



Contractors Association of West Virginia **LEGISLATIVE BULLETIN**



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LEGISLATURE TO DEBATE INVENTORY TAX REDUCTION

The West Virginia Senate introduced Senate Joint Resolution 9, the first step in passing a constitutional amendment to do away with business property taxes on inventory, machinery and equipment. The resolution, "Just Cut Taxes and Win Amendment," has been a priority for the business community since West Virginia is just one of a few states that taxes inventory and equipment. Senators have said the tax is a road block to development.

SJR 9 defines industrial business activity as that which is primarily manufacturing, mining, quarrying, oil extraction or natural gas extraction. It excludes any working interest in an oil or gas well. It also defines tangible industrial inventory personal property as limited to raw materials, goods in process and finished goods of a business located in West Virginia. The problem with eliminating the business taxes, however, is finding money to make up for the lost revenue. The taxes fund local schools and county governments. Senate President Mitch Carmichael, R-Jackson, said the tax proposal senators want to work on would phase out inventory and equipment taxes over a period of seven years. President Carmichael said he believes the plan would cost the state about \$20 million in revenue each year, a sum he thinks could be absorbed through the budget process.

Governor Justice's bill to expand access to career education and workforce training is on 2nd Reading in Senate today. [SB 284](#), which was introduced on behalf of the Governor, would provide "last dollar" funding for those wishing to attend community or technical college in West Virginia. The bill received widespread bi-partisan support upon its introduction. It could be up for passage in the Senate as early as Tuesday, after which it would move to the House of Delegates.

Other bills include Governor Justice's proposal to provide Yeager Airport with \$3 million to help repair the hillside slip a few years ago and changes to the state's underground facilities damage prevention (one-call) law. A bill is being drafted by the WV Division of Highways regarding relocating utilities along WVDOH rights-of-way. The department is concerned that with a volume of work they are planning, relocating utilities could either be time consuming or cause delay of a

project. The bill would allow the DOH to pay for relocation upfront with utility companies repaying the DOH over a set period of time.

VETERAN LEGISLATORS NOT SEEKING REELECTION

Candidate filing for all offices on the ballot in West Virginia ended January 27 at midnight. Offices on the ballot include one United States Senate seat, all three U.S. House of Representatives seats, 17 of 34 seats in the West Virginia State Senate, and all 100 seats in the West Virginia House of Delegates. In addition to Congressional and Legislative races, numerous county and municipal offices will be on the ballot.

Already, a number of long-term legislators have decided to end their political careers. John Overington, R-Berkeley, announced Friday he will not seek reelection. Overington is the state's longest serving legislator at 34 years. Other notable veterans not seeking reelection, or have to vacate their seats due to running for another office, include Carol Miller, R-Cabell, Kelli Sobonya, R-Cabell, Rupie Phillips, I-Logan, Marty Gearheart, R-Mercer, Shirley Love, D-Fayette, House Speaker Tim Armstead, R-Kanawha, George Ambler, R-Greenbrier, Bill Hamilton, R-Upshur, Allen Evans, R-Grant, Saira Blair, R-Berkeley, Chuck Romine, R-Cabell, and Michael Folk, R-Berkeley.

STATE PURCHASING BILLS INTRODUCED

There are a number of bills introduced so far which change or modify purchasing rules with the West Virginia Department of Administration's Purchasing Division. State Purchasing officials will make a presentation at today's House Government Organization Committee on some of the proposed changes. A few of the bills include the number and priority for selecting alternates on a bid, debarment of vendors, modifying how architectural/engineering services are procured, exemptions for emergency projects, and requiring contractors to provide information to the State Fire Marshall.

RECENT LEGISLATIVE CHANGES/APPOINTMENTS

There are a number of new House and Senate members due to resignations and appointments to other offices. The following introduces CAWV members to new legislators and new appointments.

Jeff Campbell, D-Greenbrier, House of Delegates District 42 replacing **Stephen Baldwin** who was appointed to fill the vacated Senate seat of Ron Miller. Campbell has been a teacher in the Greenbrier County school system since 2001 and has taught Social Studies at Eastern Greenbrier Middle School in Ronceverte for the last nine years. He also has been a radio broadcaster in

Greenbrier County for 33 years and for 29 years he has served as statistical coordinator for West Virginia University football broadcasts.

Stephen Baldwin, D-Greenbrier, Senate District 10 replacing **Ron Miller**, who resigned to take position in Governor Justice's Administration. Baldwin was elected to the House of Delegates last year representing Greenbrier, Monroe and Summers counties. He is a minister at Ronceverte Presbyterian Church. He and his wife, Kerry, have one son, Harrison.

D.R. "Buck" Jennings, R-Preston, House of Delegates District 53 replacing **Tony Lewis** (Deceased). He is a president of Jennings Legacy Builders, a longtime member of the Fellowsville Fire Department and is a paramedic and EMT instructor with RESA.

Dianna Graves, R-Putnam, House of Delegates District 38 replacing **Nancy Foster** who resigned. Dianna Graves is from Cross Lanes and works as an auditor at a Charleston accounting firm.

Mark Drennan, R-Putnam, Senate District 4 replacing **Mike Hall** who resigned to join Governor Justice as Chief of Staff. Drennan has served as executive director of the West Virginia Behavioral Health Care Providers Association. Previously, he served as chief strategy officer for the Children's Home Society.

Jeffrey Pack, R- Raleigh, House of Delegates District 28 replacing **John O'Neal** who accepted a position of Legislative liaison in Governor Justice's Administration. Pack of Raleigh County is employed by Metrick Pest Control.

Lynne Arvon, R-Raleigh, Senate District 9 replacing **Jeff Mullins** who resigned his Senate Seat on January 12. Arvon has been serving in the House of Delegates representing District 31, is the office manager for MyCare Inc. in Beckley.

Lee Cassis was appointed Senate Clerk replacing **Clark Barnes** who retired.

PRESIDENT TRUMP EXPECTED TO DISCUSS INFRASTRUCTURE PLANS IN STATE OF UNION ADDRESS

President Donald Trump is expected to discuss his infrastructure proposal this Tuesday during his State of the Union and release details of that plan shortly after that (though it might be delayed given ongoing immigration-related discussions and deadlines). Reports have recently circulated concerning a [draft environmental review and permit streamlining document](#) purported to be part of the Trump administration's infrastructure proposal. Those same reports—while noting that the document has undergone subsequent revisions—reflect that **many of the items put forth by the AGC Environmental Steering Committee**

beginning in late 2016 are under serious consideration for inclusion in any infrastructure package. Some of those items include:

- **AGC Recommendation: One Federal Decision**
 - The draft proposal would establish a process whereby one federal lead agency shepherds other agencies through one NEPA review for a project that ends with a single record of decision issued by that lead agency.
 - The draft proposal would require a single environmental review document to help federal agencies stick to their jurisdictional lanes, eliminate duplication and assist with the issuance of more timely decisions.
- **AGC Recommendation: Require Firm Environmental Review and Permit Deadlines**
 - The draft proposal would establish a deadline of 21 months for completion of the NEPA review process, requiring permitting agencies to issue permits after that within three months. As a result, the entire environmental review period would be limited to no more than two years.
- **AGC Recommendation: Expand Streamlining Provisions for Transportation Infrastructure to All Types of Infrastructure Projects**
 - The draft proposal would allow lead infrastructure agencies for infrastructure projects to opt into FHWA and FTA streamlining provisions, which AGC helped shepherd into law in both MAP-21 and the FAST Act.
- **AGC Recommendation: Procure Design-Build/P3 Infrastructure Projects at the Conclusion of NEPA process**
 - The draft proposal would allow Design Builders to conduct final design activities while the NEPA process is ongoing. As it stands, current law prohibits a DB contractor from commencing final design activities until after the conclusion of NEPA.
- **AGC Recommendation: Remove the EPA from the Clean Water Act 404 Permitting Process; USACE is enough**
 - The draft proposal would consolidate jurisdictional determinations for 404 permits solely within USACE as well as remove the EPA's authority to veto a 404 permit after it has been issued by USACE and relied upon by a contractor to undertake work.

AGC SEEKING MEMBERS' COMMENTS ON PRESIDENT'S ADDRESS

As an association committed to fighting for its members' interests on Capitol Hill, AGC of America wants to hear from you.

Let AGC know what you hope the president will touch on when he delivers his first State of the Union address next Tuesday, January 30. They also want to know what issues are top concerns for your company. [Take the AGC member survey.](#)

The State of the Union address comes in the wake of a three-day government shutdown, and is an opportunity for the president to lay out his vision for the country, take stock of his Administration's first-year achievements, and advance his 2018 legislative agenda.

**TAKE THE
SURVEY**

Below is a list of bills that have been introduced this week that have an impact on the construction industry or some CAWV members. Anyone needing further information can contact Mike Clowser at (304) 342-1166 or email mclowser@cawv.org.

HOUSE BILLS			
Bill #	Sponsors	Proposal	Introduced/Committee
HB 4098	Del. Sobonya and Frich	State Fire Commission, rule relating to electrician licensing	01/15/18 - To Government Organization then the Judiciary
HB 4261	Del. Mr. Speaker (Mr. Armstead) and Miley [By Request of the Executive]	Relating generally to procurement by state agencies (FN)	01/23/18 - To Government Organization then Finance
HB 4265	Del. Nelson and Boggs	Relating generally to employer withholding taxes	01/23/18 - To Finance
HB 4267	Del. Mr. Speaker (Mr. Armstead) and Miley [By Request of the Executive]	Increasing access to career education and workforce training (FN)	01/23/18 - To Education then Finance
HB 4283	Del. Marcum, Hicks, Love, Phillips, Thompson, Hamilton, R. Romine, A. Evans, Hamrick, Gearheart and E. Evans	Relating to construction of a modern highway from eastern Kentucky to Beckley, West Virginia	01/24/18 - To Roads and Transportation then Finance

HB 4286	Del. Wagner, Phillips, Criss and Paynter	Repealing a section of the code related to wind power projects (FN)	<i>01/24/18 - To Energy then Finance</i>
HB 4288	Del. Howell, Foster, Statler, Espinosa, Hamrick, Butler, Kessinger, Brewer, Lynch, Pyles and Ferro	Requiring contractors to provide all required information on a construction project to the State Fire Commission or the State Fire Marshall	<i>01/24/18 - To Government Organization</i>
HB 4296	Del. A. Evans, R. Romine, Hamilton, Rowan, Eldridge, Love, Campbell and Hicks	Establishing the Southern West Virginia Lake Development Study Commission	<i>01/25/18 - To Agriculture and Natural Resources then Finance</i>
HB 4308	Del. Foster	Removing the requirement for contractors to file payroll information on public improvement construction projects	<i>01/26/18 - To Industry and Labor then the Judiciary</i>
HB 4313	Del. Cowles	Deregulating persons who perform work on heating, ventilating and cooling systems and fire dampers (FN)	<i>01/26/18 - To Government Organization</i>
HB 4317	Del. Foster, Howell, Pack, Butler, C. Miller, Hamrick and Jennings	West Virginia Contractor Licensing Act	<i>01/26/18 - To Government Organization then the Judiciary</i>
HB 4323	Del. Howell, Hill, Diserio, Criss, Paynter, Foster, Pack, Pyles, Ferro, Eldridge and Ward	Relating to non - renewal of any certificate, license, registration, to any person who is delinquent in the payment of state or local taxes	<i>01/26/18 - To Government Organization then the Judiciary</i>

SENATE BILLS			
Bill #	Sponsors	Proposal	Introduced/Committee
SB 344	Sen. Sypolt	Requiring DOH implement program to recycle surplus metal supplies, materials and equipment (FN)	<i>01/23/18 - Transportation and Infrastructure then Finance</i>
SB 390	Sen. Carmichael (Mr. President) and Prezioso [By Request of the Executive]	Supplemental appropriation from State Road Fund to DOT, Division of Highways	<i>01/25/18 - Finance</i>