



Member Associations of

PRINTING INDUSTRIES OF CALIFORNIA

Printing Industries  
Association of

**San Diego**

Phone: (858) 571-6555

Web: [www.piasd.org](http://www.piasd.org)

Printing Industries  
Association of

**Southern California**

Phone: (323) 728-9500

Web: [www.piasc.org](http://www.piasc.org)

(formerly Printing Industries  
of Northern California)

**Visual Media Alliance**

Phone: (415) 495-8242

Web: [www.visualmediaalliance.org](http://www.visualmediaalliance.org)

### Headline Summary

- Letter Carriers for Saturday Delivery
- AB 32 Will Harm Economy
- State Environmental Fee
- Plastic Bag Ban
- Health Care and Adult Children
- Tariff Decision on Paper
- Refund for Sales Tax

### Did You Know...

*Print in the Mix: A Clearinghouse of Research on Print Media Effectiveness* brings together valuable information and research from a wide-range of credible sources on the role and effectiveness of print in the marketing media mix.

The publication's concise facts and top-line research summaries demonstrate print's effectiveness and role in generating return on investment -- alone and working synergistically with other media to drive results. <http://printinthemix.rit.edu/>

Print in the Mix is managed at Rochester Institute of Technology and supported by six universities from around the US and Canada.

The goal is to promote the greater use of print media through education and awareness.

# WatchDog

Guarding the Business of Print June 2010

## Letter Carriers For Saturday Delivery

**The president of the National Association of Letter Carriers** stated his group is against the proposal to eliminate Saturday mail delivery. He urged Congress to find ways that would provide "financial breathing room" while an alternative plan can be worked out.

Fredric V. Rolando stated "In view of the January report released by the postal Inspector General that showed that the [postal service] was overcharged by \$75 billion for postal pension costs, Congress instead should take immediate steps to correct the error."

He concluded that the correction would give the postal service the financial breathing room needed to develop a more successful plan.

## Ab 32 Will Harm Economy

**The nonpartisan Legislative Analyst's Office (LAO)** released an evaluation of the costs and effects of Global Warming Solutions Action of 2006 (generally known as AB 32). According to its report, AB 32 will have "adverse effects on the state economy and businesses if California goes it alone.

While the LAO recognizes that the green sector will most likely benefit from AB 32, it contends that the majority of California's businesses will experience negative effects that will ultimately impact the state's economy by increasing energy prices and driving businesses and jobs out of California.

The LAO found critical deficiencies in the California Air Resources Board's evaluation of the costs of AB 32 in the context of the "leakage" of jobs.

PIC is supporting a November ballot initiative to delay the implementation of AB 32 until the state recovers from the economic recession.

## State Environmental Fee

**California imposes an environmental fee on businesses with 50 or more employees**, each employed more than 500 hours in a calendar year. These businesses must register with the Board of Equalization and pay an annual environmental fee if they use, generate, or store hazardous materials or conduct activities related to those materials. The fee thus applies to most printing facilities.

The Department of Toxic Substances Control (DTSC) has determined that most organizations fall into this category. The Environmental Fees Division is responsible for collecting the fee, which provides revenue for hazardous waste cleanup and pollution prevention programs administered by the DTSC.

Businesses with fewer than 50 qualifying employees are not required to register or pay the fee.

# Plastic Bag Ban

**AB 1998 (Julia Browney—D-Santa Monica) has passed out of committee** and awaits vote on the floor of the California Assembly, where it seems assured of passage. It would then move to the Senate for hearing and possible floor vote sometime later in the year.

A spokesman for Gov. Arnold Schwarzenegger said he supports the bill and said he would sign it into law if it reaches his desk.

The measure would go further than plastic bag bans in at least five California cities, including San Francisco. For example, the San Francisco's ordinance applies only to chain supermarkets and pharmacies, but the state measure would bar the items from all food and convenience stores, and it would also restrict retailers from handing out free paper bags.

According to the author, Californians use over 19 billion plastic bags annually (approximately 552 per person), creating over 147,000 tons of waste and costing the state spends more than \$25 million annually to collect and bury the items.

Similar regulations have been adopted in many California cities, including San Francisco, Malibu, Manhattan Beach, Oakland, and Palo Alto

The measure got a big boost, however, when the author secured the support of the California Grocers Association, which represents chain and independent supermarkets, convenience stores, and mass merchandisers in California and Nevada.

Shoppers who don't bring their own totes to a store would have to purchase paper bags made of at least 40 percent recycled material for a minimum of 5 cents or buy reusable bags under the proposal, which would take effect Jan. 1, 2012.

Stores that do not comply with the bag distribution requirements would face civil penalties up to \$500 for the first violation, and an additional \$500 for subsequent violations, up to a total of \$5,000.

---

## Health Care And Adult Children

---

**On May 10, 2010** the Internal Revenue Service, Department of Labor, and Health and Human Services issued an interim final rule on the requirement to provide health benefits to employees' adult children up to age 26 under new health care law.

The rule, which has a 90-day comment period, becomes effective July 12, 2010, and generally applies to group health plans for plan years beginning on or after Sept. 23, 2010 (typically Jan. 1, 2011, for calendar year plans). No special surcharges will be allowed for extending coverage under this circumstance.

If children of employees were previously "aged out" of coverage from a parent's plan must now be given a new right to enroll and at least 30 days to decide. Plus, a child who previously lost coverage because of age and then opted for COBRA can re-enroll in the parent's health care plan. Then, upon reaching age 26, the child could again take COBRA for up to 36 months.

Coverage must be offered for employees' adult children up to age 26 regardless of whether the child is in school, married, lives at home, or has any income. The last day a plan would have to extend coverage would be the day before the adult child's 26th birthday.

---

## Tariff Decision On Paper

---

**The U.S. Department of Commerce** has recommended imposing tariffs on certain coated paper imported from China and Indonesia. The proposed tariffs range from 30.82 percent to 89.71 percent with an all China rate of 135.8 percent, and a tariff of 10.62 percent would be imposed on some coated products imported from Indonesia.

The decision follows Department of Commerce's determination on March 1 that Chinese and Indonesian coated paper producers benefited from government subsidies which impacted domestic producers. Imports from the two countries together account for over 25 percent of the domestic market.

The recommendation will likely mean that printers will face higher prices for certain coated paper.

---

## Refund for Sales Tax

---

**If you (or more likely your customer) believe you have paid more sales or use tax than you owe**, you may file a claim for refund of the overpaid tax. You may not deduct a past overpayment from the amount due with a current or future sale and use tax return.

You can file a claim for refund direct to the Board of Equalization at the following address:

Refund Section  
Board of Equalization  
P.O. Box 942879  
Sacramento, CA 94279-0039

There is no specific to use to apply for a sales tax refund; however, we have designed an easy a fill-in form that will help expedite the claim. Go to [www.piasc.org](http://www.piasc.org) and click on the Government Relations link at the top of the page. Then scroll down to the *Guide to California Sales and Use Tax*. Open the drop down menu and locate near the bottom Special Topic: Sales Tax Refund.

**Remember:** If the sales tax reimbursement has been paid by a customer, the refund belongs to the customer and not you, the retailer.