



Newsletter

Contractors Association of West Virginia
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Newsletter 2015-30

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SENATE APPROVES SIX YEAR HIGHWAY BILL: CONGRESS SETTLES ON THREE MONTH EXTENSION

Senators July 30 passed the “Developing a Reliable and Innovative Vision for the Economy (DRIVE) Act” 65 to 34. The measure would guarantee increased highway and public transportation investment for the next three years and distribute six years of contract authority to the states to aid in long-term transportation planning.

While the measure earned broad, bipartisan support, primary pockets of opposition came from: Republicans who want to dramatically scale back federal transportation investment and shift this responsibility to the states; Democrats from the northeast who want more done for public transit, passenger rail and transportation safety; and Democrats who want to use revenue from taxing the overseas profits of U.S.-based multinational corporations to supplement existing Highway Trust Fund (HTF) revenues.

To support its first three years of highway and public transportation investment levels, the DRIVE Act would generate \$45.6 billion from a variety of non-transportation activities and transfers those proceeds to the HTF to complement \$120 billion of projected incoming revenue from existing highway user fees.

The DRIVE Act’s core highway and public transportation program guaranteed investment levels are provided below:

	<u>FY 2015 (current)</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
HIGHWAY	\$40.3 billion	\$41.6 billion	\$42.9 billion	\$44.3 billion
TRANSIT	\$10.7 billion	\$11.6 billion	\$11.9 billion	\$12.2 billion

Following passage of the DRIVE Act, senators approved 91 to 4 a three-month extension of the highway and public transportation programs that passed the House July 29. The extension was needed because the current authorization of the programs expires July 31 and House members started their five-week August break before the Senate approved its six-year reauthorization plan. Even if House members had remained in Washington, D.C., they were clear that they had no intention of taking up the Senate measure without an opportunity to produce their own proposal. House Transportation & Infrastructure Committee Chairman Bill Shuster (R-Pa.) has told his committee member he plans to move forward with a multi-year surface transportation program reauthorization bill in September.

The ARTBA and AGC of America co-chaired Transportation Construction Coalition (TCC) released a statement commending the Senate for passage of the DRIVE Act. The TCC also called for an end to further short-term program extensions:

“Today’s Senate vote on the DRIVE Act and the expected enactment of a three-month extension of the surface transportation programs by July 31 should bring to a close once and for all claims that Congress needs “more time” to develop a long-term reauthorization bill and Highway Trust Fund solution. For more than a year members of both parties and chambers have used this rationalization for kicking the reauthorization can down the road. The time for any further short-term extensions is over.”

The CAWV congratulates AGC and ARTBA on their work in getting the Senate to pass a six-year highway reauthorization bill. All CAWV members are asked to contact Reps. David McKinley, Alex Mooney and Evan Jenkins while they are in West Virginia for their August recess to encourage the House to approve a long-term highway reauthorization bill.

“After weeks of debate, I am proud that the Senate has come to a consensus on a bipartisan, six-year transportation funding bill that will deliver the certainty and flexibility states need to advance critical infrastructure projects like Corridor H and the King Coal Highway,” Senator Shelley Moore Capito, R-WV, was quoted in a press release as stating.

“I have been a strong voice for West Virginia’s roads, bridges and highways throughout this debate, and I am encouraged that an overwhelming Senate majority recognizes the need for long-term federal investment in our transportation infrastructure. Now that the Senate has come together to pass a multi-year highway bill, it is time for the House to do the same.”

“I would have preferred to just pass the Senate’s long-term transportation bill, which would renew highway and infrastructure projects for six years and reauthorize the U.S. Export-Import Bank to support West Virginia small businesses,” Senator Joe Manchin, D-WV, was quoted as stating in a press release.

“However, like we have done in the past, we are continuing to govern by crisis. The House left town yesterday after refusing to take up the long-term bill, so we had to also pass another stop-gap funding bill to ensure we could continue to maintain the 38,000 miles of public roads within West Virginia’s borders,” Senator Manchin stated.

“Investing in our infrastructure is one of the best ways to create jobs, boost economic development and improve conditions in our local communities. My hope is that Congress will be able to pass a long-term extension of this vital funding immediately upon returning from the August recess,” according to the press release.

GOVERNOR TOMBLIN ANNOUNCES 11th CONSECUTIVE REDUCTION IN WORKERS' COMP RATES

Gov. Earl Ray Tomblin announced West Virginia employers will see a projected \$43 million reduction in workers' compensation premiums in the coming year, and have seen a savings of more than \$323 million since the program was privatized in 2006. The National Council on Compensation Insurance (NCCI) recently filed a proposed reduction in workers' compensation loss cost rates with the Offices of the West Virginia Insurance Commissioner - the 11th reduction in 11 years.

"For years, we have worked hard to create a business climate in West Virginia that encourages companies to innovate and expand," Gov. Tomblin said. "This rate reduction shows our prudent and fiscally responsible policies are helping businesses operating here, and they are benefiting from both lower taxes and lower workers' compensation insurance premiums. This rate reduction reaffirms the steps we are taking to move in the right direction for continued job growth."

NCCI, the state's rating and statistical agent, has proposed an overall decrease of 12.1 percent with the Offices of the West Virginia Insurance Commissioner. The loss cost rate is effective November 1, 2015. This is the 11th consecutive reduction since privatization and accounts for a cumulative decrease of 63.7 percent from pre-reform levels. Additionally, a proposed 15.3 percent rate decrease for the assigned risk market has also been filed by NCCI.

The CAWV's workers' compensation program through BrickStreet Mutual offers a discount on workers' comp premiums to contractor members with a three-year loss ratio of 65% or less. Currently, over 100 CAWV members are saving thousands annually in their workers' comp premiums. To participate, members can contact their insurance agent.

PRESIDENT COOPERRIDER FORMULATING COMMITTEES - SEEKING MEMBERS TO SERVE

The CAWV's committees and task forces are the driving forces in addressing many of the issues affecting CAWV members and the contracting industry. President Dan Cooperrider, Old Castle Materials, Mid-Atlantic Division, is currently formulating the CAWV's committees for the 2015-2016 term and is seeking volunteers to participate. The sign-up form is attached to this week's Newsletter. Members are urged to print the form and pass out copies to their employees who would like to participate. Committee functions are included on the form to assist members in deciding which committee to serve on. If you have questions about the committees or task forces, please call Pat McDonald for details at (304) 342-1166 or pmcdonald@cawv.org.

ASPHALT MEMBERS HOLDING ANNUAL MEETING

The Asphalt Pavement Association of WV (APA) will be holding their 35th Annual Meeting at Snowshoe Mountain Resort on September 17-20, 2015. The program will feature two business sessions, Prayer Breakfast, golf and sporting clays tournaments and family oriented entertainment. More information on the meeting, including registration and hotel reservations, can be found at www.asphaltwv.com. Room reservations should be made by the cut-off date of August 17. Please feel free to contact APA at (304) 342-1166.

APAWV PUBLISHING NEW DIRECTORY – ONLY ONE AD SPACE AVAILABLE

The Asphalt Pavement Association of WV has one ad space available in their new membership directory. The popular directory, which is distributed free of charge, includes an extensive listing of WVDOH central office, county and district personnel in addition to state and federal agencies. Firms interested in membership or advertising in the directory can contact APAWV at (304) 342-1166 or info@asphaltwv.com.