

tmta talk

A publication of the Tooling, Manufacturing & Technologies Association



FROM Rob's Roost
By Rob Dumont
PRESIDENT & CEO

Hopefully the Session Will Not Be Lame!

My recent trip to Washington to work the Senate side of the Hill held great emphasis on the "work" aspect of the visit, and that is as it should be. The currency legislation, as reported to you last month, has passed the House of Representatives and awaits attention in the Senate during the lame

duck session of Congress. The real issue is whether or not it will go to the floor for a vote. If it does I am confident that it will pass easily.

I visited the offices of Senators Bunning (R-KY); Reid

(D-NV Senate Leader); Enzie (R-WY); Webb (D-VA); Stabenow (D-MI); Conrad (D-ND); Rockefeller (D-WV); Schumer (D-NY); Bingamen (D-NM); Burriss (D-IL) and Kohl (D-WI). I even managed to visit the office of the newly elected Senator from West Virginia and, until the election, the sitting Governor of that State, Joe Manchin (D) whose staff were actually in the midst of moving into the office space as I attended. To their credit they were not unfamiliar with the issue, they made time for me and will, I am sure, bring the new Senator up to speed on the issue if necessary.

There was and is a lot of activity on the Hill as numerous newly elected law makers attend classes and vie for office space while trying to line up personnel to staff the office once they have moved in. It is fair to say there is a lot of excitement in the process and the air is full of expectation, anxiety and, hopefully, promise.

The legislative situation is being monitored and if necessary I will head back

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tmta Calendar of Events

December 2010

24-27

Christmas Holiday -
TMTA Offices Closed

31-03

New Year's Holiday -
TMTA Offices Closed

Visit www.thetmta.com for detailed, up-to-date information on all events.



'Grandfather Plan' Update

The Departments of Labor, Treasury and Health and Human Services this week announced an amendment to interim final regulations for 'grandfathered health plans' that existed on March 23, 2010, the date the Affordable Care Act became law.

Under the amendment, group health plans can change health insurance carriers without losing their 'grandfather' status as long as the plans do not make any other changes that result in significant cost increases, a reduction in benefits, or other changes described in the original 'grandfather' rule. Final regulations have not yet been issued.

BCBSM Announces Employer Wellness Grants, Higher Discounts for Wellness Programs Allowed Under Health Care Reform

Beginning in 2011, the Patient Protection and Affordable Care Act will make available \$200 million in grants for small business wellness programs.

Additionally, employers can offer higher incentives to employees who participate in group-sponsored wellness programs beginning in 2014.

The wellness grants are available to small businesses with fewer than 100 employees who work 25 hours or more per week. They will be available over five years to businesses that did not have a wellness program in place when the law went into effect on March 23, 2010.

To qualify, wellness programs must be available to all employees and include the following:

- Health awareness initiatives, such as health education, preventive screenings and health risk assessments;
- Efforts to maximize employee engagement and encourage participation;
- Initiatives to change unhealthy behaviors and lifestyle choices (such as seminars, counseling, online programs and self-help materials); and
- Supportive workplace efforts, including policies to encourage healthy lifestyles, healthy eating, increased physical activity and improved mental health.

Employers will apply for the grants directly with the federal government.

Starting Jan. 1, 2014, employers can offer discounts of up to 30 percent to employees who participate in employer-sponsored wellness programs, an increase from the current 20 percent. (This reward could increase to 50 percent at the discretion of the secretaries of the departments of Health and Human Services, Labor and Treasury.)

If a wellness program ties rewards to health status goals, such as reaching a certain body mass index (BMI), blood pressure or cholesterol level, certain conditions must be met:

- Rewards cannot exceed 30% of the cost of employee-only or family coverage through the plan.
- Standards must be easily met; not overly burdensome.
- Eligible individuals should be able to qualify for the reward at least annually.
- Must offer reasonable alternative standards or a waiver for obtaining reward to individuals who cannot satisfy the standard due to a medical condition.

The reform law will also create a 10-state pilot project by July 1, 2014 to allow participating states to use similar rewards for involvement in wellness programs in the individual market.

It is difficult at this time to say whether Michigan will seek to qualify for the project. States will be deemed eligible if it is determined that participation will not result in any decrease in coverage and will not increase costs to the federal government when providing premium tax credits.

If determined to be effective, the demonstration project will expand to additional states beginning July 1, 2017.

Preventative Services Covered With No Cost-Sharing

Effective with plan years beginning on or after 9/23/10 (generally January 1, 2011) health care plans must cover evidence-based preventative services and immunizations at no member cost-sharing. This requirement only applies to services provided by in-network providers.

BCBSM has created a flier for you to share with employees to let them know which services will be fully covered. Visit www.bcbsm.com/portal/bluesmarketplace-Group/pdf/101117a_preventiveHealthSvcs.pdf to print the flier for your employees.

Life Insurance Program News

Employee W-2 Add-On for Group-Term Life Insurance Remains the Same

The IRS regulations state that the cost of any employer provided group-term life insurance in excess of \$50,000 is taxable income to the employee covered.

You must include in your employee's wages subject to social security and Medicare taxes the cost of group-term life insurance that is more than the cost of \$50,000 of coverage, reduced by the amount the employee paid toward the insurance. Report it as wages in boxes 1, 3, and 5 of the employee's Form W-2. Also show it in box 12 with code "C."

The IRS has published the chart below to figure the amount to add to each employee's Form W-2:

<u>Age at the end of taxable year</u>	<u>Cost per \$1,000 of insurance per month</u>
Under 25	\$0.05
25-29	\$0.06
30-34	\$0.08
35-39	\$0.09
40-44	\$0.10
45-49	\$0.15
50-54	\$0.23
55-59	\$0.43
60-64	\$0.66
65-69	\$1.27
70 & Above	\$2.06

To illustrate: take for example an employee who has \$75,000 of group term life from January to June and \$125,000 from July to December. The employee is age 60 at December 31, 2010. The employee is not a key employee and he pays \$100 per year toward the cost of his insurance.

$\$75,000 - \$50,000 / 1,000 \times .66 \times 6 \text{ months}$	\$ 99.00
$\$125,000 - \$50,000 / 1,000 \times .66 \times 6 \text{ months}$	<u>\$297.00</u>
	\$396.00
<i>Minus amount employee contributes</i>	<u>-\$100.00</u>
<i>Total to add to W-2 wages</i>	\$296.00

Do You or Your Employees Need Life Insurance?

The purpose of life insurance is protection against financial loss in the event of death. No one knows what the future holds and the point of life insurance is to insure against what you can't predict. Life insurance will replace your income so your family and loved ones won't be left

without resources should you die, but not everyone needs life insurance.

Here are some questions to ask yourself:

- How many people depend on your salary?
- Would your dependents suffer financially if something should happen to you?
- Do you own a business or have a business partner?
- How long would it take for your dependents to become self-sufficient?

The next question to ask yourself is how much life insurance do you need. Your insurance agent can help you decide.

TMTA has offered a Group Life Insurance Plan since 1950. As a member, you can leverage the TMTA's national buying power and shared risk while tailoring a Life Insurance Plan to meet your company's individual and owner needs.

Your rates will be lower than you could qualify for on your own with a two-year rate guarantee. There are both employer-paid and voluntary (employee-paid) coverage options with no minimum participation rules for voluntary plans. Your company will receive a custom tailored life insurance plan with no medical questions asked, no matter how many employees you have.

To receive more information on the TMTA Life Insurance Program, contact Stella at 248-488-0300, ext. 1310 or TMTA's endorsed agent, Dennis Campbell, at 313-550-3200.

W-2 Preparation for TMTA Groups Through Reliance Standard Life Insurance

- Reliance Standard Life Insurance issues W-2's for LTD and STD policyholders.
- Reliance provides the employer's match and also issues the W-2's on taxable business. Reliance handles all tax filing responsibilities for the employer.
- W-2's are mailed directly to the employee. A copy is NOT sent to the employer.
- The December Monthly Case Summary Report (DICS) is your company's year-end statement. The monthly DICS reports are cumulative.
- The December DICS report is mailed the second week in January and cannot be provided sooner due to year-end corporate cut off dates.

2011 First/Second Qtr. Business Trends Outlook Survey

Thanks to the member companies that took the time to respond to the latest Business Trends Outlook Survey. The figures in the brackets are the responses from the survey completed six months ago.

1. Describe your company's operation:

Dies, Molds	08%	(08%)
Jigs, Fixtures, Gages	06%	(06%)
Engineering, Technology	00%	(00%)
Stamping, Forging, Casting	06%	(04%)
Manufacturing	21%	(27%)
Machining	19%	(21%)
Tools	10%	(06%)
Special Machines	05%	(03%)
Assemblies	00%	(01%)
Fabrications	08%	(10%)
Prototypes	02%	(01%)
Other	15%	(13%)

2. How is your business now?

Excellent	08%	(05%)
Very good	26%	(17%)
Good	31%	(21%)
Fair	31%	(46%)
Bad	03%	(11%)
Very bad	01%	(00%)

3. Over the next 6 mos. your co.'s business will:

Increase substantially	05%	(04%)
Increase moderately	51%	(54%)
Remain the same	36%	(36%)
Decrease moderately	08%	(04%)
Decrease substantially	00%	(02%)

4. Current average work week:

Hours per week	44.7	(43.4)
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5. Current employment:

Hourly:	32.1	(26.7)
Salaried:	7.7	(9.2)

6. Compared to 1yr ago, current level of business is:

	<u>Up</u>	<u>Same</u>	<u>Down</u>
Quoting activity	56% (61%)	38% (22%)	06% (17%)
Shipments	70% (55%)	19% (27%)	11% (18%)
Order backlog	57% (44%)	30% (32%)	13% (24%)
Profits	54% (35%)	29% (38%)	17% (27%)
Employment	51% (32%)	36% (46%)	13% (22%)

Comments:

***"I think we survived.
(splines, gages & master gears)***

...business is bad but been bad for multiple years.
We get used to it...so far. (stamping, forging, or casting)

Best it's been in several years. (machining)

God is Good! (precision dies, components & parts)

Wish we could find good employees who want to work.
(manufacturing)

Activity is slacking off in November & December.
(fabrications)

I marked profits as "UP". This is a little misleading.
Losses are not as bad as last year. (manufacturing)

We have seen an increase in work load but margins are not good. (dies or molds)

Slow, steady improvement in all areas - 2010.
(manufacturing)

We have had a full recovery beyond 2007-08 peak sales levels. (stamping, forging or casting)

Get rid of the Business Tax, keep Bush tax cuts & repeal Obamacare. (fabrications)

**For more information about the TMTA, our
advocacy, events, benefits
and up-to-date news and information,
visit us at www.thetmta.com**

EEOC Issues Final GINA Regulations

Congress enacted the Genetic Information Nondiscrimination Act (GINA) on May 21, 2008. The Act was intended to provide federal protection against potential workplace misuses of genetic information to discriminate against employees in connection with providing health insurance and employment. GINA applies to private employers with 15 or more employees, as well as employment agencies, labor unions, and joint labor-management training and apprenticeship programs.

The Departments of Labor, Health and Human Services and the Treasury were responsible for issuing regulations for Title I of GINA, which addresses the use of genetic information in health insurance and became effective May 2009. These provisions prohibit discrimination in premiums based on genetic information and the use of genetic information as a basis for determining eligibility or setting premiums in the insurance market and places limitations on genetic testing and the collection of genetic information by health plans. (Final regulations have yet to be issued for Title I of GINA.)

The Equal Employment Opportunity Commission (EEOC) was responsible for issuing regulations implementing Title II of the Act, which became effective November 2009. Congress instructed the EEOC to issue final regulations no later than May 2009; however, final regulations were issued November 21, 2010 and are effective beginning January 10, 2011. Title II prohibits employment discrimination based on genetic information, and restricts the acquisition and disclosure of genetic information.

Genetic information includes information about an individual's genetic tests and the tests of their family members (including all dependents and other persons "related from the first to the fourth degree of an individual"); family medical history; requests for, and receipt of, genetic services by an individual or family member; and genetic information about a fetus carried by an individual or family member or of an embryo legally held by the individual or family member using assisted reproductive technology.

An employer may never use genetic information in making employment decisions since the possibility that an individual may develop a disease or disorder in the future has nothing to do with his/her current ability to perform a job.

The Title II final regulations provide examples of genetic tests; more fully explains GINA's prohibition against

requesting, requiring, or purchasing genetic information; provides 'safe harbor' language employers can use when requesting medical information from employees to avoid acquiring genetic information; and describes how GINA applies to genetic information obtained via electronic media, including websites and social networking sites.

For detailed information on GINA including training and compliance materials and a copy of the final regulations, visit the EEOC website at www.eeoc.gov then click on "The Genetic Information Nondiscrimination Act of 2008 (GINA)"; or go to the TMTA website at www.thetmta.com and access the "Company Forms & Information" page under the Information/Networking tab and click on "Legislative Issues" for direct links.



GR Spring & Stamping, Inc. of Grand Rapids, MI was awarded the 2010 Green Award at the 21st Annual Neighborhood Business Awards ceremony held in Grand Rapids on November 4th.

Founded in 1960, GR Spring & Stamping, Inc. (formerly Grand Rapids Spring & Wire) is the industry leader in the manufacturing of metal stampings, value added assemblies, springs and slide-formed products. GR Spring & Stamping is committed to developing innovative processes to deliver quality products at competitive pricing. Smart Tooling, In-die automation and Vision technologies are a few of the innovations they have developed and perfected.

Jim Zawacki, owner of GR Spring & Stamping, has been passionately involved in the manufacturing industry for more than 40 years. Mr. Zawacki is very active in the political arena on local, state and federal levels. He is an active advocate of the manufacturing industry and fair trade.

Visit their website at www.grs-s.com for more information.

Our congratulations and best wishes to the above member. Let us know what is happening at your company. We would like to share it with all of our readers.



Paycheck Fairness Act Blocked

A bill aimed at stamping out wage discrimination was blocked as the bill fell two votes short of the sixty required to move the measure forward in the Senate. The legislation had already been approved by the House.

The Paycheck Fairness Act would have addressed discriminatory pay practices by closing loopholes in the Equal Pay Act of 1963 and creating incentives for employers to follow the law.

Changes in Your Obligation to Report Unclaimed Property

Beginning in 2011, changes to the Uniform Unclaimed Property Act mandate a new due date to file the unclaimed property holder report as well as a shortened dormancy period for most property types.

Every business or government entity that has unclaimed property belonging to owners whose last known address is in Michigan must report and remit the property to the Michigan Department of Treasury, regardless of where they are incorporated or headquartered. In addition, every business or government entity incorporated in Michigan must report to the Michigan Department of Treasury abandoned property belonging to owners where there is no known address.

Any asset (tangible or intangible) belonging to a third party that remains unclaimed for a specific period of time is considered unclaimed property. The new date for reporting unclaimed property is July 1st. Dormancy periods for most property types have been shortened to three years. Failing to comply can result in a 25% penalty and additional interest charges.

For more information, including a FAQ page, a manual for reporting Unclaimed Property, and free reporting software, visit www.michigan.gov/treasury. Click on the "Unclaimed Property" button on the left navigation bar then click on the "Reporting Unclaimed Property" icon. (Those curious to see if they have any unclaimed property can click on the "Michigan's Money Quest" icon on the same page!)

IRS Guidance for Health Care Tax Credit

The IRS issued guidance for small employers eligible to claim the small business health care tax credit for the 2010 tax year. The new Form 8941 and newly revised Form 990-T are available at www.irs.gov as well as a FAQ page and additional information on Notices 2010-82 and 2010-44.

INFLATION TALK

CPI-W Urban Wage Earners and Clerical Workers

Month	82-84	1967	57-59
Oct 2010	214.623	639.296	743.50*
Sept	214.306	638.353	742.40*
Aug	214.205	638.052	742.05*
July	213.898	637.138	740.98*
June	213.839	636.962	740.78*
May	214.124	637.809	741.77*
Apr	213.958	637.316	741.19*
Mar	213.525	636.025	739.69*

CPI-U All Urban Consumers

Month	82-84	1967	57-59
Oct 2010	218.711	655.162	761.94*
Sept	218.439	654.346	760.99*
Aug	218.312	653.966	760.55*
July	218.011	653.066	759.50*
June	217.965	652.926	759.34*
May	218.178	653.564	760.08*
Apr	218.009	653.059	759.49*
Mar	217.631	651.925	758.18*

Note: October 2010 CPI-W represents a 1.5% increase from one year ago; CPI-U a 1.2% increase.

* Base Year 1957-59 is no longer released. BLS has issued the following conversion factors from the 82-84 year:

CPI-W—.2886674 CPI-U—.2870447

(Rob's Roost continued from Page 1)

to DC to shore up the support we already have for the effort. It is heartening that the TMTA is by no means alone in this effort. Some of the meetings included representative members of the Fair Currency Coalition of which the TMTA is a member.

While in the Dirksen Senate office building cafeteria at lunch I met two members of the U.S.-China Economic and Security Review Commission who had just finished a committee meeting at which the 2010 Report to Congress of the Commission was presented. The Annual Report sets forth the Commission's analysis of the U.S.-China relationship in the topical areas designated by Commission's Congressional mandate. These areas are China's proliferation practices, the qualitative and quantitative nature of economic transfers of U.S. production activities to China, the effect of China's development on world energy supplies, the access to and use of U.S. capital markets by China, China's regional economic and security impacts, U.S.-China bilateral programs and agreements, China's record of compliance with its World Trade Organization (WTO) commitments, and the implications of China's restrictions on freedom of expression. The report chronicles the Commission's analysis and recommendations in six Chapters.

You can view the report in its entirety at www.uscc.gov. While the report is some 316 plus pages long and very comprehensive, I would strongly suggest that you visit the site and look through the Executive Summary that takes up the first 12 pages. It is very informative and, to say the least, revealing!

It is a tough time of year for turkeys; Thanksgiving thinned the ranks substantially and Christmas will, no doubt, have a similar effect on their numbers. We at the TMTA hope your Thanksgiving was filled with happiness and joy and wish more of the same to all at Christmas and for the New Year!

The light at the end
of the tunnel has
been turned off due
to budget cuts.

TMTA ENDORSED SERVICE PROVIDERS

Blue Cross Blue Shield/BCN

(Health insurance program)

TMTA contacts:

Dennis Campbell 248-488-0300

Elaine Burger-Laskosky 248-488-0300, ext. 1309

Encompass Energy Group

(Energy conservation program)

Provider contact:

Shel Rader 248-515-3217

Rick Wald 248-755-6523

Freedom One Financial Group

(401(k) Retirement program)

Provider contact:

John Young 248-620-8100

GlobalTranz — CarrierRate.com

(Freight discount program)

Provider contact:

Chad Hill 866-275-1407, ext. 130

John M. Packer & Associates

(Unemployment cost control program)

Provider contact:

Nathan Wiest 800-482-2971

Ralph C. Wilson Agency, Inc.

(Insurance management)

Provider contact for Benefits coverages:

Robert Farris 248-355-1414, ext. 109

Provider contact for P&C and WC coverages:

Jay Poplawski, 248-355-1414, ext. 158

Reliance Standard/Ameritas

(Life/Dental insurance programs)

TMTA contacts:

Dennis Campbell 248-488-0300

Stella Krupansky 248-488-0300, ext. 1310

SVS Vision

(Safety & Vision programs)

Provider contact:

Monica Dya 800-611-3683 or www.svsvision.com

Schena Roofing & Sheet Metal Co., Inc.

(Commercial/industrial roofing contractor)

Provider contact:

586-949-4777

Staffworks Group

(Staffing needs)

Provider contact:

Bill Brann 877-304-9690

TMTA receives a benefit from some of its Endorsed Providers when you, as a member, patronize them. This is one way we are able to maintain the level of dues.

Happy Holidays!

*Our Very Best Wishes for a Safe and Joyous Holiday Season
to Each of You and Your Families*

From Your Staff at TMTA:

*Rob Dumont,
Charlie Barnes,
Elaine Burger-Laskosky,
Stella Krupansky,
and
Ron Mariutto.*



Christmas/New Year Holiday Survey Results

Our sincere thanks to the companies that responded to this year's holiday survey.

		<u>Open</u>	<u>1/2 Open</u> <u>1/2 Closed</u>	<u>Closed</u> <u>Paid</u>	<u>Closed</u> <u>Unpaid</u>
12/23	Thurs	75%	9%	13%	3%
12/24	Fri	5%	10%	72%	13%
12/25	Sat	0%	0%	35%	65%
12/26	Sun	0%	0%	3%	97%
12/27	Mon	50%	1%	37%	12%
12/28	Tues	69%	1%	12%	18%
12/29	Wed	69%	1%	12%	18%
12/30	Thurs	53%	0%	32%	15%
12/31	Fri	7%	5%	76%	12%
1/1	Sat	0%	0%	31%	69%
1/2	Sun	3%	0%	3%	94%
1/3	Mon	92%	0%	5%	3%

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P.O. Box 9151 Phone (248) 488-0300
Farmington Hills, MI 48333 Fax (248) 488-0500
www.thetmta.com

President and CEO — Robert J. Dumont
Editor, Layout/Design — Elaine F. Burger-Laskosky

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