

# tmta talk

A publication of the  
Tooling, Manufacturing &  
Technologies Association

**FROM ROB'S  
ROOST**  
By ROB DUMONT  
PRESIDENT & CEO

## It is Time to Step Up and Be Heard

You have, on a number of occasions, heard me mention TRADE PROMOTION AUTHORITY more commonly referred to these days as FAST TRACK AUTHORITY. President Obama is currently instructing his Cabinet members to use their influence in urging members of Congress to vote in favor of FAST TRACK AUTHORITY.

The U.S. Constitution imposes the duty to regulate commerce with foreign nations on Congress. FAST TRACK AUTHORITY effectively abdicates that duty of Congress and vests it in the President.

Free Trade Agreements (FTAs), at one time, were about lowering tariffs and regulating customs rules. Today, and since NAFTA in 1994, FTAs have grown to be very complicated and far reaching. They far exceed the original goals related to tariffs and custom rules. Now FTAs actually impact and make changes to domestic laws.



FAST TRACK AUTHORITY, given to the President, allows him to unilaterally select the country or countries he wants to create an FTA with and, as well, empowers him to negotiate and execute the FTA before Congress votes on it.

Once the FTA is executed and sent to Congress, Congress must vote on it within 90 days and Congress may not make any amendments to it; it is purely a 'Yes' or 'No' vote in favor of or against the FTA. As if that weren't bad enough, the President is also empowered to circumvent the normal law-making powers of Congress and draft as well as implement the legislation that

*(Rob's Roost continues on Page 7)*

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## tmta Calendar of Events February 2015

<b>16</b>	Presidents' Day Federal Holiday TMTA Offices Open
<b>18</b>	TMTA Board of Directors meets at TMTA Offices

Visit [www.thetmta.com](http://www.thetmta.com) for detailed, up-to-date information on all events.



### Certificate of Creditable Coverage Letters Discontinued

BCBSM and BCN have announced they will no longer be issuing Certificates of Creditable Coverage letters for terminations. Certificates of Coverage letters allow customers who change health plans to avoid pre-existing condition limitations. To comply with the Affordable Care Act, health plans no longer contain pre-existing condition limitations; as a result, it has been determined that the Certification of Creditable Coverage letters are no longer necessary.



### It's Almost Here! Time to Start Win by Losing

Win by Losing is BCBSM's biannual weight-loss challenge. This round begins on February 23 and extends to April 24, 2015. Your company forms a team. Each team competes against other BCBSM group customers (sorted in categories according to the number of participating employees) for coveted bragging rights and a team trophy.

Each team appoints a team captain who submits weight loss numbers and distributes information. Weight loss is reported to BCBSM as a total number so no one needs to see your particular weight. Registration begins on February 16 and the competition kicks off on February 23, 2015. Weight loss numbers must be submitted each Friday by 5 p.m. and February 27<sup>th</sup> is the first reporting date. The leaderboard updates each week on the BCBSM competition website so you can see which team is in the lead!

Win by Losing toolkits are available on the BCBSM website to assist in helping your employees to participate and achieve the best weight loss. Toolkits include: a

contest banner, a certificate for those participating, diet plans, exercise tips, healthy recipes, health and wellness videos, and much more. To further help your employees, they are encouraged to participate in the BlueHealthConnection® Succeed™ health assessment. Each employee can log into their account and click on 'Health and Wellness', then 'Health Assessment', then 'start now'. The completed questionnaire gives each employee their own personal lifestyle score, a tailored action plan to help them meet their health goals, and access to online coaching programs.

Since the BCBSM's Win by Losing program was launched in 2009, participants have lost more than 79,000 pounds — about 37 tons! Encourage your employees to keep up with their New Year's resolution to make healthy lifestyle changes by signing up your company to participate in the Win by Losing competition by BCBSM.

For more information, visit the BCBSM website at [www.BCBSM.com/yourHealth](http://www.BCBSM.com/yourHealth) or contact Patti Hoerner at 313-448-1066 phone, [WinbyLosing@bcbsm.com](mailto:WinbyLosing@bcbsm.com) e-mail.

### Updated BCBSM and BCN Standard Autism Benefit Limits

BCBSM and BCN updated their coverage for autism spectrum disorder effective January 1, 2015 as follows:

- For standard autism treatment benefits, the current limit of 25 hours of direct-line therapy and skills training for applied behavior analysis (per member, per 7 calendar days) and 3 hours of supervision and caregiver training ends.
- For applied benefit analysis (ABA) treatment to be payable, the member must have an autism spectrum disorder (ASD) diagnosis made or confirmed by a Blues-approved autism evaluation center (or a multidisciplinary evaluation for out-of-state members). The member must also obtain a treatment plan containing a comprehensive set of treatment recommendations, including a recommendation for ABA before treatment begins. (At this time, evaluations are only required for ABA services. Members receiving services other than ABA to treat autism spectrum disorder do not need to receive the ASD diagnosis from an approved autism evaluation center or a multidisciplinary evaluation.)
- In 2015, all physical, speech and occupational therapy — when billed with autism spectrum disorder as the primary diagnosis — is covered for the treatment of autism without visit limits. The treatment must be medi-

cally necessary, which is typically for members up to the age of 18. Physical, speech and occupational therapy for a diagnosis other than ASD will continue to be subject to the visit limitations imposed by the member's contract.

If you have any questions on your coverage, contact BCBSM or BCN by calling the number listed on the back of your insurance ID card.

10,535 pages of Obamacare condensed to 4 sentences

From: [www.Mfrtech.com](http://www.Mfrtech.com)

Obamacare condensed to 4 sentences. As humorous as this sounds...every last word of it is absolutely TRUE!

1. In order to insure the uninsured, we first have to un-insure the insured.
2. Next, we require the newly uninsured to be re-insured.
3. To re-insure the newly uninsured, they are required to pay extra charges to be re-insured.
4. The extra charges are required so that the original insured, who became uninsured, and then became re-insured, can pay enough extra so that the original uninsured can be insured, which will be free of charge to them.

## New NLRB Rules on Union Representation Elections

On December 12, 2014, the National Labor Relations Board (NLRB) approved new rules for the conduct of union representation elections. Commonly referred to as "quickie" or "ambush" election rules, these rules speed up the union representation election process and restrict the ability of employers to communicate with their employees over the significance of that election. The new rules were published in the Federal Register on December 15, 2014; are set to take effect on April 14, 2015; and, on January 5, 2015, a coalition of trade associations headed by the

Chamber of Commerce of the U.S. filed a lawsuit against the NLRB in the U.S. District Court for the District of Columbia.

The new NLRB rules include the following changes to the union election process:

- Employers must submit a Position Statement on all issues raised by the proposed bargaining unit 7 days after receipt of the petition, risking waiver on issues not raised in the statement. The hearing shall start 8 calendar days after the date the petition is filed. Generally, only issues necessary to determine whether an election should be conducted will be litigated pre-election. The NLRB Regional Directors will now be given broad discretion to deem litigation unnecessary until after the election.

- Eliminates the previously required 25-day period between the time a union election is ordered and the election itself. Elections will be held in a range from 10 to 21 days after the petition is filed. This presents many challenges for employers, including the ability to effectively communicate with employees prior to the election.

- Employers are required, within 2 business days, to furnish union organizers with an electronic file containing their employee names, addresses, personal e-mail addresses, phone numbers, work locations, shifts, and jobs of employees eligible to vote in the union election. This raises employee privacy concerns.

- If employers customarily communicate with employees electronically, the employer must provide for electronic filing and transmission of election petitions and other documents as well as posting paper notices.

- All appeals related to an election must be consolidated. This means any appeal of pre-election procedures will be postponed until after the election. The NLRB has broad discretion to deny review of a Regional Director's pre-election or post-election ruling.

The lawsuit alleges that the new rules are unconstitutional and would violate the First and Fifth Amendments as well as sections of the National Labor Relations Act. These are essentially the same claims raised in an action in the same court in 2012 in response to the NLRB's December 2011 adoption of a similar set of changes to its representation election procedures. In 2012, the NLRB withdrew their rules after the federal court concluded they were implemented without a quorum of the NLRB's members.

TMTA will keep you informed on the outcome of this matter.

# Tax Extenders Extended

There is a group of approximately 50 tax provisions that were enacted as temporary measures, but Congress routinely reenacts them on a yearly basis. These are referred to as the “extenders.” On December 19, 2014, President Obama signed into law “The Tax Increase Prevention Act of 2014” (known as TIPA or H.R. 5571). This bill retroactively extends through the end of 2014 (and **only** through the end of 2014) tax year, provisions that had expired at the end of 2013. Most extenders sunset again on December 31, 2014. Some legislators proposed making the extenders effective for 2 years, but this did not happen. Uncertainty over which of the extender provisions will be reenacted for 2015 creates future tax planning difficulties.

The extenders include:

- The tax exclusion of up to \$2 million in imputed income from the discharge of indebtedness for a principal residence.
- The tax credit for qualified residential energy efficiency improvements. The credit is 10% of the purchase with a maximum of \$500.
- The tax deduction of mortgage insurance premiums.
- The tax deduction of state and local general sales taxes in lieu of state and local income taxes. As in past years, the IRS is expected to release Optional State Sales Tax Tables for 2014 to shortcut taxpayers’ need to use the actual receipts method.
- The enhancement of tax rules for contributions of real property interests for conservation purposes with the contribution to be taken against 50% of the contribution base.
- The above-the-line tax deduction of up to \$4,000 for qualified tuition and fees for post-secondary education.
- The tax exemption of distributions up to \$100,000 per taxpayer from individual retirement accounts for charitable purposes for individuals age 70-1/2 and older.
- The equalization of the tax exclusion for employer-provided commuter transit and parking benefits up to \$250 per month.
- The research tax credit may be claimed for increases in business-related, qualified research expenditures and for increases in payments to universities and other qualified organizations for basic research.
- The tax credit for differential wage payments to employees who are members of the Uniformed Services.

Extends the credit to eligible small employers (50 or fewer employees) against the taxpayer’s income tax liability for a taxable year in an amount equal to 20% of the sum of differential wage payments to active military reservists.

- The Work Opportunity Tax Credit is extended to employers that hire military veterans and other qualified individuals. The credit amount is generally equal to 40% of up to \$6,000 (\$9,600 for qualifying veterans) in qualified first-year wages.
- The 100% exclusion from gross income for gain on the sale or exchange of qualified small business stock acquired prior to January 1, 2015 and held for more than 5 years by non-corporate taxpayers. Also extends the rule that eliminates such gain as an AMT (alternative minimum tax) preference item.
- The enhancement of Code Section 179 allows qualified taxpayers the immediate deduction rather than gradual depreciation of the cost of qualified assets subject to certain limitations. The dollar limit is set at \$500,000 for 2014 with a \$2 million overall investment limit. The deduction applies to purchases of new or used equipment.
- Bonus depreciation allows taxpayers to claim an additional first-year depreciation deduction and extends the 50% bonus depreciation. Qualified property must be depreciable under the Modified Accelerated Cost Recovery System (MACRS); have a recovery period of 20 years or less; and be new and placed in service before January 1, 2015. Taxpayers may continue to elect to accelerate the use of AMT credits in lieu of bonus depreciation under special rules for property placed in service during 2014. If an item qualifies for both Code Section 179 and bonus depreciation, the Code Section 179 amount is computed first, and then bonus depreciation is taken based on the item’s remaining income tax basis. Also, Code Section 179 is based on when the taxpayer’s tax year begins and bonus depreciation is tied to the calendar year, which may not necessarily be the same tax year that the asset is acquired.
- The reduction of the recognition period governing built-in gains of S corporations. Tax on the built-in gain of a C corporation that elected S corporate status is not triggered when the S corporation liquidates in 2014 if the S election had been in place for at least 5 years (instead of 10 years).
- The basis adjustment to stock of S corporations making charitable contributions of property. Shareholders of an S corporation get to reduce their stock basis by the adjusted basis of property contributed by the S corporation to a charity, even though the full fair market value of the property passes through to the shareholder as a

charitable contribution deduction on their IRS Form K-1.

- The empowerment zone tax incentives. The ability to designate certain economically depressed census tracts as empowerment zones is extended as well as the tax benefits available. These include tax-exempt bonds, employment credits, increased expensing, and gain exclusion from the sale of certain small business stock.

- The tax credits relating to certain fuels. The \$0.50 per gallon alternative fuel tax credit and the alternative fuel mixture tax credit applies to fuel sold or used before January 1, 2015.

- The energy production tax credit (PTC) and a developer's option to pick the 30% investment tax credit (ITC) in lieu of it. For use by facilities producing energy from certain renewable resources such as wind and other renewable sources of electricity. It extends to the facility for which construction has commenced by the end of 2014.

- The tax deduction for energy efficient commercial buildings. It is an above-the-line deduction for energy efficiency improvements to lighting, heating, cooling, ventilation, and hot water systems of commercial buildings.

- The new markets tax credit allows for a tax credit by making qualified equity investments in a Community Development Entity, which in turn directs investment capital to qualified projects or businesses that are located in low income communities. The credit is claimed over a 7-year period in installments equal to 5% off the qualified investment for the first 3 years and 6% for the following 4 years for a total of 39%. The carryover of unused limitation is extended for 1 year.

- The automatic extension of amortization periods for multiemployer defined benefit pension plans. Generally, multiemployer pension plans will continue to be able to take an additional 5 years to amortize funding shortfalls.

- Includes the Achieving a Better Life Experience (ABLE) Act creating tax-favored savings accounts for certain individuals with disabilities along with some tax-related offsets.



## OSHA Required Posting

Just a reminder that covered employers must post

OSHA's Form 300A. Form 300A summarizes the total number of job-related injuries and illnesses that occurred during 2014 and were logged on OSHA's Form 300, the log of work-related injuries and illnesses. The summary must be posted continuously between February 1 and April 30, 2015 and should be displayed in a common area where notices to employees are usually posted.

Employers with 10 or fewer employees and employers in specific low-hazard industries are normally exempt from federal OSHA injury and illness recordkeeping and posting requirements. Previously exempt industries may no longer be exempt due to changes in OSHA's record-keeping requirements that went into effect on January 1, 2015.

For more information and a list of exempt and non-exempt industries, visit the OSHA website at [www.osha.gov/recordkeeping2014/index.html](http://www.osha.gov/recordkeeping2014/index.html).

## U.S. Postal Rates — Up or Down?

First, the U.S. Postal Service (USPS) announced in October 2014 that it would not be filing for a mailing price adjustment (read increase) to take effect in January of 2015. The price of a one-ounce first class letter would remain at \$0.49 and there would be no increases in prices for shipping services which include: Priority Mail, Priority Mail Express, First Class Package Service, Media Mail, and Parcel Select. But...then the USPS filed notice with the Postal Regulatory Commission (PRC) on January 15, 2015 for a postage price increase based on its Consumer Price Index (CPI) cap authority. If approved, the overall average increase would be 1.966%, but the cost of a one-ounce first class stamp would remain at \$0.49.

The USPS was waiting for the U.S. Court of Appeals for the District of Columbia to rule on whether the exigent increase from last year is temporary (as the PRC ordered at the time) or permanent (as the USPS has hoped) before it requested a price adjustment. The temporary price hike issued January 2014 was the largest in 11 years. The PRC has until March 1, 2015 to make its ruling.

If the court upholds the increase as temporary, it would be challenging for both the USPS and the mailing industry to support two pricing software changes in one year. Therefore, the exigent prices would be rolled back around late summer/early fall 2015. If the court rules the increase is permanent, the USPS will move forward with a CPI increase immediately and appropriate rates would increase on April 26, 2015.

# In Memoriam

## Leigh P. Smith

It is with deep sadness and regret that we note the passing of **Leigh P. Smith** on January 19, 2015 at the age of 91. Mr. Smith passed away in his home on Singer Island, FL after a long illness. Preceded in death by Rosemary, he is survived by his loving wife, Norma; children, Leigh P. Smith, Jr., Jeffrey Smith, and Lorinda Phillips; and six grandchildren.

Leigh Smith was the past owner and president of **Dependable Gage & Tool Co.** of Oak Park, MI. Founded by Mr. Smith's father in 1941, Dependable Gage designs and manufactures custom gages, fixtures and tooling for the automotive, aerospace, aeronautics, defense and related industries.

Mr. Smith was born in Royal Oak, MI and was a graduate of the University of Michigan where he belonged to the Alpha Tau Omega fraternity. He was a World War II veteran and the recipient of several metals, including the Purple Heart. He was a lifelong member of the Red Run Golf Club in Royal Oak, MI and, in recent years, a member of the Tequesta Country Club in Tequesta, FL.

Fondly remembered as a true gentleman, Leigh Smith will be greatly missed by his family, friends and employees. A memorial service will be held on February 12, 2015 at the First Presbyterian Church of Tequesta, FL.

Our heartfelt condolences go out to his family and friends.

**For more information about  
the TMTA, our advocacy, events  
and benefits, visit us at  
[www.thetmta.com](http://www.thetmta.com)**

Find health-care reform information along with tax and pension limits, insurance forms, required and optional state and federal posters, workers' compensation forms, FMLA and COBRA information and forms, direct links to the OSHA chemical information database and the NIOSHA pocket guide to chemical hazards, and more at [www.thetmta.com](http://www.thetmta.com) by mousing over "Information/Networking" on the top navigation bar and choosing "Company Forms & Information."

## INFLATION TALK

### CPI-W Urban Wage Earners and Clerical Workers

Month	82-84	1967	57-59
<b>Dec</b>	<b>229.909</b>	<b>684.828</b>	<b>796.45*</b>
Nov	231.551	689.720	802.14*
Oct	233.229	694.717	807.95*
Sept	234.170	697.521	811.21*
Aug	234.030	697.105	810.72*
July	234.525	698.580	812.44*
June	234.702	699.107	813.05*
May 2014	234.216	697.657	811.37*

### CPI-U All Urban Consumers

Month	82-84	1967	57-59
<b>Dec</b>	<b>234.812</b>	<b>703.393</b>	<b>818.03*</b>
Nov	236.151	707.402	822.70*
Oct	237.433	711.243	827.16*
Sept	238.031	713.035	829.25*
Aug	237.852	712.498	828.62*
July	238.250	713.691	830.01*
June	238.343	713.970	830.33*
May 2014	237.900	712.642	828.79*

**Note: December 2014 CPI-W represents a 0.3% increase from one year ago; CPI-U a 0.8% 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)**

puts the FTA into effect; all without Congressional input.

Clearly the checks and balances enshrined in the U.S. Constitution are undermined by vesting that kind of authority in the Executive Branch.

FTAs already implemented by the United States are littered with broken promises by our trading partners and thus far there has been no attempt to critically examine existing agreements to see what has and has not been beneficial to the United States. Without such an exercise in common sense it is a virtual certainty that prior mistakes will be repeated and existing trade problems will be compounded.

Currently the Administration in league with Wall Street and large multinationals are secretly negotiating a Trans-Pacific Partnership (TPP) of some twelve countries. The President is keenly aware of the expressed opposition on both sides in Congress to this TPP and is very concerned that it would not be passed. The push for FAST TRACK AUTHORITY is an effort to sidestep a failure to get TPP through Congress.

I urge you to contact the office of your member in the House of Representatives and each of your two Senators and strongly urge them to oppose both FAST TRACK AUTHORITY and TPP. You can call the Capitol switchboard at 1-202-224-3121 and ask for your Representative or Senator by name. Be sure once you are connected to that particular office you ask to speak to the staff member dealing with trade. If that individual is unavailable, deliver your message to the staffer answering the phone in that office.

This is an effort in which numbers really do matter so please, make the calls, do your part, together we can and will make a difference.

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## Save the Date for the TMTA Golf Outing

Just a reminder that the 80<sup>th</sup> Annual TMTA Golf Outing and Dinner will be held this year at the Cherry Creek Golf Club in Sterling Twp. on June 25, 2015. All members are invited and we encourage you to invite your customers, family and friends. Every year the event is marked by golf, food, prizes and camaraderie.

Since this year is our 80<sup>th</sup> golf outing anniversary, it will be an extra special event. Details will be disclosed closer to the event date. In the meantime, please mark your calendars to attend this exciting event!

## TMTA ENDORSED SERVICE PROVIDERS

### **Blue Cross Blue Shield/BCN**

(Health insurance program)

TMTA contacts:

Bill Percha 586-904-9700 (cell)

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

### **CAPTRUST** (formerly Freedom One Financial)

(401(k) Retirement program)

Provider contact:

John Young 248-620-8100

### **Euler-Hermes** - (credit insurance program)

Provider contact:

Jay Poplawski 248-355-1414, ext. 158

### **John M. Packer & Associates**

(Unemployment cost control program)

Provider contact:

Nathan Wiest 800-482-2971

### **Practical Power LLC** - (Electrical savings program)

Provider contact:

Mark Bunting 248-726-7598

### **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:

Bill Percha 586-904-9700

Stella Krupansky 248-488-0300, ext. 1310

### **Results Systems Corporation**

(Business management consulting)

Provider contact:

Paul Hindelang 248-244-8550

### **SVS Vision** - (Safety & Vision programs)

Provider contact:

Monica Dyja 800-611-3683 or [www.svsvision.com](http://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.***



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