

WCA Alert

May and June 2012

E-Verify Gains Ground

(NFIB April/May 2012 pg. 8)

Despite E-Verify's high error rate, many states are requiring businesses to use the system.

In an attempt to curb the hiring of illegal workers, 10 states passed legislation in 2011 that require employers to use E-Verify, a free Internet system that allows employers to verify electronically that an individual is authorized to work in the United States. Those States were Alabama, Florida (through executive order), Georgia, Indiana, Louisiana, North Carolina, South Carolina, Tennessee, Utah and Virginia.

Currently, 17 states mandate the use of E-Verify. While some states only require state agencies to comply, others require public and private employers, contractors and subcontractors to use the system.

Most states fine or temporarily suspend business licenses for noncompliance, but states like Alabama and North Carolina revoke them after multiple violations. On the other end of the spectrum, California passed a law in 2011 that prohibits localities from mandating the use of E-Verify.

The legislation comes on the heels of a 2007 U.S. Supreme Court decision that upheld an Arizona law mandating the use of E-Verify, thus setting a precedent for other states to follow suit.

The new laws haven't come without opposition. Opponents point to E-Verify's high error rate, which some say is as high as 50 percent. The system not only fails to identify undocumented workers,

according to critics, but has also incorrectly marked some legal U.S. citizens as unauthorized, leaving small businesses with a lot of paperwork that doesn't accomplish the task.

There's also economic impact. In Alabama, farmers are planting fewer crops that require handpicking-work that's often done by migrant workers, said NFIB/AL State Director Rosemary Elebash. That will likely raise the cost of those foods. "It's having a tremendous impact," she said. According to Bloomberg Government, if E-Verify had been mandatory in all states in 2010, small businesses would have spent \$2.6 billion to participate.



Services That Will Lift You Into The Cloud (NFIB April/May 2012 Pgs. 27-28)

Whether you're looking to collaborate with your employees, invoice a client or run an email marketing campaign, here are five services that will help boost your productivity through the cloud.

Dropbox.com

What it does: Stores files and makes them available on any computer, Android, Blackberry, iPad and iPhone
Cost: 2 gigabytes free; monthly subscriptions start at \$9.99. Dropbox has more than 45 million users who store and share their files online. It's easy to use in a Web browser, or install a version on your computer or device to access the same files from anywhere. Its latest offering, Dropbox for Teams, is designed with small businesses in mind: Plans begin at \$795 for a terabyte of storage among five users.

Freshbooks.com

What it does: Invoicing, billing and expense tracking.

Cost: Free with three clients; after that, monthly packages range from \$19.95 to \$39.95.

Freshbooks is a streamlined, Web-based invoicing system for small business owners who don't need the detail and robust features offered by competitor Quickbooks. Create a PDF of an invoice to send via snail mail, or email to allow customers to see their balance online. Freshbooks claims to save users five hours a month and get you paid 11 days faster.

Invoicing in the Cloud simplifies operations by giving you the simple click-and-select ability to create an invoice in seconds.

Salesforce.com

What it does: Customer relationship management

Cost: Free for up to 30 days; monthly plans range from \$2 to \$250.

About 76 percent of a sales rep's day is spent looking for contact information, prospects and opportunities. That's the Salesforce.com pitch: It consolidates all of that info into one personalized website, accessible from anywhere, freeing up your salesperson to do what they do best: sell. Users can go to one screen; scroll and click through their quarterly quote progress, open deals, leads, and sales funnels.

When signing up for cloud services remember these 3 important steps:

1. **Do a reference check.** Be careful choosing a cloud-computing vendor. When evaluating a potential service provider, check with other small business owners to see if they've used the service. Make sure it is a mainstream company that takes data security seriously.
2. **Test but verify.** Don't rush into it. Nearly every cloud service provider offers free trials ranging from two to four weeks. Take advantage of those, and make sure the service matches your business' needs.
3. **Make sure you can export your data.** This is important if you decide to switch service providers later. Some companies allow you to export data to a spreadsheet, or even receive a backup CD. Find out if this is the case before forking over your precious files.

Get Covered- 4 Auto Insurance Tips

(NFIB April/May 2012 pg 38)

It's vital to have auto insurance when employees are behind the wheel.

Here's what you need to know about insuring business vehicles.

1. Commercial vs. Personal: If your company name is on the vehicle title, you'll need to buy commercial auto insurance. If the vehicle is owned by an individual, you must purchase personal

auto insurance. Know this: Commercial auto insurance is typically two to three times more expensive than personal auto insurance as the risk is greater since several individuals are driving for a company, says Susan Combs, president of Combs & Company LLC, an insurance brokerage firm in New York City. "If you have a few employees driving as representatives of the company, that's a good time to think about making the transition [to commercial]," Combs says.

Even though commercial auto insurance premiums are more expensive, commercial insurance offers more coverage.

2. Getting the Best Bang for Your Buck

Getting a good rate depends on a variety of factors:

- The number of auto claims your company has had in the past.
 - The motor vehicle report of all drivers within the company.
 - The age of the drivers.
 - The safety of the location where you keep the vehicle (a garage vs. on the street).
 - The number of security mechanisms in place, such as anti-theft devices or GM's OnStar system.
- "The safer the insurance carriers feel, the better the rates they're going to give you and the type of vehicle you drive affects your insurance rates" says Combs.

3. How to cover Non-Owned Vehicles

Even if your company doesn't own vehicles, coverage is important if your employees are driving their own cars for business purposes, whether everyday or once in a while. Combs recommends adding "hired/non-owned" auto insurance coverage, a component of general liability insurance. (You typically need to ask to add it.) This protects your company and employees if an employee gets injured, or in the event of a collision.

4. Tailor Your Insurance

Insurance policies through Progressive, State Farm, Allstate and Geico can be tailored to your business, whether you need personal or commercial auto insurance.

REMINDERS

2nd Quarter estimate payments due June 15th
CYMA conference in Phoenix: Oct 10th to 12th
PeachTree is now called Sage 50
Clay's 30th wedding anniversary is June 5th



WCA Alert is designed to provide accurate information regarding the subject matter covered. However, before completing any significant transactions based on the information contained herein, please contact us for advice on how the information applies in your specific situation. WCA Alert is created from the NFIB myBusiness and , NFIB SmartBrief, The Voice of Small Business among other sources.