LEGISLATURE BEGINS FINAL WEEK; BUDGET BILL TO BE FINALIZED

The 50th day of the 2020 Regular Session of the West Virginia Legislature, Wednesday, February 26, marked a significant boundary line between the bills that have a chance for passage and those that failed. It is known as Cross Over Day, the last day to consider bills on third reading in their house of origin. A number of bills the CAWV opposed did not pass out of their respective House and will not advance this session. Several bills supported by the CAWV are still active as they passed and will be considered by the House or Senate between now and the final day.

By Cross Over Day, the House had introduced a total of 1,528 bills, with the Senate contributing 853. Of those bills, 243 House bills crossed over to the Senate, while 249 Senate bills crossed over to the House. Since 52 bills have completed legislation, each chamber scoring 26, there are a total of 440 bills that may yet become law.

S.B. 489 would have moved the WV Contractors Licensing Board out from under Chapter 21, Labor, and put it in Chapter 30, which contains most every other licensing and registration board. The bill died in the Senate last week on a vote of 17 – 17.

S.B. 734, clarifying duties and powers of the WVDOH in acquiring property for state road construction, passed the House and will be sent to the governor for his signature. In the past, WVDOH has had to pay large sums to acquire right-of-way for Appalachian Corridor and other major projects even though the actual roadway only takes a portion of a landowner’s property. This bill should save the state highway fund money when building new highways.

Licensing requirements for plumbers, electricians and HVAC workers passed the House of Delegates this week and will be taken up in Senate committees this week. S.B 652, the School Building Authority’s legislative rules, passed the House Friday and will take effect immediately.

House and Senate Finance committees have been meeting this weekend to finalize the Fiscal Year 2021 budget. The state Senate, meeting on Saturday morning, passed its $4.571 billion budget but that
is expected to change as additional spending discussions continue. “We’ll be talking about this budget again,” Senate Finance Chairman Craig Blair said after providing a summary to his colleagues. “With some tax cuts, some additional spending priorities and a few last-minute adjustments leaves only $666,854 unappropriated,” Blair said.

But with a week to go in the regular, 60-day legislative session, there are still some significant unresolved financial matters. A big one is a foster care bill passed by the House of Delegates that would raise per diem payments for families who take children into their homes. That’s almost $17 million more. The Senate has not yet acted on that bill — or taken its possible financial effects into account.

And a Senate priority item — an intermediate court of appeals — remains under consideration in the House of Delegates. The Senate anticipated that would have an annual cost of about $6.3 million.

**LISTING OF BILLS PASSED BY ONE CHAMBER**

Members wanting to see what House and Senate bills have passed since the final day for a bill to pass in its house of origin, Wednesday, February 26, can do so by visiting the West Virginia Legislature website by clicking here. Members can also see which bills have completed legislative action as of today by clicking here.

**WAGE AND HOUR BILL PASSES HOUSE**

**H.B. 2646** provides a safe harbor for employers to correct underpayment or nonpayment of wages and benefits due to separated employees. Under current law, if employers don’t pay a separated employee final wages or benefits, they open themselves up to lawsuits resulting in payment of wages, double damages and payment of legal fees. This bill gives employers seven days to correct any inaccuracies due to oversight or common mistakes. The bill passed the House and is in Senate Judiciary.

**S.B. 745 ESTABLISHES EXEMPTION WHEN COMPANY LEASES ITS OWN EQUIPMENT**

**S.B. 745** is a bill to create an exemption in the state sales and use tax for the rental or leasing of equipment among commonly owned companies. The bill adds an exemption under Chapter 11, Article 15, Section 9 – Consumers Sales and Service Tax -- for the rental of equipment among corporations with a minimum of 50 percent common ownership. The bill passed the Senate and is in House Finance Committee.

**SENATE COMMITTEE ADVANCES WVDOH PURCHASING BILL**

The Senate passed **S.B. 674**, a bill to permit the Commissioner of the Division of Highways to purchase hardware items and equipment from
a local seller rather than the holder of a state contract if the cost of the item or equipment is less than the cost from the holder of the state contract. The WVDOD and CAWV both question when and where this provision would apply and on what type and size of purchases would be allowed if this bill passes. The bill has been referred to House Government Organization Committee.

**BILLS IMPACTING BUSINESS IN WEST VIRGINIA**

**H.B. 4001 - Establishing the Mountaineer Impact Fund**
One of House Speaker Roger Hanshaw’s top priorities is establishing a capital investment fund that would let the state partner with companies or the sovereign funds of other nations. The bill, which has bi-partisan support, passed the House and is in the Senate Finance Committee.

**Senate Joint Resolution 9 - Eliminate or Lower Ad Valorem Tax on Motor Vehicles**
Amendment authorizing legislature to eliminate or lower Ad Valorem Tax on motor vehicles and any other tangible personal property. In essence, the resolution calls for a constitutional amendment to give the Legislature control over ad valorem and personal property taxation in West Virginia. The resolution was defeated when backers did not get the necessary two-thirds votes needed for a constitutional amendment. Every Democrat Senator and a few Republicans voted against the measure. Senate Finance Committee Chairman Craig Blair, R-Berkeley, said he would bring the measure up again next year.

**MOST BILLS ADVERSE TO CONTRACTING DID NOT ADVANCE**

Many of the pieces of legislation opposed by the CAWV did not advance out of the committee or pass out of one house. **H.B. 4811** requiring contractors post a bond to cover payment of municipal taxes, **H.B. 2758** and **S.B. 737** requiring contractors to use specific software to verify amount of hours worked on a government contract, and **S.B. 548** allowing any firm or individual licensed in another state to automatically be licensed in West Virginia with taking tests or meeting certification requirements, never passed out of committee. Likewise, bills to eliminate fees for alternate fuel vehicles never were placed on a committee agenda.

**LEGISLATIVE WRAP UP**

The session ends Saturday, March 7, at midnight. CAWV members will receive a CAWV Legislative Bulletin next week detailing all the bills that impacted the construction industry this year.