) are still required to electronically submit OSHA Form 300A (the annual summary). The deadline to submit this form for 2018 data was March 2, 2019.

• **California employers must also post Form 300A on site** – This form, which contains an annual summary of work-related injuries and illnesses,

must be posted in your workplace each year from February 1 through April 30. Your Form 300A containing your 2018 data should be up now.

It's Tax Season, and the IRS is Cutting You Some Slack

The enactment of the Tax Cuts and Jobs Act tax reform law last January 1 caused (and continues to cause) a great deal of confusion for individual taxpayers. One major point of bewilderment has been federal income tax withholding. When you combine all of the changes in tax law with changes in the withholding tables that the IRS released in early 2018 to reflect the new lower tax rates, many individuals are likely to find that they under-withheld. This is because the IRS' new withholding tables didn't account for the reduced availability of itemized deductions or the suspension of personal exemptions.

Those most likely to have paid too little include households with two wage earners, people with complex tax situations, employees who also have non-wage income sources, and people who used to itemize but will now be taking the standard deduction.

Now here's the good news: The IRS is making it easier for more taxpayers to avoid penalties. Taxpayers who paid at least 85% of their total Federal tax liability during the year through income tax withholding and/or quarterly estimated tax payments will not face a penalty for having a shortfall. This is down from the usual 90% threshold. As in past

years, the penalty can also be avoided by paying 100% of the previous year's tax liability (or 110% for taxpayers whose adjusted gross income is over \$150,000).

Action item: To request a waiver of the usual penalties you must file Form 2210 (Underpayment of Estimated Tax by Individuals, Estates, and Trusts) with your 2018 federal income tax return.

On Our Radar

Recently added to the list of proposed regulations and other issues that we're following:

• **Independent Contractor Classification** – Last month we started following AB 5. This bill would enshrine the new "ABC test" for determining who is an employee and who is an independent contractor that was adopted by the California Supreme Court in April 2018 into state law. Now a competing bill has been proposed. AB 71 would put the old "Borello factors" test that were in use prior to the ruling into state law instead. CalChamber is working with the "I'm Independent Coalition" to push for workplace flexibility and ensure AB 5 does not get passed. To get involved, visit imindependent.co or contact CalChamber directly at (916) 444-6670.

• **Parental Leave** – Governor Newsom has proposed expanding California's Paid Family Leave Program, which is administered within the state disability insurance program, to fund six months of partial-paid leave for new parents. His vision is that this leave could be

split between two caretakers who could each, for example, get three months of leave.

In addition, AB 196 would "state the Legislature's intent to enact legislation" that would expand the Paid Family Leave Program in order to bump this up from partial-paid leave to a 100% wage replacement benefit for workers earning \$100,000 per year or less.

• **Employer Harassment Liability** – AB 170 would make it clear that a client employer who uses workers supplied by a labor contractor is jointly responsible (in terms of civil legal responsibility and civil liability) for any harassment of or by the workers supplied by that labor contractor.

• **Making L.A. Drivers Pay to Drive** – The Metropolitan Transportation Authority wants to study ways to move away from mostly free driving, including converting carpool lanes to toll lanes, taxing drivers based on miles traveled, or charging a fee to enter certain areas.



STATE HAPPENINGS BY RJ

Monthly Update from Our Lobbyist in Sacramento

With the February 22 deadline for bill introduction behind us, PIASC staff is now reviewing all of the bills introduced for the 2019-2020 Legislative Session to determine what (if any) impacts the proposals would have on our membership.

There are a few proposals that were introduced early that we are already watching closely. These include:

AQMD Sales Tax Proposal

The South Coast Air Quality Management District (AQMD) is proposing a new regional sales tax for Southern California. The revenues raised by the measure would help fund environmental initiatives, mainly in the transportation sector for the conversion of older vehicle engines to cleaner technology. Conceptually, AQMD has considered a half cent sales tax on all transactions within its jurisdiction. However, AQMD needs authorization from the State Legislature in order to pursue new taxing authority. Their desire to become a new taxing jurisdiction is not without controversy, as they have run into concerns from organized labor, business and other groups that depend on sales tax revenues for other purposes. At the moment, it is unclear if they will be able to proceed with this concept in 2019.

Split Roll Property Tax or Services Tax?

Sections of organized labor, namely the California Teachers Association and SEIU, are going to pursue property tax increases on commercial property on the 2020 General Election Ballot. Business groups have estimated that the property tax measure they are considering would increase taxes on business by over \$11 billion

annually. For PIASC members who own commercial properties and have had them under their respective company's ownership for a number of years, this increase could be substantial, as commercial property would now be assessed at current market value. However, business groups are already amassing a substantial war chest to fight this effort and are prepared to wage a legislative war in 2019 to stave off any ballot measure efforts. Rumors are rampant that Governor Newsom prefers a services tax increase in lieu of property tax increases. In either scenario, PIASC members need to be vigilant, and we are hard at work to ensure our seat at the table.

Workforce Development

Last year the Legislature approved over \$350 million in funding for career technical education and other workforce development needs. As the printing industry works towards attracting the workforce of tomorrow, the State of California could be a vital ally to ensure that our community colleges, technical schools and even high schools are preparing students to fill the jobs that our member companies need. In 2019 there will be a number of proposals to divvy up the \$350 million approved last year into specific earmarks for various industries. We will be at the table to ensure that our industry's needs are heard.

This is just a small sample of what we will be dealing with in 2019. With approximately 3,000 bills introduced, we will undoubtedly be adding more bills to our "watch list."

BUSINESS MANAGEMENT

SGP: The Sustainability Certification that Can Transform Your Business

As the SGP (Sustainable Green Printing) Partnership has shown businesses across the country, if you really want to embrace sustainability, there's a lot more to "going green" than simply switching to recycled paper, non-toxic supplies and LED lights. Done right, sustainability impacts all aspects of your operation—in a way that actually helps your bottom line.

An all-encompassing approach to sustainability

SGP's unique sustainability certification program was created by the printing industry specifically for the printing industry. This holistic, multi-attribute certification

focuses on three areas of a business' operations: The "envelope" (i.e. the building and facility), materials and processes.

The certification process takes about one year, and involves developing, implementing and documenting a Sustainability Management System that encompasses best practices in all areas of the business' operations.

As Dave Brewer, CTO of Image Options, one of just two California companies to achieve SGP certification, explains, "The SGP is all about how you run your business. You create a Sustainability Management System, and that essentially becomes your standard operating procedures."

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HUMAN RESOURCES

The Risks of Using Social Media for Recruitment

As employers struggle to find qualified applicants for their job openings, many have turned to running ads on social media platforms. A seeming advantage of social media platforms is that most provide the ability to micro-target specific audiences, so that your ad is only shown to people who meet specified criteria.

Want to advertise to printing press operators in Long Beach, or 35- to 45-year-old warehouse personnel who may want to consider a career switch to the graphic arts field? Social media makes it possible.

However, while this may appear to be

a very efficient use of your recruitment budget, these micro-targeted ads expose your company to potential discrimination claims.

Targeting or excluding people based on legally-protected categories

Federal law prohibits discrimination based on race, color, national origin, sex, disability, age, citizenship status or genetic information. California expands this to also include ancestry, marital status, sexual orientation, gender identity and expression, medical condition, political activities or affiliations,

and military or veteran status. In other words, if you're not careful, your social media ad can open you up to discrimination claims from just about anyone.

For example, a 2017 class action lawsuit against several large companies was filed on behalf of recently unemployed workers over the age of 40 who use Facebook. Because of the way these employers targeted their ads, the ads did not appear in the "Facebook news feeds" of these claimants. Due to their age they couldn't see the ads, so they couldn't apply for the jobs.

Possibly in response to this, Face-

book's official Discriminatory Practices Policy (see https://www.facebook.com/policies/ads/prohibited_content/discriminatory_practices#) states that "Facebook prohibits advertisers from using our ads products to discriminate against people." This includes both targeting and excluding specific groups. Whether or how they are actually policing this is anyone's guess.

Action item: Be sure that whoever is responsible for running your recruitment ads is aware of how micro-targeting can run afoul of the applicable anti-discrimination laws.

The Penalties for ERISA Violations Have Gone Up

If you, like many employers, offer an employee benefit plan, such as health insurance or a retirement plan, these benefits are covered by the Employee Retirement Income Security Act of 1974 (ERISA). This means that you must keep up with a variety of mandatory disclosure and reporting requirements. If you fail to do so you can be slapped with some hefty fines by the Employee Benefits Security Administration (EBSA), a division of the Department of Labor (DOL). Naturally, these fines are increased each year due to inflation. Here's what ERISA violations will cost you in 2019.

Category	Requirement	2019 Fine for Non-Compliance
General	File the annual Form 5500 report	\$2,194 per day that the filing is late
General	Furnish information requested by the DOL	\$152 per day, up to \$1,527 per request
General	Provide required documents (such as the Summary Annual Report) to a requesting participant	\$110 per day
MEWAs	File the annual Form M-1 report for Multiple Employer Welfare Arrangements (MEWA)	\$1,597 per day
401(k)	Provide the required preemption notice to participants in 401(k) plans that have automatic contribution arrangements	\$1,736 per day
401(k)	Comply with ERISA 209(b) recordkeeping and reporting requirements	\$30 per employee
Group health plans	Provide participants with a Summary of Benefits and Coverage	\$1,156 per failure
Group health plans	Comply with the Genetic Information Nondisclosure Act	\$117 per participant per day
Group health plans	Provide participants with information about the availability of Medi-Cal or CHIP assistance	\$117 per participant per day

CONTACT US

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BUSINESS MANAGEMENT

SGP *Continued from front*

The benefits of SGP certification

Simply put, the SGP certification process can make you more competitive in your market. By adapting these sustainability practices you will:

- Improve operational efficiency, which also reduces mistakes and the associated need for rework.
- Reduce Workers Comp costs by reducing accidents and injuries.
- Reduce energy usage and costs, such as by switching to LED lighting.
- Reduce materials waste, which also reduces waste disposal costs.
- Meet customer demands, as many of the major brands only want to work with partners who have received some sort of sustainability certification.
- Close more sales, because you will have both data and third-party validation that your business is running to very high standards.

The SGP approach in action

A tour of Image Options' 103,000 square foot facility in South Orange County demonstrates what sustainability can look like in practice. As a provider of visual communication solutions for retail, tradeshows and events, Image Options' printing capabilities include the ability to print on a wide variety of materials, including paper, plastic, composites, wood, metal and both direct printing and dye sublimation on extremely large format fabrics. While the company is not a commercial printer, the SGP approach is applicable to printers of all stripes.

A sample of some of the many sus-

tainability practices that Image Options has implemented include:

- **Doing extensive materials research and tracking** – Each proposed material is thoroughly researched and entered into a searchable database that provides the details of about 800 different materials' recyclability, toxicity and internal printing test results.
"An issue with recycling," points out Tim Bennett, Image Options' CEO, "is that many materials that are technically recyclable are not actually being recycled. Either no one is actually recycling them or those that are require huge quantities. While we always try to use a recyclable material, our goal is to put clients into the best possible non-toxic material, since we know many recyclable materials still go into the landfill."
- **Paying close attention to indoor air quality** – An amazing thing about Image Options' printing facility is that there are no chemical odors. All presses are covered with hoods that pull out fumes and particles, and then a very high-end air filtration system is used to pump recycled air back into the facility. Plus, aside from some cleaning solvents, no solvents are used.
- **Focusing on worker safety** – "Our number one greatest asset is our employees," says Dave. "Providing a clean, safe, healthy working environment has always been a priority for us, and it is part of the SGP process as well."
- **Increasing operational efficiency** – From installing efficient inventory racking systems to ensuring each job is laid out to maximize material usage, implementing SGP processes means always asking if things are being done in the

most efficient way possible to minimize the waste of time, money and materials.

- **Looking at how finished goods are delivered** – Image Options has a box-making machine that creates right-size packaging on demand. This slashes packaging materials waste, eliminates the need for filler and lowers the customer's freight bill. They also sell and rent an easy-to-assemble metal framing system that enables their clients to roll up their large format fabric banners for shipping and then quickly install the banner on site. This slashes shipping materials and costs as well.
- **Tracking everything** – The SGP process includes tracking and measuring a wide variety of variables, including VOCs, hazardous air pollutants, water usage, energy usage, waste, amount of each material that was recycled, worker injuries and illnesses (from OSHA Form 300), and more.

Conclusion

"Getting SGP Certified is almost a no-brainer in California," Dave points out, "because, given California's tough environmental regulations, a good chunk of this is already required one way or the other. You're almost there!"

"Yes, the certification process, and the changes that sustainability require, are not easy. It's a lot of work, but it leads you to be in a better place. Thanks to SGP's strong focus on operational efficiencies and cost-saving processes, in the end you become the most cost-effective producer of your products."

For more information about SGP certification, visit <http://sgppartnership.org>.

PIASC Events Calendar

MARCH 7
Webinar: Discovering Hidden Profit: Lessons in Lean, Lessons in Leadership
11:00 am PST at a computer near you
Details: www.piasc.org/events
Contact: Maribel Campos, Ext. 210, maribel@piasc.org

MARCH 19
Webinar: Trends & Conditions in Printed Electronics
11:00 am PST at a computer near you
Details: www.piasc.org/events
Contact: Maribel Campos, Ext. 210, maribel@piasc.org

MARCH 12
Webinar: How to Adapt DTG to Your Business
11:00 am PST at a computer near you
Details: www.piasc.org/events
Contact: Maribel Campos, Ext. 210, maribel@piasc.org

APRIL 24
Certified First Aid and CPR Training with Bloodborne Pathogens
8:00 am - 1:00 pm
PIASC Conference Center, Los Angeles
Details: www.piasc.org/events
Contact: Maribel Campos, Ext. 210, maribel@piasc.org

MARCH 14
Ramp Up your Direct Mail
11:00 am Phoenix Club, Anaheim
Details: www.socalpcc.org/santa-ana-pcc-lunch-learn.html
Contact: Vencent Quaglia 714.701.2633, vencent.a.quaglia@usps.gov

For full list of workshops and virtual classes, please visit www.piasc.org/training.