



# Employer News

## Points of Interest

- > Pending Legislation
- > New Laws
- > Amendments to Texas PEO Law
- > Flu virus in the Workplace

### Pending Legislation ~ Are You Ready?

If you're an employer, you've already been affected by some of the changes imposed this year, and there'll be more to come. Are you ready? Currently there are at least 27 different pieces of legislation, affecting 6 major employment areas that, if passed, will affect your business. All of us at Employee Professionals are watching those changes closely and making the necessary adjustments to keep our clients protected.

Congress is in session and some of the hot issues that could affect your business are:

**America's Affordable Health Choice** ~ The purpose of the Act is to provide affordable, quality health care for all Americans and reduce health care spending. Some inclusions in the Act are: (1) prohibiting preexisting condition exclusions, (2) providing guaranteed coverage to all, (3) automatic renewal of coverage, (4) establishing the Health Insurance Exchange to provide individuals and employers access to health insurance options, including a public health option, (5) require employers with an annual payroll over \$250,000. to offer health benefits coverage and make specified contributions towards such coverage.



The Act would also amend the Internal Revenue Code to impose a tax on: (1) an individual without coverage under a health benefits plan; and (2) an employer that fails to satisfy health coverage participation requirements for an employee, (3) in addition, a surtax would be imposed on individual modified adjusted gross income exceeding \$350,000.

**Employee Free Choice Act** ~ Would amend the National Labor Relations Act to include "card check," which would essentially eliminate secret ballot elections for union organizing, more union-friendly bargaining rules, increased penalties against employers, more NLRB injunctions.

**Healthy Families Act** ~ Will allow Americans to earn paid sick time to address their own health needs and those of their families. The Act requires certain employers who employ 15 or more employees for each working day during 20 or more workweeks a year, to permit employees to earn at least 1 hour of paid sick leave for every 30 hours worked., up to a limit of 56 hours in a calendar year.

**Paid Vacation Act of 2009** ~ Amends the Fair Labor Standards Act (FLSA) to require each employer who employs 100 or more employees to provide each employee 1 week paid vacation during a 12 month period. Three years after the enactment of this Act, businesses that employ 50 or more employees must provide each employee 1 week paid vacation; businesses with 100 or more employees will have to provide 2 weeks paid vacation.

**Wounded Veteran Job Security Act** ~ Passed the House June 8, 2009. Provides for rights and benefits for persons absent from positions of employment by reason of re-

**Findings Suggest:  
Paid sick time reduces  
spread of infectious  
disease.**



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## Pending Legislation ~ Are You Ready?

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cept of medical treatment for service-connected disabilities (1) to be retained by the person's employer; (2) the seniority and other rights and benefits determined by seniority that the person had at the commencement of such treatment plus the additional seniority and rights and benefits the person would have attained if the person had remained continuously employed; and (3) to be considered on furlough or leave of absence during such treatment and therefore entitled to other rights and benefits not determined by seniority as are other persons of similar seniority, status, and pay who are on furlough or leave of absence.

Allows the absent employee to use any vacation, annual, medical, or similar leave-with-pay accrued before the commencement of the treatment.

We don't know what's going to go through, but I think we can be certain that more changes are coming. Employee Professionals will be following these and many other proposed changes to keep you up to date and informed. If you would like additional information on these or any of the pending legislation, go to our website at [www.employeepro.com/proposedlegislation.html](http://www.employeepro.com/proposedlegislation.html)

## 2009 ~ What Changed?

Here we are coming up on the end of 2009 and we've seen several changes this year in the area of employment law. Seems the older I get the faster time moves and just when I think I've got it figured out someone changes the rules. So, what has changed for 2009? Here is a quick rundown on the new rules.



**Form I-9 Update** ~ Beginning April 3, 2009, every employer is required to use the updated I-9. The biggest change to this form is that employer's can no longer accept expired documents such as Driver's License, ID cards and passports. Another change to the form is an added option under the work authorization status. Employees now have the option of marking "A noncitizen national of the United States".

**Lilly Ledbetter Fair Pay Act** ~ Under the Act, an individual subjected to compensation discrimination under the Age Discrimination in Employment Act of 1967 or the Americans with Disabilities Act of 1990 may file a charge within 180 (or 300) days of any of the following:

- (1) when a discriminatory compensation decision or other discriminatory practice affecting compensation is adopted;
- (2) when the individual becomes subject to a discriminatory compensation decision or other discriminatory practice affecting compensation; or
- (3) when the individual's compensation is affected by the

application of a discriminatory compensation decision or other discriminatory practice, including each time the individual receives compensation that is based in whole or part on such compensation decision or other practice. The Act has a retroactive effective date of May 28, 2007, and applies to all claims of discriminatory compensation pending on or after that date.

**COBRA Continuation Coverage Assistance** ~ Eligible individuals pay only 35 percent of their COBRA premiums, and the remaining 65 percent is reimbursed to the coverage provider through a tax credit. The premium reduction applies to periods of health coverage beginning on or after February 17, 2009 and lasts for up to 9 months for those eligible for COBRA during the period beginning September 1, 2008, and ending December 31, 2009, due to an involuntary termination of employment that occurred during that period.

**Americans With Disabilities Act Amendments Act of 2008** ~ Effective January 1, 2009, the Act makes important changes to the definition of the term "disability" by rejecting the holdings in several Supreme Court decisions and portions of EEOC's ADA regulations. The effect of these changes is to make it easier for an individual seeking protection under the ADA to establish that he or she has a disability within the meaning of the ADA.

**DOL's Final Rule on Family and Medical Leave**, Providing Military Family Leave and Updates to the Regulations ~ Effective January 16, 2009. The Final Regulations implement two important new military family leave entitlements for eli-

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## 2009 ~ What Changed?

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gible family members:

(1) Up to 12 weeks of leave for certain qualifying exigencies arising out of a covered military member's active duty status, or notification of an impending call or order to active duty status, in support of a contingency operation, and

(2) Up to 26 weeks of leave in a single 12-month period to care for a covered service member recovering from a serious injury or illness incurred in the line of duty on active duty. Eligible employees are entitled to a combined total of up to 26 weeks of all types of FMLA leave during the single 12-month period.

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Between 1980 and 2000, the number of labor laws and regulations grew by almost two thirds, according to the Small Business Administration ([www.sba.gov](http://www.sba.gov)) which estimated owners of small or mid-sized businesses spent up to a quarter of their time on employment-related paperwork. Employee

Professionals assumes much of the burden and responsibility to help companies comply with these regulations and many other employment issues.

You can find detailed information on each of these changes on our website at [employeepro.com/laborlawupdates.html](http://employeepro.com/laborlawupdates.html)

## PEO Licensing Update—Texas

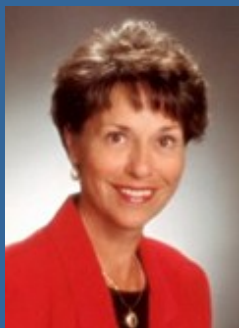
Governor Perry signed into law amendments to the Texas PEO licensing statutes (HB 2249). These amendments will provide additional security for the thousands of Texas businesses using a Professional Employer Organization (PEO) to outsource their Payroll, Workers Compensation, Human Resources and Risk & Safety Management.



Texas is the 2<sup>nd</sup> largest market for the PEO industry, with thousands of businesses taking advantage of the programs offered. This amendment to the Texas PEO licensing statute went into effect September 1, 2009 and PEOs have until the end of 2011 to comply. These amendments further protect

business owners involved in the PEO relationship by requiring PEOs to provide audited financial statements and strengthening the working capital requirements. Most important, the law clarifies that tax credits and other economic incentives stay with business owner, even though the PEO uses its own tax ID number to file the client's payroll taxes and secure workers compensation. This gives business owners the best of both worlds with all the employer benefits and none of the employer headaches.

For more information on how you can take advantage of a PEO program visit [www.EmployeePro.com](http://www.EmployeePro.com).



**Don't let distracting employment issues drain your company's resources and energy.**

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Carol Crean, Director, Employee Professionals ~ Houston



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### What's Your Opinion?

Email opinions, comments and topic suggestions to Employer News editor Esther Reiling at [EReiling@EmployeePro.com](mailto:EReiling@EmployeePro.com)

## CDC Says "Take 3" Steps To Fight The Flu

**Flu is a serious contagious disease.**

Take action to protect yourself and your loved ones from the flu. The Centers for Disease Control and Prevention (CDC) urges you to take the following steps to protect yourself and others from influenza (the flu):

- 1) **Take time to get a flu vaccine.**
- 2) **Take everyday preventive actions.**
  - Cover your nose and mouth with a tissue when you cough or sneeze.
  - Wash your hands often with soap and water. Alcohol-based hand cleaners are also effective.
  - Try to avoid close contact with sick people.

If you get the flu, CDC recommends that you stay home from work or school.

3.) **Take flu antiviral drugs if your doctor recommends them.**

For the full CDC "Take 3" steps, visit [www.cdc.gov/flu](http://www.cdc.gov/flu)

**Each year, more than 200,000 people hospitalized, 20,000 are children under 5, and 36,000 of those die from the flu.**