LEGISLATURE BEGINS FINAL WEEK WITH BUDGETS FAR APART

Crossover Day, or the 50th day of the legislative session, was Wednesday. Now there is just a week left to get approval for the bills that passed their house of origin and for the House and Senate to reconcile their differences on a new budget. The CAWV has been fairly successful so far in moving bills it supports through the legislative process while stopping bills that are of concern to the construction industry. The session ends 12:00 midnight Saturday, March 9.

H.B. 2829 completed legislative action Friday when it was approved 26-6 by the full Senate. The bill eliminates the severance tax on limestone and sandstone, effective July 1, 2019. The bill will be prepared for the governor’s signature. The CAWV is sending a letter to the governor requesting his signature on the bill.

S.B. 538, modifying the WVDOH’s design-build program, passed the Senate and is in House Finance. S. B. 153, providing greater flexibility for making infrastructure project grants, passed the Senate and one House committee. It is now in House Finance. S.B. 672, modifying School Building Authority rules, is closer to realizing “Randy’s Dream” to maintain secondary roads in the state. The Senate passed S.B. 522 Wednesday by a vote of 34-0. It provides $110 million a year for two years to improve maintenance of the roads by giving WVDOH the authority to contract maintenance out to private contractors. Senator Randy Smith, R-Tucker, is closer to realizing his dream.

COMPROMISE WILL BE NEEDED TO GET AGREED BUDGET BY SESSION END

On a 92-5 vote Saturday afternoon, the House of Delegates passed its version of the 2019-20 state budget, House Bill 2020, paving the way for a potential showdown with the Senate to resolve key differences between the bills — including the lack of funding for teacher pay raises in the Senate plan. While the two versions of the budget bill are not hugely far off in terms of numbers — the Senate bill currently appropriates $4.659 billion of general revenue funds, the House version, $4.666 billion — there are wide variations to be resolved between the two bills in terms of new funding and tax cuts.

One key difference is that the Senate version (S.B. 150) does not include funding for pay raises for teachers and school service personnel. The House bill includes $67.7 million to cover the raises, averaging 5 percent overall.
Overall, the House bill includes more than $140 million to cover Gov. Jim Justice’s promised 5 percent average pay raises for teachers, school service personnel, State Police and state government employees.

Senate Finance Chairman Craig Blair, R-Berkeley, has said the omission in the Senate bill is a procedural technicality, and that the funding for teacher and school service pay raises will be included if and when the Senate passes the House’s so-called “clean” pay raise bill (HB 2730). However, that bill has been parked in the Senate Education Committee for more than a week, and Education Chairwoman Patricia Rucker, R-Jefferson, on Friday would not say if she plans to take up the bill in the remaining days of the 60-day regular session.

“If I did do just a clean pay raise bill, I don’t know that there would be enough votes to pass it in the Senate,” she told the Gazette-Mail.

Earlier Saturday, the Senate advanced its version of the budget bill to third reading, with right to amend, setting up a timeline to get the budget bill into a House-Senate conference committee as early as Monday. The Senate cut the governor’s “Jim’s Dream” plan by $10 million and his increase for tourism dollars. The House version does not include the $110 million for “Randy’s Dream” and is considering adding $80 million to highway maintenance if, and only if, there is a surplus at the end of the fiscal year. Both houses say they want to pass a budget in the 60-day session rather than extending the session to conclude work on the budget.

“This is a balanced budget, and it’s coming to you in record time,” House Finance Chairman Eric Householder, R-Berkeley, told the House Saturday.

“This budget provides the promised pay raises to teachers, school service personnel, State Police and the rest of public personnel who work so hard for us.”

The House budget uses about $49 million of surplus 2018-19 general revenue and Lottery funds to close the gap between the estimate of $4.616 billion of general revenue collections in 2019-20 and the $4.666 billion of appropriations.

The surplus would cover about $15 million of revenue enhancements for state colleges and universities in the House plan, while the governor’s budget included about $10 million in increases, primarily to help cover pay raises for faculty and staff. Surplus funds would also go to fund $15 million of the $25 million that Governor Justice requested for his “Jim’s Dream” drug abuse treatment/vocational training initiative. The House plan also uses $6 million of surplus to fund state Tourism marketing and promotion — less than the $14 million the governor requested.

Some $105 million of surplus funds have already been committed to the PEIA health insurance program as part of Governor Justice’s pledge to create a $150 million PEIA reserve fund to help offset future increases in medical and pharmaceutical costs.
WORKFORCE COMMITTEE PASSES WAGE AND BENEFITS BILL

The Senate Committee on Workforce met for the first time this legislative session Friday afternoon, and immediately discussed a bill relating to prime contractor’s responsibility for wages and benefits. H.B. 2049 would amend §21-5-7 of the State Code 7 to provide additional language regarding how an employee may seek wages and/or fringe benefits from a prime contractor in the event that a subcontractor does not pay those wages and benefits in a manner consistent with the Wage Payment and Collection Act.

The Committee adopted an amendment proposed by Senator Glenn Jefferies, D – Putnam. The amendment states that “An employee must notify the prime contractor within 100 days of being notified by a statement or other means that wages or benefits were not paid.” Once the prime contractor is notified, the employee has 1 year to take action (civil suit) and must produce proof (pay stubs/bank statements) to show missing wages and benefits. The Committee approved the bill and will be reported to the Committee on the Judiciary.

VO-TECH CAREER BILLS ADVANCE

The CAWV Board of Directors created the CAWV Workforce Development Task Force to enhance career and technical training programs and to put more young people into high paying construction careers. There have been a number of bills introduced this session aimed at funding or developing curriculum for technical colleges.

The Senate unanimously passed its “last dollar in” community and technical college grant program on Wednesday. S.B. 1 is being promoted by Senate President Mitch Carmichael. The main provision of the bill is to relieve students of the cost of tuition at colleges where they could earn associate degrees and get job training, but it also calls for the creation of advanced career education (ACE) programs through partnerships between public secondary schools and community and technical colleges. One purpose of the bill is to establish “clear and efficient pathways that begin in high school and lead to obtaining advanced certifications and associate degrees.” The idea is to increase the number of students who ultimately obtain post-secondary credentials or degrees. The bill is on First Reading on today’s House Special Calendar.

H. B. 2004 is intended to provide better communication to students and parents on career and technical education programs that begin in high school and lead to industry-recognized credentials, certificates of applied science and associate degrees in high-demand, high-wage occupations in West Virginia.

The bill would require the development of guidelines for schools to use in cooperation with local school improvement councils and business partners for communicating to students what skills and attributes they need to be ready to enter the workforce. Information would have to be readily accessible to students, as well as their parents, within the career-and-technical education cluster and major programs of study about the programs
at community and technical colleges that are aligned with their high school programs and lead to industry-recognized credentials, certificates of applied science and associate degrees.

In addition, the bill would attempt to strengthen the integration between career-and-technical education programs in public schools and programs at community and technical colleges that lead to high-demand, high-wage jobs. It also would require identification of which competencies that students already have gained would count toward getting occupational licenses.

The bill has passed the House and is in Senate Education Committee.

**BILLS THAT DID NOT MAKE IT THROUGH THE 50TH DAY**

As of February 28, 1,818 bills had been introduced. Only 49 of those have been passed by the full legislature. A number of bills the CAWV has been following did not make it out of their house of origin by Crossover Day. Bills that did not go further than the committee process include H.B. 2203, making the WV Contractors Licensing Board a stand alone board, H.B. 2353, requiring the WVDOH to buy material and equipment locally if the price is lower than what’s listed in the statewide contract, H.B. 2534, the Buy America Act, and S.B. 456 which would have exempted railroads and airlines from paying the wholesale gas tax that would have cost the State Highway Fund $2 million annually. To see the list of bills that can still be considered this session, click here and select either House or Senate bills passed one chamber. Under legislative rules, budget or supplementary appropriations bills can still be considered.

**LEGISLATIVE WRAP-UP EDITION MARCH 11**

The legislative session ends sine die on Saturday, March 9 at midnight. CAWV members will receive a CAWV Bulletin immediately following detailing all the bills that affected the construction industry this year.