

January 2020 – Printer Friendly



Thank you for reading the “printer friendly” version of the MHA’s monthly **eHELPS** newsletter. If you would like to receive **eHELPS** via email, please send your request to ehelps@midwesthardware.com.

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March 2, 2020, Deadline for Submitting Electronic OSHA Records

Remember, **March 2, 2020**, is the deadline for **electronically** reporting your OSHA Form 300A data for calendar year 2019.

OSHA’s electronic recordkeeping rule requires certain employers (including hardware dealers), with 20 or more employees to electronically submit injury and illness data that they are already required to record on Forms 300A.

Please Note: *The Survey of Occupational Injuries and Illnesses is a separate program from the OSHA electronic reporting program. Therefore, even if you have completed and submitted the Survey of Occupational Injuries and Illnesses, you must still electronically submit injury and illness data to OSHA.*

WHO MUST ELECTRONICALLY SUBMIT INJURY AND ILLNESS RECORDS?


- Establishments with 250 or more employees.
- Establishments with 20 to 249 employees that are classified in certain industries (including hardware retailers). For a complete list of covered industries, go to <https://www.osha.gov/recordkeeping/NAICCodesforelectronicsubmission.pdf>.
- Establishments with less than 20 employees are not required to routinely submit information to OSHA electronically unless they have been specifically notified by OSHA.

Definition of Establishment

A single physical location where business is conducted or where services or industrial operations are performed. A firm may be comprised of one or more establishments. To determine if you need to provide OSHA with the required data for an establishment, you need to determine the establishment's peak employment during the last calendar year. Each individual employed in the establishment at any time during the calendar year counts as one employee, including full-time, part-time, seasonal, and temporary workers.

HOW TO SUBMIT DATA ELECTRONICALLY

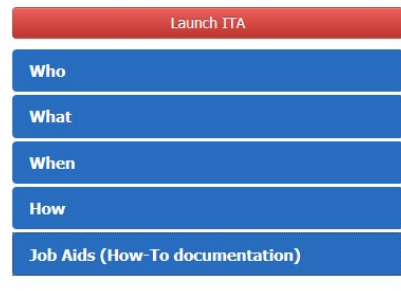
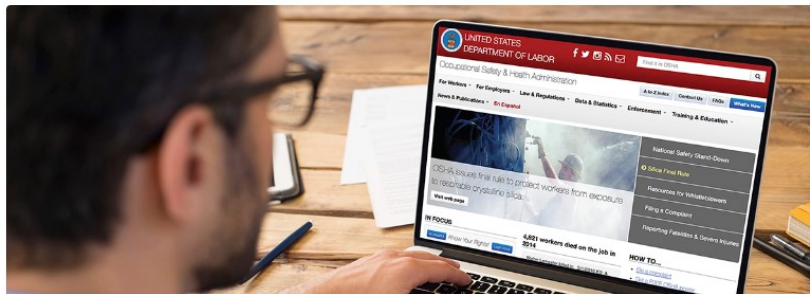
Go to OSHA's Injury Tracking Application (ITA) website, <https://www.osha.gov/injuryreporting/>. On the ITA website, view the "How" and/or "Job Aids (How-To documentation)" for additional submission support.



The screenshot shows the top of the OSHA website. It features the United States Department of Labor logo, social media icons, a search bar, and a navigation menu with categories like ABOUT OSHA, WORKERS, EMPLOYERS, REGULATIONS, ENFORCEMENT, TOPICS, NEWS & PUBLICATIONS, DATA, and TRAINING.

Final Rule / Injury Tracking Application

Injury Tracking Application



A vertical menu of buttons for the Injury Tracking Application. The buttons are: Launch ITA (red), Who (blue), What (blue), When (blue), How (blue), and Job Aids (How-To documentation) (blue).

For additional OSHA information, log into "My MHA" and click on "OSHA Resources". You may also contact Andrea Ramage at andrear@midwesthardware.com or 800-888-1817, ext. 365.

Legalized Cannabis Brings New Challenges for Illinois Members

On January 1, 2020, Illinois became the newest state to legalize recreational marijuana. It is now legal for people 21 years of age or older to purchase marijuana for recreational use from licensed sellers in Illinois.

This change brings with it a whole new set of challenges for the business community. MHA has received inquiries from numerous Illinois members asking about the new law and its effect on allowable workplace behaviors and policies.

Most likely, it will take multiple court cases lasting any number of years to ultimately determine the final balance between worker's and employer's rights in the workplace with regard to cannabis. However, employers do have rights under the Act to protect themselves and their businesses.

As a general rule, cannabis in the workplace may be treated similar to alcohol in the workplace.

- You may forbid employees from possessing and using cannabis at work and being under the influence of cannabis while performing job duties.
- You may require a drug test for employees if you have reasonable suspicion that the employee is under the influence.
- You may discipline, or even terminate, a person's employment if you possess a good faith basis that the employee is under the influence of marijuana while at work, on-call, or while performing job duties.

Reasonable suspicion may exist if the employer has a good faith belief that one of their employees manifests specific, articulable symptoms while working which decrease or lessen the employee's performance of the duties or tasks of their job position.

Good faith may consist of symptoms of the employee's speech, physical dexterity, agility, coordination, demeanor, irrational or unusual behavior, or negligence or carelessness in operating equipment or machinery; disregard for the safety of the employee or others, or involvement in any accident that results in serious damage to equipment or property; disruption of a production or manufacturing process; or carelessness that results in any injury to the employee or others.

It is recommended that employers adopt a drug-free workplace policy. By doing so, your store gains protection because the Act specifically provides that it does not create a cause of action against employer's who, pursuant to their workplace drug policy, may subject an employee or applicant to reasonable drug and alcohol

testing, reasonable and nondiscriminatory random drug testing, and may discipline, terminate employment, or withdraw a job offer due to the failure of a drug test.

As a direct member benefit, MHA has available a sample **Drug-Free Workplace Policy**, written by Attorney Donald Schoemaker with Greensfelder, Hemker & Gale, PC. Illinois members are free to use [this sample policy](#) when creating their store's drug-free workplace policy.

For additional information or questions on workplace rules and policies surrounding the Illinois cannabis law, please contact Andrea Ramage at andrear@midwesthardware.com or 800-888-1817 ext. 365.

Reminder-Post OSHA Form 300A Beginning February 1 Through April 30

Starting February 1, Form 300A (the annual Summary of Work-related Injuries and Illnesses) should be posted in a common area where notices to employees are usually posted.

Remember, all establishments with more than 10 employees that also fall under the industry group 4441 (Home Centers, Hardware Stores, Other Building Material Dealers) are required to keep injury and illness records and post a copy of OSHA's Form 300A from February 1 to April 30 each year. (Establishments with 10 or fewer employees are exempt from this requirement.)

Go to www.midwesthardware.com, and log into "My MHA" for forms and information.

- Click on "Business Forms, Templates, & Signs" to access OSHA Forms 300, 300A, and 301.
- Click on "OSHA Resources" for additional OSHA recordkeeping and reporting information.

Contact Andrea Ramage if you have any questions at (andrear@midwesthardware.com or 800-888-1817 ext. 365).

Illinois Members Reminded to Get All the Facts on Any Electricity & Natural Gas Offers

Recently we've received numerous calls from MHA Members in Illinois asking for guidance on electricity and/or natural gas price offers they have received or will be considering.

Regardless of who is sponsoring or promoting offers for electricity or natural gas, MHA members should always act with caution and knowledge. Any Agent, Broker, or Consultant should be willing to answer the question, "What is the final, total price that I'll be charged and how much of my total price is going to you?"

MHA recommends all members re-familiarize themselves with the **"Agent, Brokers, and Consultant Do's and Dont's"**.

In today's market and regulatory environments, many factors (such as size of store, hours of operations, and daytime versus nighttime usage patterns) influence the options our Members should consider. As similar as hardware dealers' operations can be, we caution that "no one program fits all." There is no one program that is "the best" for all hardware stores. Here's why:

- **CUSTOM PRICING:** All-in Custom Pricing based on each store's individual "load profile" can be the best option for some hardware dealers.
- **MATRIX/SOCIALIZED POOL PRICING:** In the past, Matrix pricing was often the best option for many independent hardware dealers; however, due to stricter eligibility criteria, some hardware stores no longer have this option available. For Members who are eligible, Matrix pricing continues to produce the best savings and should be considered before making final procurement decisions.
- **UTILITY SUPPLY PRICING:** At this time, bundled supply rates from ComEd and Ameren Illinois can be the best option for Members who: 1) are no longer eligible for Matrix pricing; and, 2) whose individual usage patterns are currently producing extremely high Custom prices. Although the utility rates are set for only 12-months at a time, and change between summer and winter, they have been stable and far lower than Custom prices for many hardware stores. If utility rates do increase in the future, Members can always look at their options with suppliers.

BE WARY

Offers you receive may not include all of the charges associated with the supply portion of your utility bill and contract provisions sometime allow for "all-in-fixed-prices" to be adjusted during the term of a contract for reasons beyond "changes in law." These and other differences, including a full disclosure of all broker's fees and commissions can make it difficult to compare offers, yet can have a big impact on the final out-of-pocket costs you pay for electricity or natural gas.

LET MHA/IRMA HELP

As a Member benefit, remember that MHA and IRMA stand ready to offer you candid, objective, and honest advice about buying electricity and natural gas supply. We'll review products, pricing, contract provisions, and options available to you. Ultimately, we don't care who you buy from as long as it is the best decision for you and your store.

When considering a gas or electrical contract, we strongly encourage you to contact our MHA/IRMA Energy Program team.

Email: info@irmaenergyservices.org

Brian Bowe, MHA/IRMA VP of Energy Services | phone 920-639-5657

Maggie Murphy and Delaina Pomfret | phone 773-871-1110

John Haka, MHA Managing Director | email: johnh@midwesthardware.com | phone 715-341-7100 ext. 303

Battle Over How to Pay for Minnesota Roads and Bridges Continues at State Capitol

From the Star Tribune, Jessie Van Berkel, January 20, 2020

Eight months after Republican lawmakers spurned his proposed gas tax, Governor Tim Walz is challenging legislators to come up with new ways to pay for aging roads and bridges around the state.

The DFL governor opted not to draw extensively on borrowing to pay for state highways and other large-scale transportation projects as part of a \$2 billion public infrastructure bonding package he presented last week.

"That is going to require a comprehensive transportation bill," Walz said. "And if you're going to come to the Capitol as a legislator, have the courage to do your job. Don't kick the can down the broken road."

Last session, Walz proposed a 20-cent-per-gallon increase in Minnesota's gas tax, an idea that Republican legislators quickly rejected. He said that in the session that starts February 11, he doesn't want to rely too heavily on one-time dollars from the

state's surplus or borrow too much money for the expensive transportation needs throughout the state.

That doesn't mean transportation was left out of his bonding package. He included \$112 million for local bridge projects and \$100 million for local roads, which some Republican legislators applauded.

"That's a nice number and I'd like to see that myself, and we'll honestly aspire to get close to that," said Sen. Dave Senjem, R-Rochester, Chairman of the Capital Investment Committee.

Existing gas-tax dollars help fund the state highway system and shouldn't be used for those local street projects anyway, said Senjem, arguing that bonding is an appropriate way to pay for those needs. He expects Senate Republicans' bonding proposal will emphasize local roads and bridges.

However, he plans to talk with fellow legislators about using cash from the state's projected budget surplus to fund one-time infrastructure improvements.

Read more [here](#).

Lawmakers Call for Property Tax Cut After Steep Increases in 2019

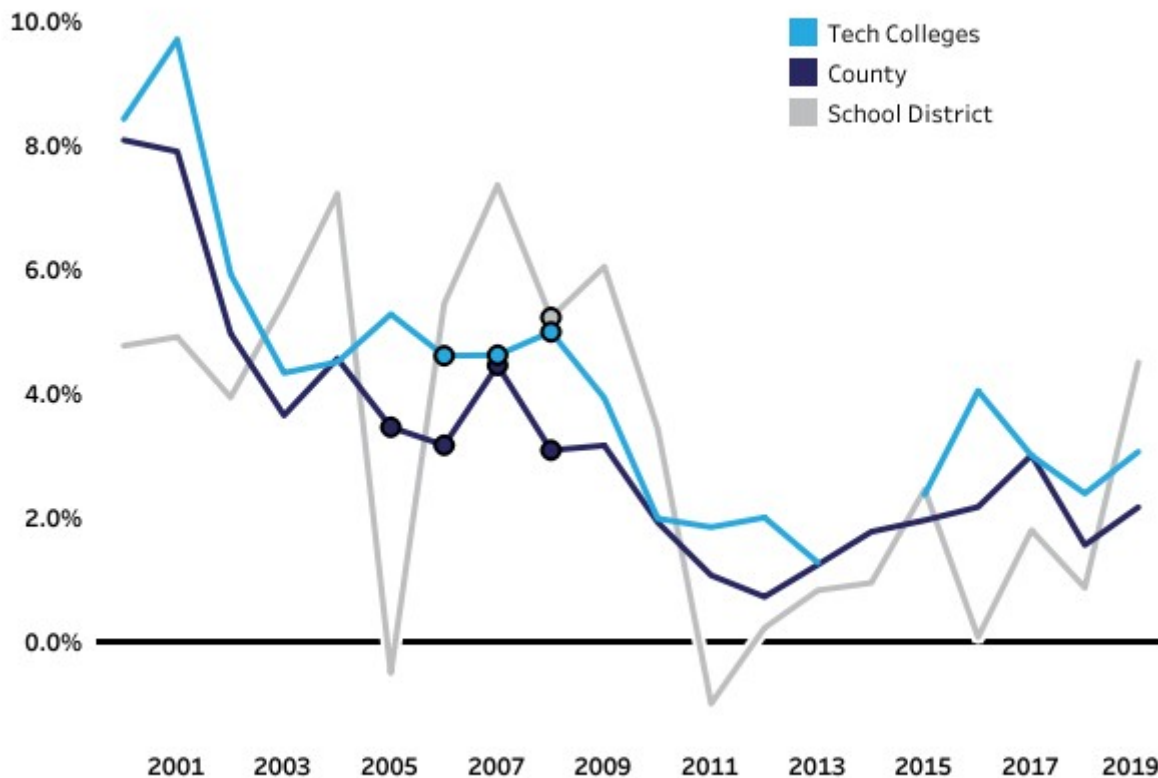
By Misha Lee, MHA Wisconsin Lobbyist

Wisconsin 2019 property tax bills arrived in late December and many state residents have likely taken notice of the overall steep increase from previous years. It's why Senate Republican Majority Leader Scott Fitzgerald (R-Juneau) has called for any new general purpose revenue to go towards a property tax cut before the Legislature adjourns its session in the spring. Fitzgerald said the proposal is still being developed and did not indicate how much he wanted to put toward the effort or how much the proposal would save homeowners. His counterpart in the Assembly, Speaker Robin Vos, also indicated support for reducing property taxes, but did not want to commit to a specific plan until new revenue figures were released. The nonpartisan Legislative Fiscal Bureau (LFB) is expected to provide updated revenue estimates later this month and most are expecting an additional windfall.

The call for a property tax cut by the Senate leader comes despite a recent poll from the Marquette University Law School that showed 55 percent of those surveyed believe it is more important to increase spending on public schools than it is to reduce property taxes, while 41 percent say reducing property taxes is more important. Public opinion surrounding property taxes in the state seems to have flipped in recent years. Since 2013, support for increased school spending peaked in early 2018, while support for cutting property taxes was at its height in early 2013.

Figure 1: K-12 Taxes Rise After Years of Smaller Increases

% Change in Property Tax Levy by Year, 2000-2019



Source: Wisconsin Department of Revenue..

School districts increased property taxes by the largest percentage in a decade. In Sun Prairie where I reside, just the school portion of my property tax bill increased more than 16 percent from last year. A report from the Wisconsin Policy Forum looked at data from the state Department of Revenue (DOR) and found that school districts across the state levied \$5.21 billion in property taxes for 2019. That's a 4.5 percent increase from the prior year and the largest year-over-year increase since 2009. This represents the first time school district taxes rose by more than 2% since 2015-2016, and it is the highest since a 6% increase in 2009-2010. Much of the steep increase is likely due to state lawmakers increasing revenue limits for school districts in the last two-year state budget. In addition, new data shows growth in levies for counties (2.2%) and technical colleges (3.1%), indicating that the 2019-2020 gross property tax levies in Wisconsin are the highest increase since the last recession. The tax data from the state DOR includes levies reported by

counties, technical colleges, and school districts, which together account for approximately two-thirds of all property taxes in the state. The property tax is the largest state and local tax in Wisconsin where local governments (i.e. school districts) rely heavily on it to fund public services such as education, police, and fire protection. Despite the overall steep increase, however, tax bills for individual properties around the state will vary according to local factors and property assessments.

The State Assembly is scheduled to convene on the floor between 4-5 more days this year, while the Senate is scheduled to meet once in January, once in February, and once in March, before lawmakers adjourn and return to their respective districts to campaign for re-election.

It remains uncertain whether cutting property taxes before the session adjourns would get support from legislative Democrats and Governor Evers.

Chicago Budget Called A Progressive Blueprint

By Alec Laird, MHA Illinois Lobbyist and Vice President, Government Relations for Illinois Retail Merchants Association

Chicago Mayor Lori Lightfoot has passed her first budget by a vote of 39-11. Of the 11 dissenting votes, 2 were from Aldermen who expressed major concerns that the budget wasn't actually balanced because it relies on funds the city hopes to collect from the federal government and relies on savings from delayed hiring as well as one-time funding sources. The other 9 "No" votes shared many of these same concerns, but maybe more importantly, believed the Mayor's budget failed to live up to the progressive policies that they promised to deliver. To that end, more than one noted their support for bringing back the much maligned "head tax."

With that said, Mayor Lightfoot exceeded the 26 votes that she needed in order to pass the budget. Calling her \$11.65B budget a "progressive blueprint for the future", the Mayor thanked the Aldermen who voted to close the budget gap that included \$538M in efficiencies and savings, and \$352M in revenue. Late in 2019, the Mayor asked the Illinois legislature to increase the real estate transfer tax on high-end commercial property sales to help fund Chicago's budget. The General Assembly did not pass the increase. Still, the Mayor's budget gap was closed without any significant property tax increases, although there will be a property tax increase to fund additional hours for public libraries and to pay off debt. The Mayor was also able to secure some funding to fight homelessness and to treat residents

with mental health challenges, although she is not opening more treatment facilities (a major source of concern for members of the Progressive Caucus).

Altogether, in addition to the funds that are due from the federal government for ambulance services, the money for the budget will also come from refinancing debt, raising the rates for parking meters in and near the loop as well as adding more meters in congested areas of the city and nearly tripling the taxes on rideshares originating or ending in the most congested areas of the city. In addition, she will double the restaurant tax.

By now, readers may have heard that increases to Chicago's minimum wage and its youth wage were also included in this budget. They include the following:

Employers with more than 20 employees

Will ramp up to \$15 minimum wage on the following schedule:

- 7/1/20 - \$14/hour
- 7/1/21 - \$15/hour
- 7/1/22 - \$15 + CPI

Employers with 20 or less employees

Will ramp up to \$15 minimum wage on the following schedule:

- 7/1/20 - \$13.50/hour
- 7/1/21 - \$14/hour
- 7/1/22 - \$14.50/hour
- 7/1/23 - \$15/hour
- 7/1/24 - \$15 + CPI

Youth Wage (applies to persons under 18 years old)

This budget disconnects the youth wage from the state law and imposes the following timeline to a \$15 minimum wage for youth.

- 7/1/20 - \$10/hour
- 7/1/21 - \$11/hour
- 7/1/22 - \$12/hour
- 7/1/23 - \$13.50/hour
- 7/1/24 - \$15/hour
- 7/1/25 - \$15 + \$1.50 or CPI (whichever is less)

Training Wage

Current law allows a training wage for the first 90 days of no more than 50 cents less than the state minimum wage. This will remain unchanged.

Some Businesses Will Feel One-Two Punch

In addition to these mandated wage increases, Chicago's new Employee Scheduling ordinance also goes into effect on July 1, 2020. For now, this law applies only to businesses with at least 100 employees globally, of which 50 must be employees covered by the law. The threshold for nonprofits and restaurants is 250 employees.

In addition, restaurants must have at least 30 locations globally, meaning most small restaurants will be exempt.

However, for those businesses bound by the new Employee Scheduling law, it will add significant expense to labor costs and complication to a challenging labor environment. This is in addition to a starting wage increase of \$1.00 on the same date for the same pool of employers.

The city could have changed the effective dates to give employers some room to absorb the costs related to these mandates, but it has made the calculation that businesses will be resilient—A calculation that MHA believes is short-sighted and that showed an unwillingness to make reasonable changes that wouldn't have interfered with the overall goal of increasing the starting wage.

MHA and IRMA will be hoping for better cooperation from the Mayor's office and from members of the City Council as we address issues in 2020.



Federal/State Labor Law Posters

Some businesses order labor law posters through companies online, and pay anywhere from \$30 to over \$100 per poster, depending on the poster. Sometimes businesses may not receive the appropriate posters they need. MHA makes it easy for Members by automatically sending a FREE 6-in-1 Federal Labor Law poster when you renew your 2020 membership. The Federal 6-in-1 poster includes:

- Equal Employment Opportunity is THE LAW (applicable to most private employers)
- EMPLOYEE RIGHTS, Employee Polygraph Protection Act (applicable to private employers)
- Job Safety and Health, It's the Law! (applicable to private employers)
- YOUR RIGHTS UNDER USERRA, The Uniformed Services Employment and Reemployment Rights Act (applicable to all employers)
- EMPLOYEE RIGHTS Under the Fair Labor Standards Act (applicable to all employers)
- EMPLOYEE RIGHTS AND RESPONSIBILITIES Under the Family and Medical Leave Act (applicable to all employers)

To print mandatory State posters applicable to your business, go to www.midwesthardware.com, login to "My MHA", and click on "Labor Law Posters". Posters can be printed on normal 8 1/2 x 11 paper.

If you have forgotten your username and/or password, contact Andrea Ramage at 800-888-1817 ext. 365 or andrear@midwesthardware.com.

Sales Trends (November 2019)

Here are the most recent Illinois, Minnesota-Dakotas, and Wisconsin hardware store sales trends, gathered from association members using the MHA's monthly accounting service. The figures derived for each region includes sales data from the following number of stores:

Illinois - 28 stores

Minnesota-Dakotas - 13 stores

Wisconsin – 80 stores

	Month	YTD
Illinois	-4.99%	2.18%
MN-Dakotas	11.13%	6.21%
Wisconsin	4.39%	5.36%
