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A Member of the Heffernan Group

DATE: March 11, 2009

TO: Our Valued Client Partners & Friends

FROM: HIB Account Team

RE: LEGISLATIVE UPDATE 2009-06
Healthy San Francisco Now May Go to the U.S. Supreme Court

We are pleased to bring you our **Legislative Update 2009-06: Healthy San Francisco Now May Go to the U.S. Supreme Court**. San Francisco is back in the news! The following is the latest update on the legal battle with regard to the Health Care Security Ordinance referred to as Healthy San Francisco. We will continue to follow this progress and bring you the most up to date information regarding this issue.

In the meantime, we hope you find this informative, and please, and as usual, if you have any questions, contact your HIB Account Team for assistance.

HEALTHY SAN FRANCISCO NOW MAY GO TO THE U.S. SUPREME COURT

On March 9, 2009 the Ninth Circuit turned down the Golden Gate Restaurant Association's (Association) appeal to have the full eleven judge Ninth Circuit panel hear its appeal to overturn the City and County of San Francisco's "Healthy San Francisco".

The ruling by the three judge panel reiterated the same reasoning which led to the original denial of the Association's appeal. Not unsurprisingly, the Association intends to appeal this new ruling to the U.S. Supreme Court. Judge Reinhardt and Judge Fletcher voted to deny the petition. Judge Milan D. Smith wrote a dissenting opinion which embraces the importance of the Employee Retirement Income Security Act (ERISA) and the need for a national scheme using ERISA's principals and supporting federal court Judge White's original ruling against the employer mandate.

Both the Association and the dissenting opinion point out the national significance of the issue and the need for the Supreme Court to rule. In 1974 ERISA became law for the purpose of setting national standards for employee benefit plans. A Supreme Court ruling could achieve a similar purpose.

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To obtain a copy of the Court's order dated March 9, 2009, please go to my website's home page at <http://www.abferisa.com>.

We will keep you informed of developments. In the meantime, San Francisco employers remain subject to the employer contribution requirements under Healthy San Francisco.

To access archived Legislative Updates please log into www.heffgroup.com and clicking on the link for HIB Client Community. If you need information on your Username and Password please contact your HIB Account Team.

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