

STATE HAPPENINGS BY RJ

Update from Our Lobbyist in Sacramento

2021 Legislative Round-Up

For months now we've been keeping an eye on a variety of legislation as it makes its way through the California legislature. Now that this year's legislative session has come to an end, here's a look at the legislation that was signed into law which may have the greatest impact on your business.

SB 331: FURTHER LIMITS NDAS AND SETTLEMENT AGREEMENTS

Called the "Silenced No More Act," SB 331 prohibits non-disclosure agreements related to all types of workplace harassment or discrimination. This expands previous law, which only applied to sex-related claims.

Under the new law, you cannot include non-disclosure provisions in settlement agreements that prohibit the disclosure of information about any

type of harassment or discrimination in the workplace. In addition, if you do have an agreement that contains non-disclosure provisions regarding workplace conditions, you must include specific language about the employee's rights to disclose information about unlawful acts in the workplace.

The new law takes effect on January 1, 2022, and is not retroactive.

SB 606: EXPANDS CAL/OSHA'S ENFORCEMENT POWER

Considered by many to be a massive power grab, SB 606, which will go into effect on January 1, 2022, expands Cal/OSHA's enforcement power in a variety of ways...

- Creates two new categories of Cal/OSHA violations: "enterprise-wide" and "egregious," with fines of up to \$134,334 per violation—

with each exposed employee considered a separate violation for "egregious" violations.

- Establishes a rebuttable presumption that if an employer has a written policy that violates specified health and safety regulations, then this is an enterprise-wide violation.
- Authorizes Cal/OSHA to issue a subpoena during an investigation if the employer "fails to promptly provide the requested information." They may then enforce the subpoena if the employer "fails to provide the requested information within a reasonable period of time." Of course, what constitutes a "reasonable period of time" is not defined.
- Expands on Cal/OSHA's ability to seek an injunction to certain situations where it has grounds to issue a citation.



SB 807: EXTENDS EMPLOYER RECORD RETENTION REQUIREMENTS

Under current law, employers are required to maintain personnel records

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BUSINESS MANAGEMENT

Wage + Benefits Report Released

The 2021 Affiliates Annual Wage and Benefit Survey is now available for purchase. This is the largest and most reliable graphics industry wage and benefit survey on the market. Purchasing the survey report enables you to access critical data on over 100 positions in management, office/administration, information technology, prepress, digital printing, press operations (sheetfed, heatset and non-heatset web), finishing/ converting, flexo, bindery, mailing and fulfillment and warehouse/maintenance. The wage section of the survey reports data by region and by company size. Data on human resources policies and benefits is also reported by region and company size.

Members who participated in the survey have already received a free copy of this report. Nonparticipating member companies can obtain a copy of the survey, which is only available for purchase by members, for \$250. To obtain a copy, contact Kristy Villanueva at 323.728.9500, Ext. 215.

HUMAN RESOURCES

IRS Updates FAQs on ARPA-Related Paid Sick and Family Leave Tax Credits

On July 29, 2021, the IRS updated its FAQs on the paid sick and family leave tax credits under the American Rescue Plan Act of 2021 (ARPA). The updated FAQs now include wages paid for leave taken by workers who accompany individuals to COVID-19 vaccination appointments and those who care for individuals recovering from any COVID-19 vaccine-related illness.

Following are the FAQs updated by the IRS on paid sick and family leave tax credits:

General Information FAQs

8. What are "qualified sick leave wages"?
9. What are "qualified family leave wages"?

Determining the Amount of the Tax Credit for Qualified Sick Leave Wages

25. What is included in "qualified sick leave wages"?
- 27a. Do "qualified sick leave wages" include wages paid for leave taken to accompany an individual who is obtaining a vaccination or to care for an individual who is recovering from vaccination?
31. What is the rate of pay for qualified sick leave wages if an employee is unable to work because the employee needs to care for others?



Determining the Amount of the Tax Credit for Qualified Family Leave Wages

36. What is included in "qualified family leave wages"?
38. Do qualified family leave wages include wages paid for leave taken for COVID-19 testing, to receive a vaccination or to recover from vaccination?
- 38a. Do "qualified family leave wages" include wages paid for leave taken to accompany an individual who is obtaining a vaccination or to care for an individual who is recovering from vaccination?

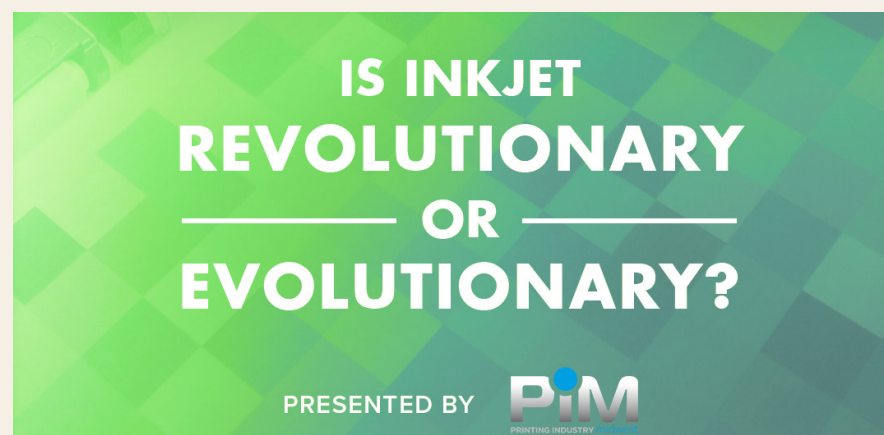
Specific Provisions Related to Self-Employed Individuals

108. How is the "qualified sick leave equivalent amount" for an eligible self-employed individual calculated? Eligible employers that pay qualified sick and paid family leave wages may receive a tax credit for up to two weeks (80 hours) of paid sick leave at two-thirds the employee's regular pay rate – up to \$200/day or \$2,000 total – or a tax credit for up to 12 weeks of paid family leave at two-thirds the employee's regular pay rate (up to \$200/day or \$12,000 total).

Source: Hall Benefits Law, a boutique ERISA law firm serving business clients in 34 states, <https://hallbenefitslaw.com>.

Upcoming Events

WEBINAR: Is Inkjet Revolutionary or Evolutionary? (presented by PIM)



Wednesday, November 3, 2021. 9:30 am, Pacific Time

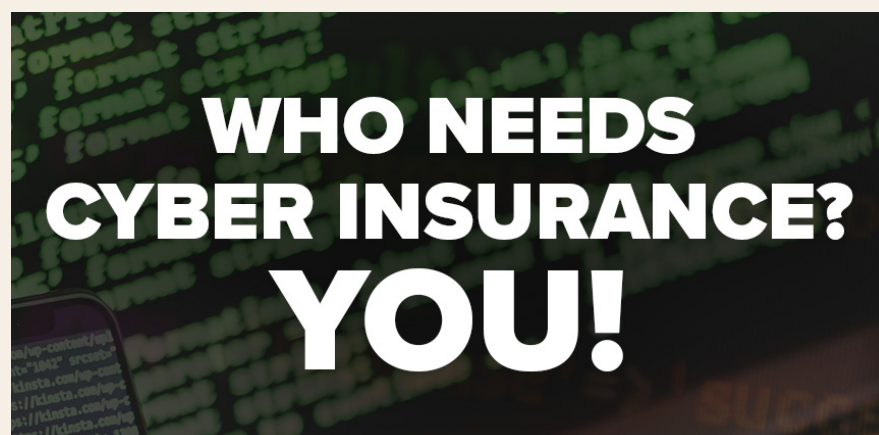
Some segments of the printing industry have truly been revolutionized by high-speed inkjet technology while others have been slower to adopt. Inkjet technologies drive change across a multitude of different types of business, but often inkjet gets lumped into one generic term, and it's hard to find the real opportunities within the hype.

This session will look at how inkjet is positioned in different aspects of the printing and mailing industry, how it is causing business models to evolve, and where technology is being revolutionized.

Attendees will learn:

- Who is driving change in these markets?
- Which application segments are most affected?
- How can inkjet change business models?
- What technology trends are important to understand for the future?

WEBINAR: Who Needs Cyber Insurance? You!



Tuesday, November 9, 2021. 10:00 am, Pacific Time

Every business is dependent on the internet. In fact, many operations will grind to a halt if their network goes down...and bringing your network down is what cyber criminals specialize in!

The unfortunate reality is that ransomware attacks can be extremely expensive. Before you say "no thanks" to cyber insurance you need to ask yourself two important questions: How many days can you afford to have your company offline? And how much money can you afford to lose? The average downtime a company experiences after a ransomware attack is a mindboggling 21 days, and the average cost of these attacks has grown to over \$200,000!

While putting measures in place to try to thwart a cyberattack is an absolute must, you also need to have cyber insurance in place to help you deal with the fallout if this "plan A" fails.

If you'd like to learn more about cyber insurance, this informative webinar is for you! Jacque Jaeger from Coalition, a leading provider of cyber insurance for the small business community, will discuss exactly what cyber insurance covers and how affordable this coverage can be.

STATE HAPPENINGS BY RJ

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for two years. Under SB 807, which goes into effect on January 1, 2022, these records must generally be maintained for four years. In situations where litigation has been filed, the related records must be maintained either until the applicable statute of limitations has run or until the litigation concludes, whichever occurs later.

This change was made to match recent increases in the length of time that workers have to file claims alleging employment discrimination. In addition, SB 807 also makes procedural modifications to how the Department of Fair Employment and Housing (DFEH) enforces the state's civil rights laws.

AB 1003: MAKES INTENTIONAL WAGE THEFT PUNISHABLE AS GRAND THEFT

AB 1003, which goes into effect on January 1, 2022, adds wage theft to the penal code. Specifically, it makes the intentional theft of wages by an employer in an amount greater than \$950 from any one employee or \$2,350 in the aggregate from

two or more employees, in any consecutive 12-month period, punishable as grand theft.

Under this law "theft of wages" means the intentional deprivation of wages (as defined), benefits or other compensation, by fraudulent or other unlawful means, with the knowledge that such wages, benefits or other compensation is due to the employee under the law.

AB 1033: EXPANDS CFRA TO INCLUDE PARENTS-IN-LAW

Under existing law, eligible employees may take 12 weeks of leave during any 12-month period under the California Family Rights Act (CFRA) to care for family members, including parents. AB 1033, which goes into effect on January 1, 2022, expands the list of eligible family members to include parents-in-law.

As a reminder, CFRA leave applies to businesses with five or more employees.

CLASSIFIEDS

FOR SALE in Oregon Area: A US Paper Counters Bantam-1 with tabber, 2004 model in good condition, for \$5,000. Generic brand L-shaped shrink wrapper in very good condition for \$1,500. Rollem scorer, perforator 22" wide with air feed in fair condition for \$1,500, and a Mini Max Oval Strapping machine in good condition for \$500. Contact Tammy Weatherly for more information, 323.728.9500 Ext. 206 or Tammy@piasc.org.

FOR SALE – 2005 Heidelberg with no laser and no mother board. Asking for \$1,500. For more information, contact Mike Firman at 760.360.8341 or Julie Baucom at 760.345.5571.



Equipment for Sale: \$2,500/each.

Contact John, 909-392-2334

BIZHUB 1250p #1 (03-2014)

- Serial #: A4EX011000384
- Konica ID #: 9463 0507
- CREO RIPS
- Total Meter Count: 8,291,847

BIZHUB 1250p #2 (08-2015)

- Serial #: A4EX011040116
- Konica ID #: 9469 4843
- CREO RIPS
- Total Meter Count: 7,337,503

Letterpress! – Equipment, hand set type, type banks, steel rule die making equipment, composing supplies, ink and paper are available. Several "bundles" or packages are available for sale. Ideal for setting up a new shop. See letterpressshopforsale.com for more information.

Want to place a classified ad? Contact Wendy Ferruz, 323.728.9500, Ext. 262, wendy@piasc.org

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GOVERNMENT & LEGISLATIVE

On Our Radar

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

- **PAGA reform ballot initiative** – The California Alliance of Small Business Associations has launched a Private Attorneys General Act (PAGA) reform ballot measure, with the goal of getting this on the November 2022 ballot. The purpose of the measure is to change existing law to (a) provide better results for workers without having to use an attorney and (b) protect employers from frivolous lawsuits.
- **COVID-19 prevention rules** – Cal/OSHA is considering enacting a "permanent" COVID-19 prevention rule when the emergency regulation expires in spring 2022. While draft text can be downloaded at <https://bit.ly/draft-text-COVID>, this text is likely to be revised before the Standards Board votes on it next year.

- **Road mileage tax pilot program** – Governor Newsom has signed legislation expanding a pilot program that replaces the gasoline tax with a fee based on the number of miles driven. This voluntary program relies on odometer measurements or GPS tracking to compute the mileage tax.
- **Congress considering \$700,000 OSHA penalties** – The House Committee on Education and Labor has approved a five-fold increase in OSHA penalties. If enacted by Congress, the minimum penalties for "willful," "repeated," and "failure-to-abate" violations would rise from \$9,753 to \$50,000, while the maximum penalties would skyrocket from \$136,532 to \$700,000. In addition, maximum penalties for "serious" violations would increase from \$13,653 to \$70,000.

Updates to proposed legislation, regulations and other issues we've been following:

- **Expansion of CFRA paid leave shelved** – AB 1041, which would have expanded the definition of "family member" in the California Family Rights Act to include a "designated person" of the employee's choice, was ordered to the legislature's inactive file.
- **Increase in paid family leave vetoed** – Governor Newsom vetoed AB 123, which would have revised the formula for calculating certain leave benefits by increasing the weekly benefit amount to 65% or 75% of the highest wages paid to an individual.

PIASC Events Calendar

NOV 3

WEBINAR: Is Inkjet Revolutionary or Evolutionary? (presented by PIM)
Wednesday, November 3
Online
www.piasc.org/events

NOV 6-7

International Printing Museum: Los Angeles Printers Fair
Saturday, November 6 and Sunday, November 7
International Printing Museum, Carson, CA
www.printersfair.com

NOV 4

WEBINAR: Lean Manufacturing Training Series: Session 2 - 5S-Workplace Organization (presented by PIA)
Thursday, November 4
Online
Email daniela@piasc.org for registration

NOV 9

WEBINAR: Who Needs Cyber Insurance? You!
Tuesday, November 9
Online
www.piasc.org/events