SEGA Chairman’s Message

The Word “Change”

This single word has different meaning to different people about different things. A man I consider to be one of the smartest men to ever grace the face of the earth, Albert Einstein, had these quotes about change.

- The measure of intelligence is the ability to change.
- We cannot solve our problems with the same thinking we used when we created them.
- Men marry women with the hope they will never change. Women marry men with the hope they will change. Invariably they are both disappointed.
- The world as we have created it is a process of our thinking. It cannot be changed without changing our thinking.
- If the facts don’t fit the theory, change the facts.
- Technological progress is like an axe in the hands of a pathological criminal.
- The world is not full of evil because of those who do wrong. It is full of evil because of those who do nothing.
- A photograph never grows old. You and I change, people change all through the months and years but a photograph always remains the same.

All of these quotes are great quotes to remember, but it is up to each one of us to examine our personal life, career and professional life and businesses to identify where change or changes need to be made and then make them. Change is imminent, the ability to adapt is the difference between success and failure.

Until next time!

Woody Watters
SEGA Chairman
SEGA 2018 OFFICERS

Chairman of the Board
Woody Watters
Pensacola Glass Company

Vice Chairman
Vacant

Secretary/Treasurer
Vacant

SEGA 2018 DIRECTORS

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Thomas Lee, IV – Lee & Cates Glass
Jeff Miller – Lore L. Ltd.
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Please submit your news releases, articles and comments for this publication to the SEGA office, attention: Julie, 231 West Bay Avenue, Longwood, FL 32750–4125. Advertising Space is also available. Please call the SEGA office at (407) 831–7342 for current rates and information.

SOUTHEAST GLASS ASSOCIATION
CALENDAR OF EVENTS
2018

April
10………………… Florida Building Commission Meeting,
Orlando Marriott at Lake Mary, Lake Mary
11–13…………… CILB Board of Director’s and Committee
Meetings, Hilton Garden Inn Palm Beach Gardens,
Palm Beach Gardens

May
9–11…………… CILB Board of Director’s and Committee
Meetings, Hilton St. Augustine Historic Bayfront,
St. Augustine

June
10–15…………… Florida Building Commission Meeting,
Embassy Suites Orlando North, Altamonte Springs
13–15…………… CILB Board of Director’s and Committee
Meetings, Omni Orlando Resort at ChampionsGate,
ChampionsGate
18–20…………… Florida Building Commission Meeting,
Shores Resort and Spa Daytona Beach, Daytona Beach

July
11–13…………… CILB Board of Director’s and Committee
Meetings, The Ritz–Carlton–Sarasota, Sarasota

August
8–10…………… CILB Board of Director’s and Committee
Meetings, The Biltmore Hotel, Coral Cables
14–15…………… Florida Building Commission Meeting
Biltmore, Coral Cables

September
12–14…………… CILB Board of Director’s and Committee
Meetings, The Ritz–Carlton–Sarasota, Sarasota
12–14…………… GlassBuild America: The Glass,
Window &Door Expo, Las Vegas Convention Center,
Las Vegas, NV

October
10–12…………… CILB Board of Director’s and Committee
Meetings, Omni Orlando Resort at ChampionsGate,
ChampionsGate
TBA………………… Florida Building Commission Meeting
TBA………………… Glass & Glazing Specialty License Exam

November
14–16…………… CILB Board of Director’s and Committee
Meetings, Hilton Garden Inn Palm Beach Gardens,
Palm Beach Gardens

December
TBA………………… Florida Building Commission Meeting
This year’s Legislative Session was filled with a lot of ups and downs, but mostly downs. It was plagued with sexual harassment, the Parkland shooting, gun regulation and school safety. Many issues were put on the back burner once the Parkland shooting took place.

The 2018 Legislative Session ended on Friday, March 9, the official end date of the 60–day Legislative Session. The 2018–2019 State Budget, which is the only bill lawmakers are constitutionally mandated to pass, was not agreed upon until 1:20 p.m. on Thursday, March 8. Because of a constitutionally required 72–hour “cooling off” period, the lawmakers could not vote on the budget until on or after 2:20 p.m. on Sunday, March 11. It should have been 1:20 p.m. on Sunday; however, we had to turn our clocks ahead one hour last Sunday morning. Therefore, in order to get the full 72–hours, it makes it 2:20 p.m.

The great news is that the Lien Law statute remains intact. There were no attempts by Speaker Corcoran to add any amendments on to any bills at the last minute eliminate lien rights.

Another piece of great news is that Assignment of Benefits (AOB) and any other legislation against windshields died.

Thank you for allowing me to represent the Southeast Glass Association. If you have any questions, please do not hesitate to contact the SEGA office. We will be releasing the 2018 Final Legislative Report, which will include additional information on the bills that passed along with the Chapter Law number, once the Governor has taken final action on all bills.

Florida is a Step Closer to Living up to its Nickname as “The Sunshine State”

Time year–round headed to Governor Rick Scott’s desk after the Senate approved it 33–2 on Tuesday, March 6, 2018.

Fall back? Nope, not under the Florida time–change bill. Sunshine State Time? Florida wants to stop changing clocks.

Daylight saving time explained
If Scott signs the “Sunshine Protection Act,” Congress would need to amend existing federal law to allow the change.

While the rest of the eastern United States would set their clocks back in the fall, Florida wouldn’t, leaving it with more sunshine in the evening during the winter. Northwest Florida is currently in the Central time zone.

Hawaii, most of Arizona and a handful of U.S. territories, including American Samoa, Guam, Puerto Rico and the Virgin Islands, do not observe Daylight Saving Time.
Five Things to Consider About Year–Round Daylight Saving Time in Florida

1. If Florida has permanent daylight saving time, it would be an hour ahead of the rest of the East Coast for much of the year, joining Puerto Rico, the U.S. Virgin Islands and the easternmost parts of Canada.

2. There would be no more springing ahead and falling back. That means that when the rest of the eastern states switch to daylight saving time in the spring, their clocks would be in sync with Florida from March to November.

3. There would be sunny evenings, as those dark winter evenings would become a thing of the past. The sunset in Orlando on December 22 would happen at about 6:34 p.m., an hour later than last year’s 5:34 p.m. sunset.

4. Mornings would be darker. The sunrise in Orlando on December 22, 2017 occurred at 7:14 a.m. That would be pushed an hour to 8:14 a.m. if Florida changed time zones.

5. TV viewing times would be different. Our live TV viewing would be thrown off. Everything from those long Hollywood awards shows to late-night ball games from the West Coast would end even later than they do now.

NGA–GANA Combination Finalized
Both memberships voted overwhelmingly to approve the combination.
The National Glass Association (NGA) and the Glass Association of North American (GANA) are now one, united voice representing the flat glass and glazing industry. The associations embarked on the combination quest in Spring 2017 with the NGA and GANA membership voting to approve the deal in less than a year. The newly combined association will be known as the National Glass Association; a name change will be considered within two years of the Closing Date. The GANA name will remain on technical documents and related materials during this period.

A Joint Task Force worked for several months leading up to the vote on an Agreement which preserves the important work and contributions by both organizations, their membership and volunteers. More recently, a separate Integration Task Force (ITF) was formed to outline the new association’s technical document development plan, refine the voting and approval process and determine the advocacy process, among other tasks integral to the success of the combined association.

The ITF met for the first time on January 24 and recommended that the legacy GANA Division Committees continue to operate as they have up through the Annual Conference, April 23–26, Napa, focusing on activities, deliverables and documents in process. Previously generated GANA documents will be maintained and offered. The ITF met again in February at the BEC Conference, March 4–6, Las Vegas, to review the technical process and structure. The end product of its work will come before the newly composed 13–member NGA Board of Directors as recommendations.

The NGA has formed a new Technical Services & Advocacy Department. Urmilla Jokhu–Sowell joins the NGA staff today as Advocacy & Technical Director, reporting to NGA President & CEO, Nicole Harris. Code consultants, Tom Culp, Birch Point Consulting, and Thom Zaremba, Roetzel & Andress, will continue their work monitoring and representing the association and industry’s interests at building code hearings. Other consultants will be retained as needed.

Sara Neiswanger also joins NGA today as Senior Manager, GANA Member Services and will report to NGA Membership & Marketing Director, Michele Nosko.

The NGA leadership will continue to update members and the industry as the integration evolves.
NGA and GANA: Combination FAQs

Q: Is the NGA and GANA combination final?
A: Yes, both organization’s membership voted overwhelmingly to approve the combination. As of February 1, 2018, NGA and GANA are now combined to form the largest trade association serving the architectural glass and metals industry supply chain, including glazing contractors, full-service glass companies, glass fabricators, primary glass manufacturers and suppliers to the industry.

Q: Is there a new name for the combined Association?
A: The newly combined association will be known as the National Glass Association; a name change will be considered within two years of the Closing Date. The GANA name will remain on technical documents and related materials during this period.

Q: Will my membership change?
A: Yes, in that it will be stronger and more relevant, but members can expect the most vital aspects of both GANA and NGA will continue. We need your continued support and involvement as we integrate, and both leaderships ask that companies renew their 2018 membership when notices are issued. A new combined dues structure will be put in place at the beginning of the 2019 membership year. Please note that for GANA member companies to maintain their vote in the technical document development process, their 2018 GANA dues invoice must be paid immediately if not yet paid.

Q: What happens with GANA’s staff?
A: GANA employed two full-time staff members, Urmilla Jokhu-Sowell and Sara Neiswanger. They have both been welcomed as full-time NGA employees. The NGA formed a Technical Sales & Advocacy Department. Urmilla Jokhu-Sowell leads the department as Advocacy & Technical Director, reporting to NGA President & CEO, Nicole Harris. Sara Neiswanger joined NGA as Senior Manager, GANA Member Services, reporting to NGA’s Membership & Marketing Director, Nicole Nosko. Code Consultants, Tom Culp, Birch Point Consulting, and Thom Zaremba, Roetzel & Andress, will continue their work monitoring and representing the association and industry’s interests at building code hearings. Other consultants will be retained as needed.

Q: How about the BEC Conference and Annual Conference?
A: The Building Envelope Conference (BEC) was held on March 4–6 in Las Vegas. The Annual Conference will also proceed as planned on April 23–26 in Napa. Registration information can be found on www.glasswebsite.com. NGA members can attend the events at the member rate with a discount code provided in NGA’s monthly newsletter. Additionally, the fall conference will again be co-located with GlassBuild American in Las Vegas, being held on September 12–14. Per attendee feedback, there will be minimal overlap between the Fall Conference and GlassBuild activities. The Fall Conference will begin on Monday, September 11, 1945 Old Gallows Road, Suite 70, Vienna, VA 22182, 703-442-4890, www.glass.org.

Q: What happens with existing task force groups and committees?
A: As mentioned above, the Integrations Task Force will work to outline the new Association’s volunteer processes and has recommended that the legacy GANA Division committees continue to operate as they have up through the Annual Conference in April, focusing on activities, deliverables and documents in process.

The Association staff will also tap individual volunteers for “micro-volunteering” activity and projects, such as establishing course curriculum for education and training programs, writing questions for an industry trends survey or providing input on event programming.

Additionally, the Glazing Industry Code Committee (GIICC) and the Flat Glass Manufacturing Division (FGMD) will carry over to the new Association, and NGA will provide management services for the Glazing Industry Secretariat Committee (CISC).

Q: What’s next?
A: A joint Integration Task Force (ITF) of six representatives, will oversee and advise the Board of Directors on transition and integration matters. NGA’s representatives are: Michael Albert, S. Albert Glass Co.; Angelo Rivera, Faour Glass Technologies; and Nicole Harris, NGA President & CEO. GANA’s representatives are: Ren Bartoe, Vesuvius USA; Julia Schimmelpenningh, Eastman Chemical Co.; and Stanley Yee, Dow Corning.
The task force will outline the new associations’ technical document development plan, refine the voting and approval process and determine the advocacy process, among other tasks integral to the success of the combined association.

The ITF met for the first time on January 24 and recommended that the legacy GANA Division committees continue to operate as they have up through the Annual Conference in April, focusing on deliverables and documents in process. Previously generated GANA documents will be maintained and offered. The ITF met again in February and at BEC in March to continue its review of the technical process and structure. The end product of its work will come before the newly composed 13-member NGA Board of Directors as recommendations.

Q: What is the new governance structure?
A: The new Board of Directors of the combined Associations will consist of 13 voting Board members:

- 3 glazing contractors
- 3 full-service glass companies
- 2 WDDA dealers
- 1 primary glass manufacturer (company changes yearly or biennially)
- 2 glass industry suppliers
- the NGA President/CEO as a non-voting ex officio member

Effective February 1, two voting positions of the initial combined Board of Directors were filled by the current GANA President (Doug Schilling) and current GANA Immediate Past President (Stanley Yee) by special designation in a resolution of the NGA Board.

Q: What are the benefits to combining?
A: There are many positive benefits resulting from the combination. First and foremost, NGA members will get to take advantage of GANA’s wide array of member publications and technical services, while GANA members will have access to NGA’s education and events. Also at the top of the list are positive impacts to Association activities, including reducing operational and meeting redundancies. It will also trim time and expense for our members and volunteers so they can better focus on their companies’ growth and objectives and the long-term health and welfare of the glass and glazing industry. In addition, companies that have two memberships—one in NGA and one in GANA—will see a reduction in membership dues.

Q: How were the combination decisions made?
A: The Boards of Directors of NGA and GANA appointed a Joint Task Force made up of members from both associations. NGA’s representatives were: Michael Albert, S. Albert Glass; Angelo Rivera, Faour Glass Technologies; Nicole Harris, NGA President & CEO; and Jerry Jacobs, NGA General Counsel. The GANA task force was represented by: Stanley Yee, Dow Corning Corp.; Doug Schilling, Schilling Graphics; Gus Trupiano, AGC Glass Company; Steve Marino, Vitro Architectural Glass; and Kim Mann, GANA General Counsel. The joint Task Force met several times over the course of eight months to work through what the combined association would look like, covering governance, bylaws and the final transaction document. In September 2017, the Board of Directors of both NGA and GANA both unanimously approved combining our Associations.

ABOUT NGA: Founded in 1948, the National Glass Association (NGA), www.glass.org, combined with the Glass Association of North America (GANA), www.glasswebsite.com on February 1, 2018 to form the largest trade association serving the architectural glass and metals industry supply chain, including glazing contractors, full-service glass companies, glass fabricators, primary glass manufacturers and suppliers to the industry. It is a technical powerhouse that brings some of the best minds to the table to create technical resources and promote and advocate for glass in buildings. NGA’s education and training programs—both online at MyGlassClass.com and in-person at association-sponsored events—and its official publication Glass Magazine, keep the industry knowledgeable and well informed. NGA also produces the industry’s largest annual trade show in the Americas, GlassBuild America, and hosts the Building Envelope Contractors Conference, The Glazing Executives Forum and other educational and networking events, bringing together thousands of industry professionals to help them build more profitable businesses.

DOL’s Overtime Rule Struck Down in Federal Court
On August 31, 2017, Judge Amos Mazzant struck down the Department of Labor’s (DOL) new overtime exemption rule which planned to significantly increase
the salary threshold under the Fair Labor Standards Act (FLSA).

On May 23, 2016, the Department of Labor introduced a proposed rule that was originally scheduled to go into effect on December 1, 2016 which would have increased the minimum salary an employee must earn to qualify for the administrative, executive or professional exemption from federal overtime requirements from $455 per week ($23,660 annually) to $913 per week ($47,476 annually). The rule also would have provided for automatic increases to the minimum salary level every three years.

A group of twenty-one states’ and fifty-five business associations filed a motion for summary judgment in consolidated cases seeking declaratory and injunctive relief against the new DOL rule.

On November 22, 2016, Judge Mazzant issued a nationwide preliminary injunction delaying implementation of the Department of Labor’s new minimum salary rule, finding that it was likely unlawful and would cause irreparable harm to the plaintiff states and business groups. Judge Mazzant’s August 31, 2017 order confirms the findings in the November 22, 2016 preliminary injunction and represents a final decision at the district court level that the Department of Labor’s May 23, 2016 minimum salary rule is illegal and void.

According to Judge Mazzant’s decision, the DOL exceeded its authority in promulgating the new rule by setting the salary threshold so high that it essentially eliminated the requirement that exempt employees must perform executive, administrative or professional duties. “Because the final rule would exclude so many employees who perform exempt duties, the [DOL] fails to carry out Congress’ unambiguous intent,” the decision read. The judge went on to clarify that the holding did not find that the DOL lacked the authority to issue a salary threshold test at all, just that as applied in this rule, the DOL had gone too far.

The opinion does not explain how high is too high a threshold. Should Mr. Acosta move ahead with his plans to propose a new salary threshold, this decision means that DOL will again be guessing as to whether the new proposed threshold will withstand a legal challenge. Even more disheartening is that the business community will also be left in limbo as it attempts to prepare for future changes to the standards applied to FLSA exemptions.

Until then, employers should keep in mind that the reason DOL is committed to changing the test is because of rampant misclassification violations. To avoid potential liability, employers should continue to evaluate all exempt salaried positions to ensure positions meet the relevant salary basis and duties tests.

U.S. Department of Labor Announces New Program to Expedite Payment to American Workers

The Wage and Hour Division of the U.S. Department of Labor is announcing a new pilot program, the Payroll Audit Independent Determination (PAID) program, which expedites resolution of inadvertent overtime and minimum wage violations under the Fair Labor Standards Act.

The PAID program will ensure that more employees receive back wages they are owed—faster. Employees will receive 100 percent of the back wages paid, without having to pay any litigation expenses, attorneys’ fees or other costs that may be applicable to private actions.

The PAID program facilitates resolution of potential violations, without litigation, and ensures employees promptly receive the wages they are owed. Under this program, the Wage and Hour Division will oversee resolution of the potential violations by assessing the amount of wages due and supervising their payment to employees.

The Division will not impose penalties or liquidated damages to finalize a settlement for employers who choose to participate in the PAID program and proactively work with the Division to fix and resolve their potential compensation errors. Employers may not participate in the PAID program if they are in litigation or currently under investigation by the Division for the practices at issue. Employers likewise cannot use the pilot program repeatedly to resolve the
same potential violations, as this program is designed to identify and correct potentially non-compliant practices. Settlements will be limited in scope to only the potential violations at issue. The program further requires employers to review the Division’s compliance assistance materials, carefully audit their pay practices, and agree to correct the pay practices at issue going forward. These requirements improve the employers’ compliance with their minimum wage and overtime obligations, which helps ensure employees’ rights are protected.

The Division will implement the pilot program nationwide for approximately six months, after which it will evaluate the pilot program and consider future options. The Division encourages employers to proactively audit their compensation practices to identify potential non-compliant practices. More information concerning the pilot program is available at [www.dol.gov/whd/paid](http://www.dol.gov/whd/paid). It is the mission of the Division to promote and achieve compliance with labor standards to protect and enhance the welfare of the nation’s workforce.

# Appeals Court Strikes Down Miami Beach Minimum Wage Increase

Minimum wage workers in Miami Beach — and the political ambitions of Mayor Philip Levine — took a hit Wednesday when an appeals court affirmed a Miami-Dade circuit court decision from earlier last year to reject the city’s proposed minimum wage law.

Levine introduced his proposal to great fanfare in June 2016, which mandated the city set a minimum wage at $10.31 as of January 1, 2018, then increase it by a dollar a year until 2021.

City officials understood the proposal flew in the face of a state law that pre-empted cities and counties from setting their own minimum wage ordinances.

Levine told Florida Politics last year: “I’m sure it will end up going to court at some point, we feel that we have very significant legal grounds to stand on.”

His legal department argued that the state’s pre-emption was unconstitutional because of an amendment to Florida’s constitution passed by 71 percent of voters in 2004 that set a state minimum wage higher than the federal rate, seeming to leave the door open for local governments to create individual wage laws.

That’s not how judges with Florida’s 3rd District Court of Appeals saw it.

As they wrote in their opinion: “Because section 218.077(2) of the Florida Statutes prevents a municipality from adopting its own minimum wage, and the 2004 amendment to the Florida Constitution does not nullify or limit this statute, we affirm the trial court’s summary judgment invalidating City’s 2016 minimum wage ordinance.”

The Florida Retail Federation, Florida Restaurant & Lodging Association and the Florida Chamber of Commerce filed a lawsuit in December 2016 challenging the ordinance. They claimed it was a direct violation of a 2013 law signed by the governor that forbid municipalities from assigning their own minimum wage.

The State of Florida joined the suit in February.

Representatives from those business groups were all smiles after the verdict came down.

“This victory today in the district court of appeals is also a victory for businesses,” said R. Scott Shalley, Florida Retail Federation president and CEO. “This ruling sets a precedent for all municipalities discouraging them from passing local ordinances which are in direct violation of state law while also negatively impacting their local businesses. FRF and our coalition partners will continue to protect all Florida businesses against any rules or regulations that may impact their ability to be successful.”

“We applaud the court for siding with job creation and against additional government mandates, and for siding with Floridians looking for jobs and small businesses who are creating them. If communities are serious about creating opportunities for higher wages, they should invest in removing barriers to empower entrepreneurs to grow the economic base — produce more and pay more — based on markets and consumer needs,” said Mark Wilson, president and CEO of the Florida Chamber of Commerce.
“We applaud the court’s decision, which should send a message to local governments around the state that, however well intended, each level of government has its limitations on their authority,” said Carol Dover, president and CEO, Florida Restaurant and Lodging Association.

The decision is also a blow to Levine’s gubernatorial ambitions, as the proposed minimum wage increase was seen as a strong talking point to progressive Florida Democratic voters, who are frustrated by the Legislature’s reluctance to increase the state’s minimum wage, which currently resides at $8.10.

The centrist–leaning Democrat flirted with running as an independent earlier this year, needing to prove to some Democrats that he’ll be a worthy representative of the Party as they combat the Republicans in 2018.

“While I am deeply disappointed in this decision, the fight to do what’s right for Floridians goes on,” Levine said. “No one — in my community and around the state of Florida — can afford to live on $8.10 an hour, let alone support a family.

“When I was Mayor of Miami Beach, I promised to see this fight through to the very end, all the way up to the Florida Supreme Court if need be — and we will.

“As Governor of our state, I will continue to fight, by all means necessary, to ensure that all of our families are finally afforded a living wage because it’s the right thing to do.”

Curiously, Levine is the only one of the four Democrats running for governor who has not endorsed the concept of a $15 minimum wage.

Miami Beach City Commissioner Kristen Rosen Gonzalez criticized Levine for his campaign to raise the minimum wage, telling the Sunshine State News earlier this year that, “I’m for raising the minimum wage, too, but this is about our mayor putting on a show to aid his campaign at the expense of every taxpayer in this city. We just can’t have it.”

Reemployment Tax Rate Information
When a new employer becomes liable for reemployment tax, the initial rate is .0270 (2.7%) and will stay at that rate until the employer has reported for 10 quarters. The account will then be rated by dividing the total benefits charged to the account by the taxable payroll reported for the first 7 of the last 9 quarters immediately preceding the quarter for which the rate is effective.

The only exception is for employers liable by succession who choose to accept the tax rate of the previous employer, along with the responsibility of paying any outstanding amounts due. At that time, a tax rate will be calculated using the employment record and the rating factors, which are built into the Reemployment Assistance Law.

The maximum tax rate allowed by law is .0540 (5.4%), except for employers participating in the Short Time Compensation Program. The 5.4% rate can be earned, or it can be assigned to employers who have delinquencies greater than one year and to those employers who fail to produce all work records requested for an audit. By law, an employer’s tax rate may not be lower than .0010 (.1%). Rate notices are mailed to all contributing employers each year. You may appeal your tax rate within 20 days from the date printed on the Reemployment Tax Rate Notice (Form RT–20).

The minimum and maximum tax rates, effective January 1, 2018, are as follows (based on annual wages up to $7,000 per employee):

- Minimum rate: .0010 (.1%) or $7.00 per employee
- Maximum rate: .0540 (5.4%) or $378 per employee

How Rates Are Calculated
The reemployment assistance program is a federal–state partnership. Each state determines benefit qualification levels and amounts, benefit duration, disqualifications, and tax structure, within federal limits.

For example, federal guidelines require each state to:

Base its tax structure on benefit experience:

- Have a new employer tax rate of at least 1.0%
- Have a maximum tax rate of at least 5.4%
- Have a taxable wage base of at least $7,000
- Each state sets tax rates, benefit levels, and trust fund balances based on that state’s needs. Each state has its own benefit trust fund account within the U.S. Treasury. In Florida, the account is...
funded by a tax paid by employers.

Florida assigns new employers an initial tax rate of 2.7%. This rate stays in effect for the first 10 quarters. At the end of this period, an employer has enough history to qualify for an experience–based tax rate. The formula for calculating the rate combines three major factors:

1. The individual benefit ratio makes up the greatest portion of the employer’s final tax rate. This ratio is calculated by dividing the previous three years of benefit charges for former employees by the taxable payroll for that same three–year period.

   The timely reported taxable payroll uses up to $8,000 for each employee prior to 2015 and up to $7,000 for each employee thereafter.

2. The variable adjustment factor (multiplier) is made up of three ratios that spread the costs among employers that have had benefit charges in the three previous years.

   - The last three years of non–charged benefits (those not attributable to any employer).
   - Excess payments (the portion of benefit charges which exceed the maximum rate of 5.4%).
   - The fund size factor, which, depending on the amount in the trust fund, may affect the tax rate. If the balance in the trust fund is below 4% of the previous year’s taxable payroll, no adjustment factor is made to the tax rate. If the balance in the trust fund is between 4% and 5% of the previous year’s taxable payroll, a positive adjustment factor is computed each year until the fund balance equals or exceeds 4% of the previous year’s taxable payroll. A positive adjustment factor will increase tax rates. If the balance in the trust fund is above 5% of the previous year’s taxable payroll, a negative adjustment factor is computed each year until the fund balance is less than 5% of the previous year’s taxable payroll. A negative adjustment factor will decrease tax rates.

3. The final adjustment factor spreads costs not included in the second factor to all employers whose rates are not at the initial or maximum rate. This factor is also distributed among employers who had no benefit charges in the preceding three years. This factor determines the minimum rate for the tax year.

   Ideally, each employer would pay the exact amount of reemployment assistance benefits that are chargeable to his or her account. This is not possible because the maximum contribution rate is 5.4%, and sometimes benefit payments are not charged to a specific employer. These added costs are divided among all rated employers through the variable adjustment factor and the final adjustment factor. Each employer’s contribution rate is his or her benefit cost, plus a share of unassigned costs. This keeps the reemployment assistance program solvent.

**Protecting Your Tax Rate**

Employers can help reduce tax rates by providing complete and accurate information needed to determine a claimant’s eligibility for benefits. Improper payment of benefits is a serious problem that has a financial impact on employers. Here’s how you can prevent improper payments and protect your tax rate:

   - Report all new and rehired employees to the Florida New Hire Reporting Center by the due date, as required by federal law. Timely reporting helps prevent improper payment of benefits after an individual has returned to work.
   - Respond promptly to any Request for Verification of Weekly Earnings. Verifying earnings ensures that the correct amount of reemployment assistance is paid for weeks of partial unemployment.
   - Provide complete and accurate employee separation information. The employer’s timely response to the Determination Notice of Reemployment Assistance Claim Filed (Form UCB–412) is used, in part, to determine the claimant’s eligibility for reemployment assistance.

   Employers who do not comply with state and federal requirements for providing employee information risk higher costs through increased taxes, fines, or penalties.

   For questions about benefit eligibility and payment, contact the Florida Department of Economic Opportunity, Reemployment Assistance Program at (800) 204–2418.

**Mandatory Transfer of Experience**

If an employer transfers all or part of its business to
another employer and, at the time of the transfer, there is any common ownership, management or control of the two employers, the unemployment experience attributable to the transferred business must be transferred to the employer to whom the business is transferred. (Note that Florida law defines “business” to include the employer’s workforce/employees).

**Payrolling**
Payrolling is an agreement between employers where one employer agrees to report the payroll of another employer for reemployment tax purposes. Each employer maintains direction and control of their workers and the businesses do not change. The only change is that the payroll of one employer is reported to the Department by another employer for convenience.

Florida law requires each legal entity to report only its own employees, therefore, payrolling is not permitted. It is essential under Chapter 443, Florida Statutes, that each employer report only its own employees to ensure the accuracy and integrity of the employer’s reemployment tax rate.

If the transfer was made with the intention of obtaining a lower reemployment tax rate (referred to as State Unemployment Tax Administration [SUTA] Dumping), a penalty rate of 2% of taxable wages shall be added to both employers’ rates for three years. In addition, an intentional violation of this provision makes it a felony of the third degree.

**OSHA Will Enforce Beryllium Standard Starting in May**
The Occupational Safety and Health Administration (OSHA) announced on March 2, 2018 that it will start enforcement of the final rule on occupational exposure to beryllium in general, construction, and shipyard industries on May 11, 2018. This timeframe will ensure that stakeholders are aware of their obligations, and that OSHA provides consistent instructions to its inspectors. The start of enforcement had previously been set for March 12, 2018.

In January 2017, OSHA issued new comprehensive health standards addressing exposure to beryllium in all industries. In response to feedback from stakeholders, the agency is considering technical updates to the January 2017 general industry standard, which will clarify and simplify compliance with requirements. OSHA will also begin enforcing on May 11, 2018, the new lower 8-hour permissible exposure limit (PEL) and short-term (15-minute) exposure limit (STEL) for construction and shipyard industries. In the interim, if an employer fails to meet the new PEL or STEL, OSHA will inform the employer of the exposure levels and offer assistance to assure understanding and compliance.

Under the Occupational Safety and Health Act of 1970, employers are responsible for providing safe and healthful workplaces for their employees. OSHA’s role is to ensure these conditions for America’s working men and women by setting and enforcing standards, and providing training, education and assistance. For more information, visit www.osha.gov.

**Sexual Harassment**
Over the past few months, we’ve been hearing a lot about sexual harassment. It is unlawful to harass a person (an applicant or employee) because of that person’s sex. Harassment can include “sexual harassment” or unwelcome sexual advances, requests for sexual favors and other verbal or physical harassment of a sexual nature.

Harassment does not have to be of a sexual nature, however, and can include offensive remarks about a person’s sex. For example, it is illegal to harass a woman by making offensive comments about women in general.

Both victim and the harasser can be either a woman or a man, and the victim and harasser can be the same sex.

Although the law doesn’t prohibit simple teasing, offhand comments or isolated incidents that are not very serious, harassment is illegal when it is so frequent or severe that it creates a hostile or offensive work environment or when it results in an adverse employment decision (such as the victim being fired or demoted).

The harasser can be the victim’s supervisor, a supervisor in another area, a co–worker or someone who is not an employee of the employer, such as a client or customer.
Facts About Sexual Harassment

Sexual harassment is a form of sex discrimination that violates Title VII of the Civil Rights Act of 1964. Title VII applies to employers with 15 or more employees, including state and local governments. It also applies to employment agencies and to labor organizations, as well as to the federal government.

Unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature constitute sexual harassment when this conduct explicitly or implicitly affects an individual’s employment, unreasonably interferes with an individual’s work performance or creates an intimidating, hostile or offensive work environment.

Sexual harassment can occur in a variety of circumstances, including but not limited to the following:

• The victim as well as the harasser may be a woman or a man. The victim does not have to be of the opposite sex.
• The harasser can be the victim’s supervisor, an agent of the employer, a supervisor in another area, a co-worker or a non–employee.
• The victim does not have to be the person harassed but could be anyone affected by the offensive conduct.
• Unlawful sexual harassment may occur without economic injury to or discharge of the victim.
• The harasser’s conduct must be unwelcome.

It is helpful for the victim to inform the harasser directly that the conduct is unwelcome and must stop. The victim should use any employer complaint mechanism or grievance system available.

When investigating allegations of sexual harassment, EEOC looks at the whole record: the circumstances, such as the nature of the sexual advances, and the context in which the alleged incidents occurred. A determination on the allegations is made from the facts on a case–by–case basis.

Prevention is the best tool to eliminate sexual harassment in the workplace. Employers are encouraged to take steps necessary to prevent sexual harassment from occurring. They should clearly communicate to employees that sexual harassment will not be tolerated. They can do so by providing sexual harassment training to their employees and by establishing an effective complaint or grievance process and taking immediate and appropriate action when an employee complains.

It is also unlawful to retaliate against an individual for opposing employment practices that discriminate based on sex or for filing a discrimination charge, testifying, or participating in any way in an investigation, proceeding or litigation under Title VII.

State Unemployment Taxes Unchanged for 2018

For the third year in a row, Florida businesses will not see an increase in their unemployment tax rate. For 2018, the minimum Florida reemployment tax rate (previously known as “unemployment tax”) will continue to be $7.00 per employee per year, which is the same rate as 2016 and 2017.

Employers pay reemployment taxes on the first $7,000 in wages for each employee. Any wages over $7,000 that an employee earns are not subject to state reemployment tax.

Employers who are at the maximum tax rate of 5.4% will continue to pay $378 per employee per year (this amount is capped by Florida law).

Employers should have received their 2018 reemployment tax rate notice from the Florida Department of Revenue sometime in December. This tax rate will be effective for wages paid on or after January 1, 2018, and the first reemployment tax return for calendar year 2018 will be due to the Florida Department of Revenue by April 30, 2018 for wages paid in January, February and March.

Corporations and LLC’s: 2018 Annual Reports are Due

It is now time for all registered Florida corporations and limited liability companies (LLC’s) to file their
Annual Report with the State of Florida. To maintain an “active status” with the Department of State, corporations and LLC’s must file an Annual Report with the Florida Division of Corporations by May 1.

The Annual Report is not a financial statement; its purpose is to confirm or make any necessary updates to basic information about the company on the Division of Corporations records. Business entities must file an Annual Report even if no changes need to be made to the company’s information.

Through the Annual Report process, you can:

• Add, delete or change the names and/or addresses of the company’s principals.
• Change the company’s registered agent and registered office address.
• Change the company’s principal office address and mailing address.
• Add or update your company’s Federal Employer Identification Number (FEIN)

You cannot change the company’s name through the Annual Report process. You must file an amendment with the Division of Corporations to change a company name, and the name change amendment cannot be done online.

The State of Florida will not send you a notice in the mail reminding you to file your Annual Report. The only notice the state will send is an e–mail to the e–mail address the Division of Corporations has on file for your company. There is a link in the e–mail that takes you directly to the state’s official website at www.sunbiz.org.

All Annual Reports must be filed online. To file, go to www.sunbiz.org. Make sure the page displayed on your computer says “An official State of Florida website” at the top of the page. Under the tab that says “Filing Services,” click on the box that says “Annual Report.” From this page, you can either file your Annual Report or view step–by–step instructions on how to file.

To complete your Annual Report, you will need the following:

• Your company’s document number. This is a number that was assigned to your company by the Division of Corporations when you first created your business entity. It will be in the e–mail notice you should have already received from the Division of Corporations, or you can find your company’s document number by going to www.sunbiz.org and clicking on “Look up a Business” under the “Popular Tasks” tab and searching by your company’s name.

• Your company’s Federal Employer Identification Number (FEIN), if applicable.

• A valid email address that is regularly monitored.

• A major credit card.

For corporations, the cost to file an Annual Report is $150, if filed by May 1. For LLC’s, the filing fee is $138.75, if filed by May 1. Payment can be made online using Visa, MasterCard, American Express or Discover, and Visa and MasterCard debit cards are also accepted.

If the Annual Report is filed after May 1, the state assesses a mandatory $400 late fee which cannot be waived, even if you did not receive your email reminder from the state.

Once you have submitted your Annual Report online and it is processed by the Division of Corporations (usually within 24 hours), it will be immediately available on www.sunbiz.org and you can download a copy of your Annual Report free of charge.

Lien Law Seminar

Seminar will be held as follows:

• April 20, 2018 at the Embassy Suites Tampa Brandon, 10220 Palm River Road, Tampa, FL 33619 from 7:30 a.m. – 12:00 noon

The deadline to register for the seminar is Friday, April 13, 2018. The cost to register is $150.00 for ICPC of Florida members or $160.00 for non–members. Questions? Please contact Trudy Dodson, CMP CGA, at (800) 329–6226, ext. 111 or tdodson@nacmtampa.com. To register online, please click here.
Division of Workers’ Compensation Offers Free Classes

The Florida Department of Financial Services, Division of Workers’ Compensation, is offering free classes regarding Florida’s workers’ compensation laws and workplace safety to business owners, licensed contractors and employers.

Workers’ compensation topics covered include:

- Review of Key Statutory Definitions
- Contractor Responsibilities
- Exemptions
- Insurance Coverage Requirements
- Enforcement Provisions

Workplace safety topics presented by OSHA (U.S. Dept. of Labor, Occupational Safety and Health Administration) include:

- Direct and Indirect Costs
- Inspections
- Florida Fatalities

The following is a list of dates and times for future sessions.

**April 10, 2018**
Pensacola  
9:00 a.m. – 12:00 noon  
Division of Workers’ Compensation  
610 East Burgess Road  
Pensacola, FL  32504

**April 26, 2018**
Jacksonville  
9:00 a.m. – 12:00 noon  
Jacksonville Regional Service Center  
921 North Davis Street, Building B, Suite 350  
Jacksonville, FL  32209

**May 15, 2018**
Tampa  
9:00 a.m. – 12:00 noon  
State of Florida Park Trammel Building  
1313 North Tampa Street, Suite 605  
Tampa, FL  33603

**May 15, 2018**
Miami  
9:00 a.m. – 12:00 noon  
State of Florida Rhode Building  
401 N.W. 2nd Avenue, South Tower, Room N–106  
Miami, FL  33128

**May 23, 2018**
2:00 p.m. – 3:00 p.m. EST  
Workers’ Compensation  
WEB Based class

**May 24, 2018**
2:00 p.m. – 3:00 p.m. EST  
Workplace Safety  
WEB Based class

**June 6, 2018**
Tallahassee  
9:00 a.m. – 12:00 noon  
Division of Workers’ Compensation  
2012 Capital Circle, S.E., Hartman Building, Room 102  
Tallahassee, FL  32399

**June 13, 2018**
2:00 p.m. – 3:00 p.m. EST  
Workers’ Compensation  
WEB Based class
**June 13, 2018**
Orlando  
9:00 a.m. – 12:00 noon  
State Office Florida Hurston Building  
400 West Robinson Street, North Tower, N–101  
Orlando, FL 32801

**June 14, 2018**
2:00 p.m. – 3:00 p.m. EST  
Workplace Safety  
WEB Based class

**June 19, 2018**
Lantana  
9:00 a.m. – 12:00 noon  
Gold Coast Schools  
6216 South Congress Avenue, Classroom A  
Lantana, FL 33462

The Division of Workers’ Compensation is an authorized provider (Provider Number: 0004354) for continuing education purposes through the CILB. Course Number: 0010118 – one hour satisfies the workers’ compensation requirement and Course Number: 0010630 – one hour satisfies the workplace safety requirement.

Advanced registration is required. The form is available on the Division’s website at www.myfloridacfo.com/division/WC. For additional information, e-mail bocseminars@MyFloridaCFO.com, or call (813) 221–6518.

### Certified Contractor License Renewal Reminder

Just a reminder that the Registered Contractor licenses issued by the Department of Business and Professional Regulation (DBPR) are up for renewal on August 31, 2018.

Current law requires license holders to obtain 14 hours of continuing education with at least one hour in workplace safety, one hour in workers’ compensation, one hour in business practices, one hour in the advance building code module, one hour in laws and rules (Chapter 489) and one hour in wind mitigation (this requirement only affects general, residential, building, roofing and glass and glazing contractors).

### CILB Update

**ADVERTISING: Signs to Social Media, License Numbers Required!**

Advertising is important to Florida contractors and can make the difference between a great business year and just making ends meet. Florida contractors have many new ways of promoting their businesses with the increased use of internet websites and the advent of social media technologies. As advertising evolves, it is important for Florida contractors to remember that their license number must be included in all offers of service, bids, business proposals, contracts or advertisements, regardless of the medium. Pursuant to Rule 61G4–12.011, F.A.C., advertisements include any electronic media including Internet sites. So please remember to include your license number on your websites, social media pages and other advertisements.

If you have any questions regarding advertising requirements please review the Construction Industry Licensing Board’s FAQs or you may contact the DBPR’s Customer Contact Center at (850) 487–1395.

### Not a Member of SEGA?

Are you receiving the Glass Facts but are not a member of SEGA? Need help with the glass and glazing licensing process? Join SEGA today for as low as $112.50 per year. SEGA is now offering half year dues.

To take advantage of this pricing today and join the southeast’s premier glass and glazing trade association, please click here for a SEGA Membership Application or contact the association office at (407) 831–7342 and request a membership application.