



Member Associations of

PRINTING INDUSTRIES OF CALIFORNIA

Printing Industries
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Headline Summary

- Storm Water Permit Deadline
- Sales Tax Help
- DTSC to Grow
- Printing Industries' New Website
- Pending Legislation
- Prop 13 Battle

Sales Tax Help

In recent years, California has aggressively pursued income from sales audit and enforcement programs.

If you looking for an answer to a specific question or an expert in a sales tax audit defense, that's where we come in. We have over 25 years experience in dealing with sales tax regulations and company audits.

Our goal is to answer your questions before a visit by a Board of Equalization auditor. We're just a telephone call or email away. In those cases that require an audit finding to be appealed, we can guide you, with our specialized, in-depth experience, through the California Board of Equalization's administrative appeals process.

WatchDog

Guarding the Business of Print

July 2015

Stormwater Permit Deadline

The new National Pollutant Discharge Elimination System (NPDES) for storm water permits becomes effective July 1, 2015. It will replace the current permit. Companies with current permits received letters in December 2014 and January 2015 to re-certify their permits. These companies should now have prepared for submittal their application for the July 1, 2015 deadline. They will re-certify their permits through the program's electronic report found at <https://smarts.waterboards.ca.gov/smarts/faces/SwSmartsLogin.jsp>.

Companies that previously did not have to obtain a storm water permit are NOT EXEMPT from complying with the new Industrial General Permit (IGP). Many printing companies (SIC codes 2711-2796), however, may qualify for a No Exposure Certification (NEC)—the minimum requirement under the program.

To qualify, a company must verify that there is no exposure of industrial activities and materials in eleven (11) major areas. A sample NEC checklist can be found on our website here: <http://bit.ly/Storm-Water>.

Companies will have to electronically apply for the NEC, the software for which will not be available until the beginning of July. Companies will then have until October 1, 2015, to file the NEC application. Finally, all new NECs and NEC re-certifications require a fee that is currently \$200.

For more information, please contact Gerry Bonetto at Ext. 248 or gerry@piasc.org.

DTSC to Grow

There is a "package" of bills introduced this year to enhance the ability of DTSC to more effectively recover costs and to expand their authority. Most were authored by members of the Assembly Committee on Environmental Safety and Toxic Materials.

Moreover, in the 2015-16 budget submitted to the Governor, trailer bill language will give DTSC 52 new staff positions and \$16.8 million to enhance its permitting and enforcement programs. Part of the package includes the formation of a three member independent review panel which would oversee DTSC's activities and report to both the Governor and the Legislature.

The Senate proposed that the Assembly Speaker, the Senate Rules Committee, and the Governor would each appoint one member to the panel. The panel would make recommendations on programs and activities of the department.

The budget trailer bill may also require DTSC to submit, as part of its January 2016 budget plan, a proposal implementing the oversight panel's recommendations, according to the Senate offering.

Finally, the bill provides \$643,000 to identify consumer products with toxics for the Green Chemistry program.

Printing Industries' New Website

Printing Industries of San Diego, Printing Industries of Southern California, and Virtual Media Alliance have launched a new website, bringing together, in one place, tools and information to help members comply with regulatory, technical, and legal issues.

The website will be maintained by the three associations' government affairs office Printing Industries of California (PIC) and is easily accessible through a link on your affiliate's website under *Graphic Arts Resource Center*.

The material on the website is grouped into five categories for easy access:

- Business/Technical
- Environmental
- Human Resources
- Safety
- Sales Tax

Each category is further divided by subject matter (e.g., under Human Resources there are twelve sub-categories, such as pre-employment, employment, sample employee handbook, required postings and brochures, and terminations).

The 'Get Involved' section is where members can respond to a "call to action" from your associations, enabling them to email their representatives a form letter prepared by PIC staff on proposed legislation that could impact the graphic arts industry in either a positive or negative way.

"Strength in numbers" is PIC's motto. By serving as a bridge between the association's members, statewide public officials, and utilizing effective grassroots campaigns, PIC provides its members with a voice on legislative and regulatory issues that affect their bottom line.

For more information contact Gerry Bonetto at (323) 728-9500, Ext. 248.

Pending Legislation

PIC opposes the following two bills that are working their way through the legislature:

- **AB 1522** (Gonzalez; D-San Diego) Paid Sick Leave: increases employer mandates by requiring all employers, large and small, to provide all employees in California with paid sick leave. AB 1522 also threatens employers with statutory penalties, treble damages and liquidated damages for alleged violations.



AB 1522 expands the benefit to mandate paid sick leave for temporary, seasonal and part-time employees which will create a huge burden on employers. Passed Assembly; in Senate Judiciary

- **SB 406** (Jackson; D, Santa Barbara) expands the mandatory protective leave law by lowering the employee threshold from 50 to 25 employees.



The bill also includes provisions expanding the category of family members for which the leave can be taken to include grandparents, grandchildren and siblings that are not covered under the corresponding federal Family Medical Leave Act (FMLA).

Under SB 406 only California employers would be subject to this law. Passed Assembly Committee on Labor and Employment; in Assembly Appropriations Committee for consideration of its fiscal impact to the state.

Prop 13 Battle

Two California newspapers—*San Diego Union Tribune* and *Orange County Register*—editorialized opposing SCA 5, a bill that seeks to redefine Proposition 13 by increasing commercial and industrial property taxes by assessing the property based upon current fair market value instead of acquired value.

The opinion pieces echo the arguments of other organizations who claim the bill "is unfair and will impose a discriminatory tax against commercial and industrial property owners that will ultimately harm small businesses with higher rent, consumers with higher prices and workers through potential job loss."

In recognition of the significant tax increase this would be for such property owners, SCA 5 proposes a phase-in schedule for payment of this tax with all commercial and industrial property being assessed upon its current fair market value by 2019–2020. Property owners saddled with this huge tax increase would be provided two to three years to pay the taxes.

Additionally, property owners who are unfortunate enough to have a 25% increase in the current fair market value of their property compared to the prior assessed value will be exempt from paying those taxes until after five years, at which point the property owner will be liable for all taxes assessed.

SCA 5 sends the wrong message to business—and especially small business—that investing in California will be even more costly.

PIC strongly opposes SCA 5.

