

Statehouse Beat: Greenbrier owner's financial filing worthy of note

By Phil Kabler

We don't get many billionaires around these parts, so the filing of gubernatorial candidate Jim Justice's financial disclosure with the state Ethics Commission is worthy of a column mention.

As you might imagine, he owns a lot of stuff.

By my count, according to the disclosure, Justice owns 97 different businesses (eight are currently inactive), including 36 companies involved in coal mining, coal sales or coal leasing.

Some of the more novel holdings include American Turf Grass Corp., Black Knight County Club, Brier Patch Golf Links, and Justice Family Racing, which raises racing thoroughbreds.

All of the businesses have the same mailing address: 302 South Jefferson St., Roanoke, Virginia.

Interestingly, Justice lists just two employers: The Greenbrier Hotel Corp., where he serves as chairman and CEO; and Greenbrier County Schools, where he indicates he is employed as "head boys and girls basketball coach."

He also serves on the board of directors of two nonprofit organizations, the Beckley Little League and Old White Charities Inc. — which operates The Greenbrier Classic PGA golf tournament.

Justice also has lots of stock investments, from Berkshire Hathaway Class A (currently trading at \$191,139 a share) to Microsoft, Proctor & Gamble, Walmart, Exxon, Ford Motor Co., Walt Disney, PPG et al.

Particularly notable is OAO Mechel preferred stock. That's the Russian company that he sold Bluestone Coal to for \$539 million in 2009, and bought back for about a penny on the dollar in 2015.

According to the financials, Justice was also one of the local investors who bought an interest in Bray Cary's West Virginia Media Corp., most of which is in the process of being sold to Nexstar Broadcasting.

Justice also lists 22 contracts or sales to government agencies, with the most prominent being the state Development Office, for sponsorship rights to The Greenbrier Classic.

The 21 others are all for "lodging, meals, amenities, and meeting rooms" for various state agencies holding meetings or conferences at either The Greenbrier or Glade Springs Resort in Raleigh County, which he bought in 2010.

Guests at The Greenbrier included the Marshall University Board of Directors, the MU Foundation, the MU Department of Orthopedic Surgery, West Virginia University coaches, WVU Foundation, the West Virginia Lottery, and Division of Tourism.

Agencies staying at Glade Springs included the Department of Health and Human Resources, Division

of Highways, Division of Corrections, and state auditor's and treasurer's offices.

Finally, Justice lists no debts in excess of \$5,000, and debts owed him in excess of \$5,000 by Charles S. Morton, and Steven and Holly Gillespie.

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Got robo-called last week by Public Policy Polling for what must be the first polling the company has done in West Virginia since 2013.

It started with the obligatory questions on approval ratings for Barack Obama, Earl Ray Tomblin, Hillary Clinton and Donald Trump, but interestingly, also for labor unions, Wall Street bankers and corporations, and Democrats and Republicans in the state Legislature.

However, the vast majority of questions in what was about a 20-minute survey addressed "right-to-work" and prevailing wage repeal bills in the Legislature.

The survey made a series of statements from proponents and opponents of the bills, and asked on a five-point scale whether the statement made one more likely or less likely to support the issue.

Among the statements: "Right-to-work is about worker freedom. No one should be forced to join a union;" as well as "Right-to-work is backed by out-of-state billionaires and CEOs like Don Blankenship."

With prevailing wage, "30 percent of state construction spending is wasted;" and prevailing wage, "gives local companies a fair shake to win contracts ... State construction costs are lower than states without prevailing wage, such as Virginia and North Carolina."

Based in Raleigh, N.C., PPP has won acclaim for its accuracy, particularly in presidential elections since 2008. Critics have derided PPP for relying on entirely automated telephone polling and for a tendency to skew slightly Democrat.

Still, it will be interesting to see how R-T-W and prevailing wage repeal plays statewide.

However, it's doubtful that even overwhelming opposition would sway the Legislature. After all, this is the Legislature that overwhelmingly passed an unlicensed conceal-carry bill, despite polls showing overwhelming opposition to the bill, and even stronger support for the current law requiring conceal-carry permits.

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Finally, as evidence the leadership cannot be swayed from its push to pass "right-to-work" and repeal prevailing wage, Delegate Isaac Sponaugle, D-Pendleton, was thrice rebuffed in attempts last week to require a fiscal note for the latter, to have affected state agencies assess the potential savings or costs if there were no prevailing wage rates.

On the House floor, Speaker Tim Armstead, R-Kanawha, ruled Sponaugle's request was not germane, since the bill has no fiscal impact.

That may have been truer words than he intended to speak, since based on studies and reports presented to the Legislature over the past two sessions, as well as the state's experience during the three-month lapse in prevailing wage last year, prevailing wage seems to have relatively negligible effects on construction costs, and certainly nothing close to the "build five schools for the price of

three” hype by repeal proponents.

So if the rush to repeal prevailing wage is not driven by cost savings, what is the real reason?

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