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### Headline Summary

- New Federal Posting Requirement
- Legislature Reconvenes
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- Written Commission Agreements
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- California Not Business-Friendly

### Legislature Reconvenes

On Monday, August 1<sup>st</sup>, the California State Legislature reconvened for the final month of session. The coming month will be action-packed in the Sacramento.

This won't be easy, as the legislature hasn't addressed three major priorities for Gov. Brown: housing reform, transportation financing and the state's cap-and-trade program of reducing carbon emissions.

Here are the major deadlines looming for bills still moving through the process:

- August 12th– Final day for the Appropriations Committees to pass bills to the floor.
- August 15th–31st– Floor session only.
- August 31st– 2015-16 Legislative session adjourns.

# WatchDog

Guarding the Business of Print

August 2016

## New Federal Posting Requirements

The U.S. Department of Labor (DOL) in mid-July announced two poster changes—Federal Minimum Wage and Employment Polygraph Protection Act. The DOL made the changes two weeks ago and set a mandatory compliance date of August 1, 2016.

### Federal Minimum Wage Poster

Even though California has a higher minimum wage rates than the federal rate, employers still must post the federal notice. Several changes were made to this poster, including:

- New information discussing the consequences of incorrectly classifying workers as independent contractors;
- New information relating to the rights of nursing mothers; and
- Updated information regarding enforcement by the DOL.

### Employee Polygraph Protection Act Poster

Revisions to this poster focus on new contact information for the DOL and delete reference to the penalty amount for violation of the law.

PIC has put the revised posters on its website and you may download a pdf at the following links:

#### Minimum Wage

- <http://bit.ly/MinWageBW>
- <http://bit.ly/MinWageColor>

#### Polygraph Protection

- <http://bit.ly/PolygraphBW>
- <http://bit.ly/PolygraphColor>

## SCAQMD Update

PIC has been actively working to defeat SB 1387 (Majority Leader Kevin de Leon). This bill does two things: it passes authority from the South Coast Air District (SCAQMD) to the California Air Resources Board to amend, change or reject rules adopted by the SCAQMD, and expand the SCAQMD Board from 13 to 16 members.

The three new members would be appointed by the Assembly Speaker, Senate Majority leader and Governor, giving each a second appointee on the Executive Board. Most disconcerting, moreover, is the new appointees must come from environmental justice organizations.

PIC testified before the San Bernardino Board of Supervisors urging it to send a letter in opposition to the bill. We're happy to say the Board voted 5-0 to send a letter of opposition. We also got the Riverside and Orange County Board of Supervisors to submit a letter in opposition as well as various local governments.

## Written Commission Agreements

Since January 2, 2013, whenever a California employer enters into a contract with an employee where the method of payment involves a commission, the contract must be in writing. The contract will set forth the methods by which the commission will be computed and paid.

The employer must give a signed copy of the contract to the employee and must receive a signed receipt for the contract from the employee.

Finally, the California Court of Appeals, Second District, in *Keyes Motors, Inc. v. Division of Labor Standards Enforcement (1987)*, clarified that compensation is considered commission if the employee is "involved principally in selling a product or service, not making a product or service"; and "the amount of their compensation [is] a percent of the price of the product or service."

Members can find a sample sales compensation agreements, with commentary, in the Graphic Arts Resource Center (login required):

- [piasd.org](#) > Management Services > Government Affairs > Human Resources > Sales Pay., and
- [piasc.org](#) > Management Tools (icon) > Human Resources > Sales Pay

### Where Is Your IIPP?

In California every employer has a legal obligation to provide and maintain a safe and healthful workplace for employees. As of 1991, a written, effective Injury and Illness Prevention Program (IIPP) is required for every California employer.

The written program must include specific procedures and practices. A PDF program with fill-in forms can be found at: [www.pic-gov.org/documents/Safety/SB198/SB198.pdf](http://www.pic-gov.org/documents/Safety/SB198/SB198.pdf). Print out pages 1-6 instructions. Open up the forms on page 4 and fill-in. Note on the instructions page there are hot links on page 6 that you'll need to access to complete the program. There is also an Appendix of (cont.)

## Where Is Your IIPP (cont.)

additional programs for companies that may need them.

EXCEPTION: Companies with less than 20 employees which have a Workers' Compensation Experience Modification Rate (ExMod) of 1.1 or less can limit written documentation of the IIPP to the following requirement:

- The identity of the people(s) with authority and responsibility for program implementation;
- Scheduled periodic "inspections" to identify unsafe conditions and work practices; and
- Training and instruction provided to employees.

For more information on how to comply with this requirement, contact Gerry Bonetto at (323) 728-9500, Ext. 248.

## PrintPAC Needs Your Support

You may have already received a letter from us encouraging you to support our governmental affairs effort with a voluntary contribution to PrintPAC of California—our statewide political action committee.

We're positive our past successes have contributed directly to your bottom line—such as lower workers' compensation premium rates, sales tax exemptions, and fair environmental regulations.

At some time or another, your company will come face to face with legislation or regulation that will harm your business. It's our job to see that it doesn't.

PrintPAC is a bipartisan political action committee that supports business-friendly incumbent legislators and makes recommendations to the PrintPAC Board on non-incumbent candidate endorsements.

Contribute to help elect pro-jobs legislators who support improving the business climate for the employer community. These contributions ensure that we get to know and have open access to state our case on any particular issue.

Please join with us to help protect California's strong and vibrant printing industry by making a voluntary contribution to PrintPAC of California.

## California Not Business Friendly

CNBC's 10<sup>th</sup> annual America's Top States for Business study places the Golden State at the bottom of the list for 2016. California was also found to be one of the costliest places to do business, with a favorability ranking of 49 out of 50.

California's educational system also ranked low on the scale, landing at 38, and the state's network of roads and bridges, waterways, rail lines and other infrastructure was ranked the 33<sup>rd</sup> worst in the nation.

The news was not all bad. The Golden State gained high marks in the technology and innovation (second), access to capital (tied for second) and economy (eighth) categories. This performance was enough to lift the state's overall score, albeit to a still-disappointing 32<sup>nd</sup>, five places lower than last year.

The CNBC report also provides cumulative rankings for how each state did over the past decade. By that measure, California ranked 36<sup>th</sup> out of the nation's 50 states. Texas topped the list at No. 1, followed by Virginia, Utah, Colorado and North Carolina.

