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A Division of the WV State Building Trades, AFL-CIO | Chuck Parker, *President* | Dave Efaw, *Secretary-Treasurer* | Steve White, *Director*

Huge Unemployment Cut Proposed, More Bad News

As the ACT Report goes to press (March 10) the legislative session is exactly halfway done.

Below is a rundown of active bills that hurt members of the Trades. For the most part these are all bills that have either passed one Chamber or are on committee agendas. There are no bills considered favorable to the Trades that are on any agenda or likely to pass.

S.B. 442 would slash unemployment benefits more than 50 percent, from 26 weeks currently to only 12 weeks. The bill was introduced by the powerful Senate Finance Chairman Eric Tarr (R-Putnam).

House sponsors of the H.B. 2743 with the same language include Majority Leader Amy Summers (R-Taylor), House Finance Chairman Eric Householder (R-Berkeley), and seven other republican delegates.

There are provisions for payment of additional weeks when unemployment is high but no more than 20 weeks maximum.

"When you see Finance Chairs and Majority Leaders sponsor a bill

you take that bill seriously," said Dave Efaw, Secretary-Treasurer of the WV State Building Trades.

SB272 redefines the term employee and makes it easy for an employer to call their employee an independent contractor. The bill has passed both the Senate and the House and has been sent to the Governor for final approval.

The savings to an employer are huge when they do not pay social security, workers compensation and unemployment taxes. Some workers may feel like they are getting a deal when they don't have federal and state income taxes deducted from their check. But it all adds up to a race to the bottom for the construction industry.

A similar bill in Missouri raised a question about what impact the definition change may have on the budget. An analysis, called a fiscal note, showed the new definition may jeopardize millions in federal funds and could cost Missouri employers up to a billion dollars. No fiscal note was written for the WV bill.

According to the Missouri fiscal note "state laws must meet certain federal requirements for the state agency to receive the administrative grants needed to operate its UI program and for employers to qualify for

certain tax credits."

"Non-conformity with federal law will jeopardize the certification of Missouri's UI program. If the program fails to be certified, Missouri

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Citizen access to the Capitol has been almost entirely shut down. At the same time the pace of legislation has been increased dramatically meaning limited public input only can be made through mail, email and phone calls.

Attacks on Construction Licenses Advance

With the legislative session in full swing, lawmakers are considering several bills, which will make changes to occupational licensing laws in the state. HB 2006, HB 2007, and HB 2008 have all passed the House of Delegates and are currently being considered in the Senate. As of the writing of this story, HB 2007 and HB 2008 are pending in the Senate

Government Organization committee, with HB 2006 already having passed through and heading to the Senate floor for a full vote.

While all three of these bills have to do with occupational licensing, each one approaches the topic in a different way.

HB 2006 deals with contractor licensing, removing it from the Divi-

sion of Labor. In addition, it removed the requirement to hold a contractor's license for commercial projects under \$50,000 and residential projects under \$10,000. However, these figures were cut in half in the Senate Government Organization Committee, lowering them to \$25,000 and \$5,000, respectively thanks to Senator Glenn Jeffries (D-Putnam).

The bill also eliminates the contractors license for Painting and Landscaping contractors at any dollar amount.

HB 2007 is the broadest of the three bills and is called universal licensing, making it easier for out-of-state individuals to obtain a license in West Virginia. This bill affects the

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Legislature Could Easily Improve Economy

If West Virginia wants to boost its economy, increase employment, improve competition on public construction projects, grow wages for local workers, and help local businesses thrive - and do so without increasing cost to taxpayers - they should adopt

a prevailing wage law.

That is the obvious conclusion one can draw after reading a new study about Oregon's state prevailing wage law.

The study, published in mid-January, looked at the effect the state pre-

vailing wage has on many aspects of the construction industry.

Key findings about Oregon's PW law include:

- 5,400 jobs saved or created annually boosting the economy by \$752 million.
- Construction earnings increase by 8%, with larger impacts for low-income workers.
- 19% more bid competition on DOT projects.
- 12% increased market share for in-state contractors.
- Twice as many apprentices than next door Idaho which does not have a PW law, as a percent of the construction workforce.

"If Oregon gets an annual \$752 million boost, West Virginia, which is a little less than half the population, could see a \$350 million economic boost each year just by passing a prevailing wage law," noted Dave Efaw,

Secretary-Treasurer of the West Virginia State Building Trades.

The study also points out public construction is different than private construction for many reasons, the main one being on public projects the low bid, not necessarily the best bid, gets the award.

Results from a large number of prior studies are summarized and show the overwhelming similar conclusions reached by peer reviewed research on the topic.

"In West Virginia lawmakers believed that wage cuts would lead to savings, without any data to support this theory," said Efaw. "In fact the opposite has happened, yes wages have dropped but the cost to taxpayers has increased."

The study was done by the University of Oregon Labor Education and Research Center and the Illinois Economic Policy Institute.

A copy can be found on the ACT website www.actwv.org. ■

North Central Trades, Contractors Donate \$22,000 to WVU Children's Hospital

A combined effort of the North Central West Virginia Building Trades Council and local contractors raised \$22,000 for WVU Medicine Children's Hospital.

An event was held on February 24 to recognize the contribution.

The \$215 million hospital will have 1,200 staff and faculty and 150 beds and hopefully will be up and running by the end of 2021.

According to Natalie Stone, executive secretary of the North Central

WV Building Trades Council, WVU Children's Hospital is going to offer state of the art care for children and their families.

"Contractors in the area through their association, and local union workers who are actually building the hospital wanted to make a donation to WVU Children's Hospital," said Stone. "Children deserve to have the best care close to home where it's easiest for families during trying times." ■

Unemployment Cuts

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would lose approximately \$37.5 million in federal funds the state receives each year to administer the UI program. Additionally, Missouri would lose the approximately \$10 million in federal funds each year [for] reemployment services."

Further the note points out most employers pay much lower rates because of federal credits but "if this bill causes Missouri's program to be out of compliance or out of conformity, Missouri employers could pay the full 6.0%, or approximately an additional \$1.08 billion per year."

HB2495 will affect anyone with an asbestos or silica claim by making it very difficult to file and prove their injury. The bill would require a person list every jobsite where they were exposed to asbestos or silica. In addition they must list the product they were exposed to. If they do not comply their claim must be dismissed. The bill is pending in the House Judiciary Committee.

SB303 stops cities and counties

from passing any law that would improve the construction industry by requiring quality contractors, apprenticeship, local workers, etc.

The bill would also take away city and county authority to increase minimum wages, enact local smoking ordinances, authorize recycling rules, and many other initiatives.

"The heavy hand of Charleston is telling cities and counties what they can do - exactly the opposite of what many republican leaders said when they ran for office and promoted local control," said Efaw.

The measure will likely have passed the Senate and sent to the House by the time you get this ACT Report.

"This is shaping up to be one of the worst years for construction workers at the legislature," said Efaw.

"The super majority held by Republicans means there is no discussion, no negotiation, no compromise about important issues that affect our lives." ■



Amy Bush, Chief Operating Officer of WVU Children's Hospital (center left) receives a check from North Central WV Building Trades interim President Jim Jackson, at a February event to recognize the \$22,000 contribution made by Trades and contractors. Also pictured are contractor and craft representatives from North Central.

Anti-Jobs Act Passes Senate, on to House

SB370, a bill weakening the WV Jobs Act, passed the Senate 21 to 12 on Tuesday, March 9.

It now goes to the House of Delegates.

SB370 makes secret the payroll documents used to enforce local hiring requirements on taxpayer funded construction projects.

“By removing payrolls from the documents available to the public, on public projects, taxpayers are denied information about their own tax dollars,” said Brian Stanley, Business Manager for Painters District Council 53.

The Painters have used payroll documents not only to show violations of the Jobs Act but have also

caught companies cheating on taxes.

In 2017 Seminole Equipment was found – by citizens - to have violated not only the WV Jobs Act but state tax law by not paying state withholding tax thanks to a citizen review of payrolls.

Jobs Act violations were also uncovered with payrolls of bridge painting company Elite Contractors in 2018.

The problem is widespread and more than painting. In Logan Coun-

ty at the Chapmanville Elementary School in 2018 payrolls showed a masonry contractor without a contractor’s license,

in violation of the Jobs Act, and no payroll deductions of any kind.

Proponents of the bill say they want to protect worker privacy.

Senator Mike Caputo (D-Marion)

asked during the committee meeting for examples of privacy issues none were offered.

He also pointed out the Division

of Labor gets no funds to enforce the Jobs Act.

“Relying on an overworked agency with no funding while stripping away the most helpful set of eyes, the public, makes no sense to me,” said Caputo.

The WV Press Association also opposes the measure saying citizen reviews and transparent government are important features of the Act.

“It’s pretty clear this has nothing to do with worker privacy and everything to do with helping companies who want to import cheap and sometimes illegal labor to take West Virginia jobs and undercut local companies that are playing by the rules,” said Stanley. ■

“It’s pretty clear this has nothing to do with worker privacy..”

Brian Stanley

*Business Manager
Painters District Council 53*

North Central Trades Council Hosts Virtual Meeting with Hyperloop Developers

Members of the North Central WV Building Trades Council and representatives from the proposed Hyperloop development in Tucker County met virtually to discuss the project.

The online meeting was held on February 25.

According to the Hyperloop representatives the project is in the planning stages and will be so through the end of 2021.

Governor Jim Justice announced the \$500 million project last October.

The first phase of the project will consist of some sitework and an Experience Center which will be an interactive learning center.

Phase two will be the loop system itself which is to be six miles long.

The Hyperloop representatives said they expect to engage a large national construction firm to handle the construction details.

Both Marshall and WVU are partners in the project which will be a national certification center for the hyperloop process.

According to news reports, the certification center will pave the way for certifying hyperloop transpor-

tation systems across the US, moving people and cargo at a rate of 670 MPH.

“We appreciated the update from the Hyperloop folks and hope we get the project built with local construc-

tion workers,” said Natalie Stone, Executive Secretary for the North Central WV Building Trades. ■



Members of the North Central WV Building Trades Council meet online with Mike Schneider (upper right) and Kelsey Kirby (center Bottom) who are part of the development team of the \$500 million hyperloop project in Tucker County. Construction is not expected until 2022.

Governor Says RTW and PW Repeal Failed to Bring Positive Results to the State

In a series of press events Governor Jim Justice stated repeatedly that passage of the so-called Right-to-Work law and the repeal of the state prevailing wage have not succeeded in bringing business to the state.

“Really and truly, let’s just be brutally honest. We passed the ‘right-to-work’ law in West Virginia. And we ran to the windows looking to see all the people that were going to come — and they didn’t come. We got rid of prevailing wage,” said Governor

Justice at one event.

“We’ve absolutely built the field in a lot of different places thinking build the field and they’ll come, and they didn’t come.”

These remarks by Governor Jim Justice came during his efforts to gain support for the repeal of the state income tax.

“We appreciate the Governors candid remarks about so-called Right-to-Work and the repeal of prevailing wages,” said ACT’s Steve

White. “And we will consider his initiative to remove the income tax which would be fine if we just understood what will take its place.”

White said early analysis of the proposed sales tax increases show members of the trades would fare no

better by swapping an income tax for a sales tax.

Justice has since walked back his remarks according to press reports and says the two measures are not enough and his tax proposal is “just another spoke in the wheel.” ■

Attack on Licenses

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trades as well as nearly every other licensed profession, with the exceptions of doctors and attorneys.

HB 2008 is a direct attack on many trades. It affects electricians, HVAC technicians, plumbers, and sprinkler fitters, weakening standards and lowering the amount of experience required to obtain a license across the board.

In its original form, HB 2008 also eliminated crane operator certifications in West Virginia. However, Delegate Vernon Criss (R-Wood) helped

to amend this language out of the bill in the House.

There are indications the Senate is considering putting the crane repeal back into the bill.

As the Senate continues their consideration of professional licensing, George Capel, Government Relations Director for the WV State Building and Construction Trades/ACT, is urging members to continue calling their representatives.

“We know Senators are getting many calls and emails opposing these

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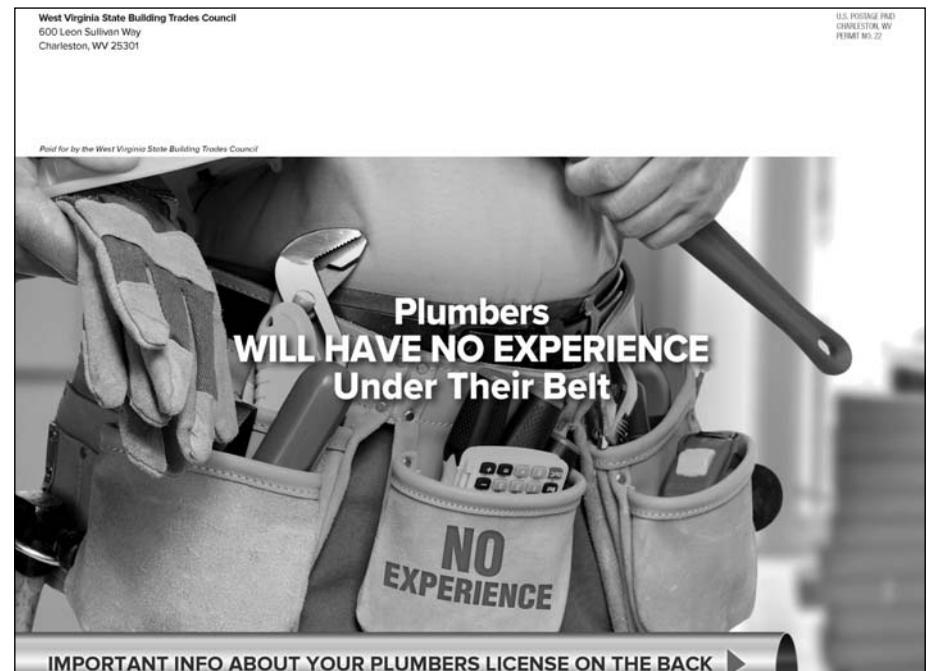


Delegate Phil Diserio (D-Brooke) (left) talks with new ACT lobbyist George Capel on the first day of the 2021 legislative session. Diserio is also a member of IBEW Local 246 in Steubenville.

bills because the Senators and their staff tell us so,” said Capel. “We have to keep up the pressure on our representatives, keep calling their offices, but we also have to realize the deck is

stacked against us.”

To stay up to date on professional licensing legislation, log on to www.licensesworkwv.com and sign up to receive alerts. ■



This postcard is one of many sent to plumbing license holders alerting them to the proposed harmful changes in licensing law. Similar cards went to other license holders such as electricians, HVAC Technicians, and Crane Operators.