



Your Advantage

News and information to help you and your business succeed

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Employer Advantage announces

Employer Advantage is pleased to welcome **Kathy Long** and **Lora Leslie** to the team.

Kathy will work in the Payroll Department as a Payroll Specialist. Prior to coming to Employer Advantage, Kathy worked at Mid-America Hardwoods as an Administrative Assistant.

Lora will work with the Benefits Department as the Benefits Auditor. Prior to starting with Employer Advantage, she was employed at Embassy Embroidery, Webb Corporation and the City of Sarcoxie.

We look forward to having Kathy and Lora on the Employer Advantage Team to assist you with your needs.

Richard Scott, CFO of Employer Advantage attended the National Professional Employer Organization (NAPEO) CFO conference in Dallas, Texas on July 29 and 30. In addition to accounting practices, the conference offered legislative updates and an overview on healthcare reform.

Labor Day Hours

Please be advised that our offices will be closed Monday, September 7, 2009 in observance of the Labor Day Holiday.

In order to ensure timely delivery of your payroll that week, Payroll must receive your information by 10:00 AM Tuesday, September 8, 2009. Or if possible, please transmit payroll data to Payroll on the previous Friday, September 4, 2009. Our fax lines and internet website will be fully operational through the entire weekend.

Have a good Labor Day Holiday!

Unemployment Extension

Unemployment Rates Thought to Increase Until 2010

According to a recent article on www.bloomberg.com, the United States unemployment rate may not peak until sometime in 2010 and that U.S. Treasury Secretary, Timothy Geithner indicated that an extension in unemployment benefits might be necessary.

"I think that is something that the administration and Congress are going to look very carefully at as we get closer to the end of this year," Geithner said in an interview on ABC's "This Week" program.

Bills To Go To Congress to Extend the Extension

According to www.about.com, on August 2, 2009, Representative Jim McDermott, Washington, introduced legislation which would give an additional 13 weeks of unemployment benefits for workers in states where the overall unemployment rate on a three-month rolling average is at or above 9% (currently 20 states). In addition, the legislation would continue provisions in the Recovery Act set to expire at the end of the year, including extended benefits and increasing the amount of unemployment by \$25/week. Rep. McDermott said he will push for quick passage of the legislation in the House in early September.

Where Does the Extension Money Come From?

As of July 31, 2009, the Department of Labor reported that \$12,705,448,949.39 in Trust Fund Loans had been made to states for the Extended Unemployment Benefits. To recoup these costs, it may be determined, on a state level, to charge additional taxes to each employer until the Trust Fund accounts reach their "safe" levels. Each state determines the amount of the additional tax or surcharge to the employers in that state.

Alternatives to Laying Off Employees

Employer Advantage is committed to assisting employers with alternative solutions to a lay off. Employers may want to:

- Ask for volunteers to be furloughed for a week without pay
- Ask for volunteers to reduce their hours in a work week
- Look at reducing hours company-wide, thus sharing the reduction in work hours
- Ask for employees' ideas for cost cutting measures in other areas. You might be surprised at the ideas to save money for the company.

It is fortunate to have unemployment insurance for the workers who are caught up in the economic downturn. Hopefully employers will be able to keep from reducing their workforce any further and start to plan for the future.

OSHA National Emphasis Program

Beginning this month, the Occupational Safety and Health Administration (OSHA) will begin inspecting construction firms as well as other businesses that are traditionally considered high risk but are reporting few incidents. A congressional hearing concerning the problem of underreporting occupational injuries and illnesses led to the development of a 12 month pilot program called the National Emphasis Program (NEP).

NEP inspections will review 2007-2008 OSHA 301 reports and logs, workers' compensation forms, and medical files for a selected group of employees at each location. The inspectors may conduct in-person interviews with recordkeeping employees and health care providers to determine their knowledge of occupational injuries and illnesses. They will also use the interviews to verify an employer's disposition regarding accident and injury reporting. The inspector will perform a walk-through inspection and can issue citations. Establishments selected for the NEP inspections will have 40 or more employees and a reported Days Away, Restrictions and Transfers (DART) rate of 4.2 or less for 2007 and 2008.

Employer Advantage maintains all recordkeeping and reporting documents for our clients. We will assist you with preparation for an upcoming inspection. If you have any questions regarding any of this information please feel free to call your Safety/Loss Prevention Representative.

Decision Changes Enforcement of Non-compete Contracts in Missouri

The recent decision of the Missouri Court of Appeals has changed the potential enforcement of non-compete contracts with employees in the State of Missouri.

Many companies have all employees sign a non-compete and/or non-solicitation agreement at the time of employment regardless of the level of responsibility into which the employee is being hired. In the case of *Brown v. Rollet Bros. Trucking Co. Inc.*, the employee, Russel Brown was a dispatcher for Rollet Bros. Trucking since 1999 and had signed an agreement not to compete for three years after termination with the company. Mr. Brown's responsibilities included finding business and arranging trucks for transportation, but he did not have authority to change rates or prices.

After going to work for a direct competitor and being fired once Rollet threatened a lawsuit, Mr. Brown sued, asking the court to find the noncompete agreement unenforceable.

The court of appeals found that, despite Mr. Brown's daily interaction with clients, he did not have the ability to influence customer's decisions based on his relationship with them.

For Missouri employers, this court decision means that non-compete agreements will be more difficult to enforce on those employees who fall somewhere below the "trade secret" level, but high enough to have customer contact, company information, and limited decision making abilities.

For more information on non-compete agreements and a review of your company's levels that require a non-compete agreement, contact the Human Resources Department of Employer Advantage.

Staying Informed

In planning for the August issue of "Your Advantage" several people asked if we could do an update on the latest changes in the Healthcare Bill. Unfortunately, the Healthcare Bill can change by the hour depending upon the House or Senate version or the various committees' activity.

What we can do is offer you two websites www.house.gov and www.senate.gov for more information on proposed legislation that can affect employers. These websites also provide access to your Senator or House of Representatives member, their scheduled townhall meetings during the recess, and you can make your opinion known on possible future changes to business and other proposed laws.

Federal Government Strengthens Commitment to EVerify

In July, Department of Homeland Security (DHS) Secretary Janet Napolitano called for Administration's support for a regulation that will award federal contracts only to employers who use E-Verify to check employee work authorization.

"E-Verify is a smart, simple and effective tool that reflects our continued commitment to working with employers to maintain a legal workforce," said Secretary Napolitano.

According to Secretary Napolitano, the Department of Homeland Security will go ahead with a rule to require federal contractors and subcontractors to use E-Verify to check the employment eligibility of their employees. The rule has been put on hold 4 times, but Napolitano says the administration will push ahead with full implementation of the rule and put it into effect on September 8, 2009.

Employer Advantage offers EVerify as a free verification service to all clients. Currently, the following states require EVerify:

State	Employers Affected	Date Effective
AZ	All AZ employers	01/01/08
AR	Contractors/Subcontractors with state	07/01/09
CO	All employers with state or political subdivision contract	05/13/08
GA	Public Employers/Contractors/Subcontractors to public employers	07/01/07
ID	All state agencies.	07/01/09
IN	State and local government and their contractors.	09/30/09
MN	State contract vendors and employers receiving business subsidies.	01/29/08
MS	All MS employers	01/01/09
MO	Public employers, any business with a state contract or grant in excess of \$5,000 or any business receiving state-administered or subsidized tax credit, tax abatement or loan from the state.	01/01/09
NE	Public entities, contractors for public projects, and businesses qualifying for state tax incentive programs.	10/01/09
NC	All state agencies, offices, and universities except for employees of local education agencies hired on or after March 1, 2007.	01/01/07
OK	State and local government agencies and private employers with government contracts.	On Hold
RI	State agencies and all contractors/subcontractors with the state. Bill in State Senate requiring all private employers to use E-Verify.	03/27/08
SC	Private employers with 100 or more employees. Beginning 01/01/10 All employers must use E-Verify	07/01/09
UT	Public entities and public contractors.	07/01/09

Employers must notify Employer Advantage within 30 days of the qualifying contract or subcontract is awarded. Employers who think that they might be subject to the EVerify Federal Contractor Rule should contact Employer Advantage for more information on the E-Verify program.

Electronic W-2s - It's not too early!

Employees may register with www.getmytaxform.com/employeradvantage to receive their 2009 W-2 electronically. Employees who have already registered do not need to do so again.

Employees will receive their 2009 W-2 by email in January and will have the option to reprint as needed in the future for free.