

## EMPLOYMENT LAW UPDATE: CHANGES IN LAW REQUIRE ISSUING THREE NEW NOTICES

### New COBRA Notices

The Department of Labor (DOL) released two new model notices regarding COBRA eligibility. The new notices inform eligible employees that, as an alternative to COBRA, they have the option to instead purchase coverage through the Affordable Health Care Act's Health Insurance Marketplace.

- Employers must provide these revised notices to employees to ensure good faith compliance with COBRA notice requirements.
- The updated notices are available through the DOL Web site, at
- [www.dol.gov/ebsa/modelgeneralnotice.doc](http://www.dol.gov/ebsa/modelgeneralnotice.doc) and
- [www.dol.gov/ebsa/modelectionnotice.doc](http://www.dol.gov/ebsa/modelectionnotice.doc).

### Expansion of Paid Family Leave

Effective July 1, 2014, Paid Family Leave (PFL) wage-replacement benefits will become available to employees caring for a seriously ill grandparent, grandchild, sibling or parent-in-law. Previously, PFL defined "family member" to only include a child, spouse, parent or domestic partner.

- The Employment Development Department has created a new pamphlet to reflect this expanded definition, which can be found at [www.edd.ca.gov/pdf\\_pub\\_ctr/de2511.pdf](http://www.edd.ca.gov/pdf_pub_ctr/de2511.pdf).
- Employers should begin providing the revised PFL pamphlet to employees as of July 1, 2014. Employers should also update their employee handbooks to reflect this expanded benefit.
- Note: PFL on its own does not impose an obligation on employers to grant a requested leave of absence to care for a "family member," but, rather, when an employer grants such a request, California now affords wage-replacement benefits to the employee under a broader set of circumstances.

### Bay Area Commuter Benefits

By September 30, 2014, Bay Area employers with 50 or more employees (excluding seasonal/temporary employees) must comply with the new Bay Area Commuter Benefits Program (CBP). CBP requires covered employers without an existing and compliant commuter benefit plan to:

1. Select a commuter benefit option for the company. Employers can choose from a wide range of plans, including pre-tax withholding of commuting costs, employer-paid monthly subsidies, employer-provided transit, or a pre-approved alternative.
2. Notify employees about the new commuter benefit program and how to participate. Eligible employees have performed 20 hours of work per week within the previous month, in a defined Bay Area district, excluding seasonal/ temporary employees. Notice must be provided to covered employees when the benefit is first made available, and once per year thereafter. Notice must also be given as part of the new employee benefits package.
3. Register with the CBP, online at [www.edd.ca.gov/pdf\\_pub\\_ctr/de2511.pdf](http://www.edd.ca.gov/pdf_pub_ctr/de2511.pdf).

Employers who fail to comply with these new Bay Area Commuter Benefits requirements will be subject to civil penalties up to \$1,000 per day. More information is at <https://commuterbenefits.511.org>.

---

For questions about the new notices or any other employment issue, **Hoge Fenton's Employment Law attorneys are available to assist.**

---

#### The Fine Print.

This Employment Law Update is provided as an educational service by Hoge Fenton for clients and friends of the firm. This communiqué is an overview only, and should not be construed as legal advice or advice to take any specific action.

IRS Circular 230 Disclosure. IRS regulations generally provide that, for the purpose of avoiding federal tax penalties, a taxpayer may rely only on formal written advice meeting specific requirements. Any tax advice in this message (including any attachments) does not meet those requirements and is not intended or written to be used, and cannot be used, for the purpose of avoiding federal tax penalties or promoting, marketing or recommending to another party any transaction or matter addressed herein.

## Primary Contact

- Sarju A. Naran