

JULY 2009

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MINIMUM WAGE TO INCREASE JULY 24, 2009

The federal minimum wage will increase to \$7.25 per hour beginning July 24, 2009. This is an increase of 70 cents an hour over the current federal minimum wage of \$6.55 an hour. This is the last of 3 scheduled minimum wage increases that began in July of 2007. Employers who willfully do not pay the federal minimum wage may be prosecuted criminally and fined up to \$10,000. A second conviction may result in imprisonment. Employers who willfully or repeatedly violate the minimum wage or overtime pay requirements are subject to civil money penalties of up to \$1,100 per violation.

Failure to comply with government labor law posting requirements relating to the minimum wage and other required postings could lead to citations and fines during an inspection. Fines vary by poster and by enforcing agency, ranging from as low as \$110 up to a potential maximum of \$10,000. In total, businesses that don't post these required notices or post outdated information could face combined fines up to \$17,000 per location.

In addition to paying the minimum wage, Louisiana employers are required to post the federal minimum wage poster that was revised in June 2007. As an added benefit of renewing your LSBA membership in 2009, you will receive a new poster that complies with all federal and state posting requirements.

These fines or not necessary so let LSBA help protect your business and the required posting requirements by renewing your 2009 membership dues and you will avoid being liable for fines from state and federal governments for failure

to post. When your dues are received, LSBA will mail you a new poster. Simply put the poster in a conspicuous place at your workplace for employees to see.

As part of our member services, LSBA makes sure you are current on all new employment posting requirements (both state and federal) so that you do not have to be scared by poster companies offering employment posters at outrageous prices. For the price of your LSBA membership, you are kept completely up to date on any new or changing poster requirements.

UNEMPLOYMENT COMPENSATION LEGISLATIVE UPDATE

The legislative session ended June 25 and several bills have passed that affect small businesses. We will give a final legislative report in the August edition of Issues.

House Bill 891 by Representative Jackson, deals with unemployment compensation and prompt filing of payroll reports and requires employers to file payroll reports within 20 days after the due date or the Department may assess a penalty. Failure to file may result in a penalty of 5% of the total amount due for that quarter or \$25.00, whichever is greater, for each additional thirty-day period or fraction thereof during which the failure continues. The penalty shall not exceed twenty-five percent of the amount due for that quarter, or one hundred twenty-five dollars, whichever is greater.

House Bill 892 by Representative Jackson deals with unemployment compensation and prompt determination of claims and requires employers to timely provide wage, employment, and

separation information, and to complete all forms and reports as requested by the administrator or his designee at the Louisiana Workforce Commission. A response to such requests shall be timely if it is received within ten days from the date of mailing.

If an employer fails to provide information in a timely manner without good cause, the employer shall be deemed to have abandoned its appeal rights as provided for in R.S. 23:1629 through 1634, and a determination to that effect shall be issued. Any appeal filed by an employer other than with timeliness of fulfilling their obligations shall be dismissed and the employer shall be liable for any resulting benefits paid.

DID YOU KNOW?

Employer Instructions For Preparation of Separation Notice Alleging Disqualification of Unemployment Benefits

An employee who leaves your workplace without good cause is not eligible for unemployment compensation benefits. When this occurs, a Separation Notice Alleging Disqualification (Form LWC 77) should be made out in triplicate for each worker who leaves your employment without good cause connected with his work, is discharged for misconduct connected with his work, or is unemployed because of a labor dispute. The form can be found at <http://www.laworks.net/Downloads/UI/77form.pdf>

Mail or Fax (225) 346-6068 an original to the Administrator, Louisiana Workforce Commission, Post Office Box 91253, Baton Rouge, Louisiana 70821-1253 **within 72 hours after employee has left his or her job.**

Give a duplicate copy to the worker along with the "Instructions To The Worker" and the Worker's Claim Information, Form LWC 87W, or if delivery is impossible, mail to his or her last known address within 72 hours.

Keep a third copy in your files for reference.

The form asks for various data from the employer. Be sure and check the reason for separation and explain in detail so that it can be determined whether or not a disqualification from receiving unemployment compensation benefits for leaving without good cause attributable to a substantial change with t employment should be assessed.

This notice should be signed by an officer or employee authorized to assume responsibility for the information and his title or position. This notice should be dated as of the date it is handed or mailed to the worker and mailed or faxed (225) 346-6068 to the Administrator, Louisiana Workforce Commission, Post Office Box 91253, Baton Rouge, LA 70821-1253.

HURRICANE PREPAREDNESS

When a hurricane strikes, will you be ready? It's critical that you are, for your business and the safety of you and your family. The key is to have a winning game plan. State officials want to help you in developing a simple but successful game plan. That way, everyone will know what to do, where to go and who to call when there's a hurricane. Click through the checklist on <http://www.getagameplan.org/> to help you prepare and ensure your safety and well-being.

Put together an emergency kit:

- Essential Supplies
- Important Papers

Make Preparations:

- Personal Evacuation Plan
- Hurricane WATCH vs. Hurricane WARNING
- Protect Your Home
- Protect Your Valuables
- Prepare for High Winds
- Special Medical Needs
- Evacuating Pets

Stay Informed

- Weather & Emergency Alerts Sign Up
- Receive Twitter Updates

<http://www.getagameplan.org/>