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### Headline Summary

- Postal Update
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## New Tax Rates - April 1st

Four cities and one county in California approved new district taxes that are effective April 1, 2012. A city's new rates apply only in that city. The tax rates outside the incorporated city limits will remain the same. Mendocino Co. is a county wide increase. In addition, the City of Del Rey Oaks in Monterey County voted to extend the district tax.

Area	Old Rate	New Rate
Fairfax (Marin Co.)	8.00%	8.50%
Palm Springs (Riverside Co.)	7.75%	8.75%
Oakdale (Stanislaus Co.)	7.375%	7.875%
Vallejo (Solano)	7.375%	8.375%
Mendocino County	7.25%	7.375%
Willits**	7.75%	7.875%
Point Area**	7.75%	7.875%
Fort Bragg**	7.75%	7.875%
Ukiah**	7.75%	7.875%

The rates have increased in these cities in Mendocino Co., which already have district taxes in addition to the new countywide district tax.

# WatchDog

Guarding the Business of Print

April 2012

## Postal Update

Senate leadership has basically decided it would not consider the postal legislation until after it returns on April 16th from Easter recess. Thereupon it is expected to consider S. 1789 in a revised form (know as a manager's amendment).

As originally approved by the Senate Homeland Security Committee, S. 1789 provided some financial flexibility for the Postal Service by returning excess payments from it to the Federal Employee Retirement System and by re-amortizing the payments required to pre-fund its retiree medical payments.

It also created a process for closing facilities and reformed the federal workers' compensation system of which the USPS is 40 percent of that program. It would have been expected that these reforms plus some early retirement incentives would have given the Postal Service a few years to right its ship.

As the legislation moves closer to consideration, the effort to protect local communities, Saturday delivery, and overnight delivery has become more important than the financial reforms. These changes all create additional costs for the Postal Service, a gap some in the Senate would propose to close with rate increases. These members believe that increasing rates on periodicals, some advertising mail, and "workshared" discounts would mean more revenue for the Postal Service.

The Senate is working under a soft deadline of May 15th to complete legislation. On that date, a moratorium put in place by the Postal Service for facility closings will end. The House is unlikely to be swayed by such a moratorium since the House bill is more aggressive in its proposal to close facilities.

## Paper Recovery Data

The American Forest & Paper Association (AFPA) recently released data showing that paper recovery increased by 1.2 million tons in 2011, lifting the U.S. paper recovery rate to a record-high 66.8 percent. That's up from 63.5 percent in 2010 and 33.5 percent in 1990, the base-year from which the industry's original 40 percent recovery goal was benchmarked.

Although the sale of printing-writing papers declined by more than 5 percent in 2011, printing-writing paper recovery contracted just 1.2%. Consequently the recovery rate for printing-writing papers increased to an estimated 56.8 percent, up by 2.2 percent over the 2010 rate.

Moreover, according to AFPA, data shows that 30 percent of the paper and paperboard recovered in the United States went to produce containerboard, which is used for corrugated boxes, and 11 percent went to produce boxboard, which includes gypsum wallboard and folding boxes. Much of the remainder of paper collected for recycling—42 percent—went to China and other countries.

# Cal/OSHA Inspections

A recent report for Cal/OSHA presents the results of an evaluation of the Illness Prevention Program's (IIPP) effects on worker injuries in California and should inform policy both in California and in the federal Occupational Safety and Health Administration (OSHA) program, which has made the adoption of a similar national requirement a top priority.

The IIPP requirement has been the most frequently cited standard in California workplace health and safety inspections almost every year since it became effective in July 1991.

Every workplace safety inspection must assess compliance with the IIPP. The evaluation team analyzed the impact of citations for violations of the IIPP on safety performance by (1) using the number of citations as a measure of effectiveness and (2) assessing the number of establishments that were cited for noncompliance and then came into compliance.

They found that enforcement of the IIPP appears to prevent injuries only when inspectors cite firms for violations of specific subsections of that standard.

Among the recommendations is stiffer fines for noncompliance and stepped up inspection of business.

## NLRB Posting - April 30th

A federal district court recently upheld the National Labor Relations Board (NLRB) requirement for employers to post a notice of employee rights. However, the court did limit some of the enforcement mechanisms.

The NLRB had decided to require most private-sector employers to post a new notice entitled "Employee Rights under the National Labor Relations Act" beginning April 30th.

Business groups challenged the posting requirement on several grounds, including arguing that the posting requirement exceeded the NLRB's authority under the National Labor Relations Act and that the

## NLRB Posting (cont.)

requirement violated employers' First Amendment free speech rights.

In the decision, the federal court upheld part of the new rule, while overturning other provisions. The court ruled that:

- The notice posting requirement is legally valid: The NLRB "lawfully promulgated" its rule requiring employers to post a notice of employee rights. The court did not find that Congress intended to preclude the NLRB from promulgating a rule that requires employers to post a notice informing employees of their rights under the NLRA. Moreover, the workplace notice does not violate employers' free speech rights.
- Two enforcement provisions of the new rule are "invalid as a matter of law": (1) The provision stating that a failure to post the notice is an unfair labor practice; and (2) the provision that extends the period during which unfair labor practice charges may be filed against employers who failed to post the notice.

The court did not rule out the possibility that failure to post could be considered and used as evidence of an unfair labor practice.

The decision has not halted the current requirement to post the notice by April 30, 2012. While the decision limited the NLRB's enforcement mechanism, failure to post can still be evidence in an unfair labor practice charge.

The poster can be found at [piasd.org](http://piasd.org) under the Employee Relations button on the left or [piasc.org](http://piasc.org) under the Human Resources button on the top and then at the bottom of the Employee Relations Posters dropdown menu.

## Ballot Propositions

Two statewide ballot propositions have been certified for the June 5, 2012 primary ballot in California. Four others have already qualified for the November 6th general election ballot, with dozens more in circulation. Based on the initiatives that have already qualified and those that are in circulation, 2012 will be yet another very high-stakes, high-drama ballot proposition year in California.

Three of 2012's questions were originally scheduled to appear on the February 7th presidential preference ballot. However, on July 29, 2011, Gov. Jerry Brown signed a bill that moved California's presidential primary from February 7th to June 5th. Then, on October 7th, Brown signed Senate Bill 202, moving all ballot proposition elections in 2012 onto the November 6, 2012 ballot, with the exception of two initiatives that had already been qualified for the June 5th election.

California's 2012 state legislative session began on January 4, 2012 and is scheduled to end on August 31, 2012. During this session, the California State Legislature may also vote to refer propositions to the state's November 6, 2012 ballot. These referrals, if any take place, are in addition to any propositions that get on the ballot via the petition process.

On the Ballot June 5th:

<b>Proposition 28</b> (PIC supports)	<i>Term limits</i>	Limit of 8 years (senate)/6 years (assembly) replaced with 12-year limit on combined service
<b>Proposition 29</b> (PIC no position)	<i>Taxes</i>	Increase the tax on cigarettes to fund cancer research

