SPECIAL SESSION CALLED

2005 Legislative Session Looms

A new Governor means this years legislative session won’t start until February.

ACT is preparing to work on a number of issues including health care, economic development, election reform and other issues important to working families.

While the regular session is weeks away for months there have been rumors that a special legislative session may be called sometime in January.

Possible topics are the huge debt for teachers and other public employees retirement funds because past governments have never properly funded these programs.

Estimates vary but they all are in the $3 to $6 billion range.

Also being discussed is the continuing problems with the states workers compensation system. With premium rates frozen until 2006 the system continues to be in financial trouble. Officials say they need an additional $250 million per year for the next 15 to 20 years to fund the system.

Rumors include proposals for a payroll tax to fund the comp system, an approach ACT has fought in the past.

A reform of the state ethics laws may also be in the works. While an ethics commission exists it has little or no power to investigate allegations of lawmakers wrong doing.

Voters replaced Delegate

Continued on p. 2

New Trades Credit Union Building

The Union Trades Federal Credit Union opened their new Parkersburg offices on Monday, January 17.

The $1 million construction project represents a major new step for the 32 year old organization which started in the homes of members of Plumbers and Steamfitters Local 565 in 1972.

The 4,550 square foot facility was built by local union building trades members working for Parkersburg based general contractor Schneider Construction and many sub-contractors.

Located at 1925 Murdoch Avenue the new building will have an on-site ATM machine and a drive-thru window.

There will be a Grand Opening on Monday, January 31st at 3:00 pm. Richard Schaffer, President of the Credit Union, welcomes all members to join in the opening ceremony.

The new facility represents the growth and success of Union Trades as it has expanded from a small local operation to one that works with dozens of Building Trades locals across the state.

According to Manager Joyce Fox, Union Trades now has almost $18 million in assets with a membership approaching 2,000 people.

“We just out-grew our current location,” said Fox. “We are really proud of our new building, the craftsmanship is fantastic.”

The Parkersburg location will have new expanded hours, starting earlier with the drive-thru and adding Saturday mornings.

They will also be adding an online bill paying service available to all members starting in February. Information about this service and their no-fee ATM locations in the state can be found on their web site at www.utfcu.virtualcu.net/ [A link is on ACT’s web site www.actwv.org]

Fox also points out that because past governments have never properly funded these programs the state is in financial trouble.

A reform of the state ethics laws may also be in the works. While a commission exists it has little or no power to investigate allegations of lawmakers wrong doing.

“With we owe a great thanks to the members of Local 565,” said Fox. “They not only started the credit union the gave us a place to operate for 24 years.”
The WV Supreme Court of Appeals, by a 4-1 vote, declined to take an appeal aimed at stopping the Longview Power project proposed for Monongalia County.

The appeal was brought by those opposed to the project who claim the Public Service Commission should not have issued the siting certificate to the Massachusetts based project developers GenPower.

The PSC issued the siting certificate last August after weeks of public hearings and testimony.

The certificate is not yet complete and has a list of issues that still must be addressed.

Those issues include final details on how Longview will interconnect with Allegheny Energy’s transmission lines, as well as further studies on noise and tax effects the plant will generate.

The 600 megawatt, $1 billion project will employ up to 1,200 union construction workers and will take approximately 39 months to build.

“We’ve overcome another barrier and are closer than ever to building this important project,” said Darwin Snyder, President of the North Central WV Building and Construction Trades Council.

Still to be resolved is the final PSC permit, which will most likely be challenged again at the Supreme Court.

Another legal challenge, attacking the tax agreement made by the Monongalia County Commission, School Board and Economic Development Agency, has been sitting before a Monongalia County Judge.

The lawsuit is pending before the Monongalia Circuit Court, Chief Judge Russell Clawges, Jr. That case has been sitting for one full year with no action.

Even though the project will become the largest taxpayer of the county, and bring in more than $100 million over 30 years, some claim not enough taxes will be paid.

Legislative

CONTINUED FROM P. 1

Jerry Mezzatesta and Senator Mike Ross last year in part due to revelations about self dealings. The state ethics commission was called on to deal with these allegations but failed to accomplish anything. New powers may be added to the commission to allow investigations to take place.

On the agenda of the State Building Trades and ACT are some basic issues aimed at fairness in the construction industry.

The rising cost of health care is no secret. Payments to health funds have increased while benefits have often decreased.

The problem is huge and there is no simple solution in sight.

But the Executive Board of the WV State Building Trades is convinced something must be done to help construction workers hang onto the benefits they have fought so hard to get.

ACT is proposing legislation that will require any company that bids a public works construction project to participate in a health care plan for employees.

“It’s simple,” said Scott Brewer of the Mid-Atlantic Regional Council of Carpenters. “Prevailing wage laws make sure there is money for health care on public jobs.

“But some nonunion companies offer no insurance, the workers take the money, have no insurance and who pays those bills?”

The issue is one where labor and management in the construction industry are working together.

“Our contractors voted to support the bill,” said Jim Cerra, Executive Director of the Kanawha Valley Builders Association. “It makes good business sense.”

Another initiative ACT is working on is economic development.

A proposal is in the drafting stage that will help pension funds invest in the state.

Most pension dollars are invested in the stock and bond markets and it is difficult to direct funds to local projects.

Current economic development incentive programs are aimed at “for profit” investors and are of no use to pension funds.

Working with trustees, investors, developers, and economic development representatives ACT is putting together a number of pilot programs to test new incentives aimed at pension funds.

These programs will help secure loans, support interest rates, and help screen projects that need investment funds.

“We know there are good investments in our state but it is hard to get our money invested in them,” said Ronnie Burdette, Business Manager of the Operating Engineers Local 132 and a trustee on the pension fund.

“We want our money to go to work here, create good jobs for our members and get a good return for the fund.”

Burdette adds that safeguards to protect pension funds is an area legislators need to look at.

On another front ACT is working on two campaign reform bills.

The first is to regulate the money used in so-called 527 groups such as “And For the Sake of the Kids.”

The group used loopholes in campaign finance laws to pour more than $3.5 million into the anti-McGraw campaign.

The proposed bill would close the loophole and require anyone who used a candidate’s name in advertisements to follow the regular campaign laws.

Those laws forbid contributions larger than $1,000, or any money from corporations to go into a campaign. And full disclosure of who contributes and their employer is required.

REPRESENTING UNION construction workers at an appeal hearing before the WV Supreme Court of Appeals was ACT attorney Vince Trivelli.
The Act Report
January 2005

Page 3

Enforcement Result of ACT Proposal

Crack Down Shuts Down Default Contractors

The effort was possible because of new legislation enacted last year requiring the creation of an Employer Violator System. The creation of the Employer Violator System was a proposal of the ACT Foundation during last years legislative session.

The concept came from the Applicant Violator System developed by the US Department of Interior aimed at tracking owners of coal companies.

The purpose of these systems is to stop people who have been shut down operating one company from simply starting another and going into debt again.

This has been a common practice in the mining industry.

Legislation defines ownership as anyone who owns ten percent or more of a corporation. The same starting point used by the federal program.

The law also allows revocation of licenses, certificates and permits for any default company.

The endeavor is already bringing results according to a January 7 release from the Commission.

So far 25 companies have either paid their debt or entered into repayment plans amounting to nearly $129,000.

Repayment agreements typically require the employer to pay at least 25 percent of the outstanding debt and enter into a payment plan for the remaining debt at eight percent interest.

Crack Down Shuts Down Default Contractors

State Workers Compensation officials announced a crack down on companies that have defaulted on their premium payments.

Working with the state Department of Tax and Revenue, letters were sent out to nearly 400 companies at the end of December notifying them their business licenses were revoked.

The companies, which owe $2.4 million in unpaid premiums, had all received numerous notices over the past several months about their past due bills.

Approximately 20 percent of the companies appear to be related to the construction industry and account for $450,000 of the debt.

If you see any of these companies bidding a project or working in West Virginia please contact your business agent or the ACT Foundation.

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THESE COMPANIES were among the 400 who received a Tax Revocation letter according to a list released by the Workers Compensation Commission. Some are obviously construction companies others appear to be based on their name. Some of these companies may have already paid their debt or entered into a repayment plan.

Raymond “BB” Smith Retires After 10 Years

After 10 years as ACT’s legislative representative Raymond “BB” Smith has retired.

The last day of December was his last day as an ACT employee.

But Smith plans to remain active in the Labor Movement and with politics.

“The time was right and I’m taking the opportunity to move on,” said Smith.

“I worked with a great group of people and I appreciate the opportunity the crafts gave me to do a job I loved.”

Smith’s main responsibility was to work with local unions generating political activity on the local level.

Primary and general elections were the busiest times. Of course the annual Legislative sessions could be hectic as well.

But working in local politics, like School Boards and County Commission or City Council meetings is a year round chore.

He helped develop a political education program for apprentices and together with WVU’s Institute for Labor Studies put on training programs for hundreds of apprentices across the state.

Smith also was active in voter registration efforts with many crafts.

“We will miss BB’s tireless efforts and his political instincts,” commented Steve White ACT Director.

Smith, a member of Boilermakers Local 667, is also President of the Marshall, Wetzel, Tyler Labor Council and a Vice-President of the WV AFL-CIO.

Smith looks forward to spending more time with his wife, Janice, son Logan, daughter Jenna and stepdaughters Staci and Brandi and their families.
After two years and eight college classes a group of union construction workers recently graduated with associate degrees thanks to a program of the WV State Building Trades.

Construction Works of West Virginia was started by the WV State Building Trades to help members get additional training opportunities.

Director Sheryl Johnson recruited 12 building trades members back in 2002 for the program. “The Associate Degree program has been around for a while, but this is the first time we had a building trades class sponsored,” said Johnson.

With a lot of work and some help from a state work force investment grant the 12 union members spent the last two years taking classes towards their Associate Degree in Applied Science.

The undertaking links those who have completed or are in apprenticeship programs with the two year college degree program.

In recognition of the learning that takes place through apprenticeship programs 43 hours of college credit are given to those who complete their apprenticeship training.

On top of the apprenticeship training each person must get an additional 22 hours credit to get an associates degree. An average college course is worth three credits.

Working through WV State Community and Technical College Johnson arranged for eight college classes in areas such as math, English and science.

Over the last two years the students/workers met one or two evenings a week for three hours. Classes were held at the State Building Trades office.

There was flexibility to allow those who had to miss a class due to work to make up their class time.

Included in the group was a father/son team. State Building Trades Secretary-Treasurer Roy Smith and his son Roy Smith, Jr., both members of IBEW Local 466 in Charleston, completed the two year program together.

“I believe continuing education is important for us all,” said Smith, Sr.

“I know that is easy to say, but I wanted to be able to tell everyone it can be done. I did it, you can too.”

Smith is hoping this program can be a model for other parts of the state. “If we pool our membership from different crafts we can get cost effective classes and help each other stay in the program and graduate.”

While the two year degree is all that is currently available Smith is working with representatives of the state Regents program to develop a plan of courses to take the two year degree into a four year one.

“We would like to see a four year degree, based on apprenticeship experience and other courses, in the area of construction management and leadership skills,” said Smith.

Most of the students graduated from West Virginia State in December. Two students had already taken some classes at Marshall and will get their degree there in the Spring.