



EMPLOYMENT LAW UPDATES WEEK OF JULY 12-16

A Crash Course in The New HIRE Act

Under the Hiring Incentives to Restore Employment (HIRE) Act, also known as the “jobs bill”, newly hired employees may provide employers with tax benefits. The act is intended to promote job growth and provides two separate tax benefits for hiring new employees as well as keeping them employed. A couple of incentives for businesses to participate include a 6.2% payroll tax forgiveness, exempting them from their share of Social Security taxes on wages paid to the qualified individuals, and the other is a business credit if they retain the new hires for 52 consecutive weeks. Qualified employers include any taxable or tax-exempt private sector employer, including non-profits, as well as public institutions of higher education. For employees to qualify there are four different criteria to meet:

- Begin employment after February 3, 2010, but before January 1, 2011.
- Unemployed or worked less than 40 hours in the previous 60 days.
- Cannot be hired to replace another employee unless that employee was terminated for cause, or voluntarily separated from employment.
- Must not be a family member, or related in any way, to any individual who owns, directly or indirectly, more than 50% of outstanding stock or capital and profits interests in the employer.

It is essential for employers to know if and how employees qualify so that they may take advantage of the HIRE act. Contact us for more information on the HIRE act, and how to determine which of your employees may qualify.

FMLA Insights – The Importance of Clear, Accurate Notices

Recent decisions in the federal appeals court have shown the importance of providing employees with clear, accurate information about their FMLA rights. It is the employer’s responsibility to tell the employee what they are expected to do when they need to take FMLA leave. This information, at the very least, should be in the employee handbook or policy manual. The FMLA requires employers to provide information regarding their eligibility for leave and the amount of leave that they have used. HR personnel and supervisors should be trained on the requirements and be prepared to either answer any questions or direct employees to the proper resource.

Because FMLA claims can rise even without the employer denying the employees request, it is essential for employers to be well-informed of their expectations. Contact us for more information on how employers can defend themselves against an employee’s claim of ignorance or confusion.

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