



Member Associations of

PRINTING INDUSTRIES OF CALIFORNIA

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### Headline Summary

- Ballot Initiative Scorecard
- UI Fund Needs a Fix
- Collecting Sales Tax
- New Paid Leave Provision
- Copyright Protection

### Did You Know...

Up until the passage of AB 1304 (D-Sandana San Diego), only state employees who have used all their sick leave are given paid leave of up to 30 days for the purposes of organ donations and up to five days for bone marrow donation. AB 1304 extends that coverage to private employers with 15 or more employees. You must also maintain and pay for coverage under a group health plan during the leave.

The employer may first require the employee to use up to two weeks of earned but unused sick leave or vacation leave.

The law also affords employees' protection for requesting such a leave, as employers are required to restore employees to the same or equivalent positions that they held prior to taking the leave.

# WatchDog

Guarding the Business of Print

November 2010

## Ballot Initiatives Scorecard

PIC'S Position	Vote	Proposition Number & Title	Yes%	No%
No	No	19 Legalize Marijuana	46.1%	53.9%
Yes	Yes	20 Redistrict Congressional Districts	61.2%	38.8%
Neutral	No	21 State Park Funding: Vehicle License	41.9%	58.1%
Yes	Yes	22 Prohibit State from Taking Local Funds	61.0%	39.0%
Yes	No	23 Suspend Air Pollution Law (AB 32)	38.9%	61.1%
No	No	24 Repeal Business Tax Incentives	41.5%	58.5%
No	Yes	25 Simple Majority to Pass Budget	54.8%	45.2%
Yes	Yes	26 2/3 Vote for Some State/Local Tax	52.9%	47.1%
No	No	27 Eliminate State Redistricting Commission	40.6%	59.4%

## UI Fund Needs A Fix

California's unemployment insurance (UI) fund continues to spiral down. Employers are the only ones responsible for funding UI benefits which they pay through an annual tax.

Due to the state's high unemployment rate and large deficit, the state has now borrowed \$8.4 billion from the federal government to pay UI benefits. The interest on this loan comes due next year and can only be paid with general fund dollars or a special assessment on employers, but cannot be paid with dollars from the UI trust fund. The interest may be as high as \$500 million.

In addition to the national recession, California's UI fund began facing trouble in 2002 when the state legislature increased the weekly benefits paid but did not change the employer contributions or tighten eligibility to offset the additional costs.

The State legislature will have to address the UI deficit soon. The options for reform include raising the tax wage base from \$7,000 to as high as \$21,000; reducing weekly benefits and enhancing fraud enforcement; changing eligibility requirements, reforming the safety net into a re-employment tool or a combination of these.

## Collecting Sales Tax

As a seller, you owe the sales tax on your taxable sales and are responsible for paying the correct amount to the BOE. If you pay less than the correct amount, you are subject to additional tax charges plus applicable penalties and interest charges.

Although you are required to pay and report sales taxes to the BOE for the privilege of doing business in California, you may be reimbursed by your customer for the amount of tax you owe on a sale. For example, if you are required to pay \$150.00 in sales tax on a sale, you may pass that cost on to your customer, provided it is agreed to as part of the sale. That agreement is implicit in the sale of the printed matter.

# Updated Labor Law Posters

On January 1, 2011, employers must exhibit revised federal and state postings reflecting changes in workplace requirements, including changes to the Cal/OSHA requirements and the workers' compensation *Notice to Employees—Injuries Caused by Work* posting.

There are no changes to the Industrial Welfare Commission (IWC) orders that regulate wages, hours and working conditions. Therefore the 2010 posters don't have to be replaced.

Again this year, PIC has available all state and federal notices in a handsome, laminated poster, in English or Spanish, for your compliance requirements. The poster combines all 20 state and federal notices (27" x 39").

The cost, which includes shipping and handling, is \$24.00 for members, and \$33.00 for non-members.

Some companies may also be required to post additional notices depending on their operation, such as forklift safety, fire extinguishers, safe lifting, and bloodborne pathogens.

We also have those ready to ship.

The easiest way to order, or view the list of available posters, is online at [www.piasc.org](http://www.piasc.org) under the title Labor Law Posters, or by calling Marcos Uribe at Ext. 299.

Besides displaying labor law posters, members are reminded that in California every employer has a legal obligation to provide and maintain a safe and healthful workplace for employees, according to the California Occupational Safety and Health Act of 1973. As of 1991, a written, effective Injury and Illness/Injury Prevention Program is required for every California employer. The program (often called SB198 Program) must be in writing. If you need assistance creating your company's Illness/Injury Prevention Program, please contact Gerry Bonetto at Ext. 248 (email: [gerry@piasc.org](mailto:gerry@piasc.org)).

## Copyright Protection

Previous court decisions have established that printers are jointly responsible with their customers for reproducing copies of any material, protected by copyright law, for the customer.

Copyright infringement can sometimes be avoided by the printer under Title 17 section 405(b). This section states that "any person who innocently infringes a copyright in reliance upon an authorized copy...from which the copyright notice is omitted will incur no liability for...damages...if he/she proves that he/she was misled by the omission of notice." The burden, however, generally falls on the printer to prove that he/she was misled by the lack of notice.

Question a customer when he is submitting typed pages to be added to a manuscript. If it appears the person is presenting another's work as their own, be cautious. Inspect publications you print to be sure that the publisher includes copyright information and acknowledges contributor's work. Watch for art that involves film titles, song lyrics, popular characters from a book, TV series, cartoon, or comic strip.

It may be prudent, in suspicious cases, perhaps at all times, to ask the customer for either proof of ownership, proof of public domain, or proof of permission from copyright owner to reproduce copyrighted material.

Below is sample language for a contract, printed by Printing Industries of America, which can be used, in full or modified form, to protect your company and yourself from copyright infringement liability.

\_\_\_\_\_ [name of customer], (hereinafter referred to as "Customer"), warrants that Customer is the copyright owner or has secured the right to reproduce in copies and to distribute copies of all copyrighted works printed pursuant to this agreement. Further, Customer warrants that the work to be printed pursuant to this agreement has not been altered, defaced, mutilated or otherwise modified without the permission of the author in violation of any right of the author recognized under common law or state law. Customer hereby agrees to indemnify and hold harmless (name of printer) against any and all losses suffered by \_\_\_\_\_ [name of printer] or any of its officers, employees or assignees for copyright infringement, or for alteration, defacement, mutilation or other modification of the work without the author's consent, or any other cause of action based on the rights of the author of the works printed pursuant to this agreement. Such indemnification shall include actual and statutory damages, fines, and attorneys' fees which may be awarded to a plaintiff or incurred in defending against an action, and all other legal costs incurred in defending against such actions.

## California Leads In Jobless Rate

Nationwide, the unemployment rate was 9.2% in September, compared to 9.5% a year earlier. California's jobless rate was 12.2%, compared to 11.8% last year. Among the 13 metropolitan areas with unemployment rates of at least 15% in September, nine were in California:

Bakersfield-Delano	15.1%	Redding	15.2%
El Centro	30.4%	Stockton	16.6%
Fresno	15.2%	Visalia-Porterville	15.9%
Merced	16.6%	Yuba City	17.9%
Modesto	16.2%		

