



# Contractors Association of West Virginia **LEGISLATIVE BULLETIN**



LB 2016-07

February 24, 2016

## **SPECIAL CAWV LEGISLATIVE UPDATE**

Monday, February 22, was the last day to introduce bills in the Senate. Senate bills affecting CAWV members were listed in the February 22 Legislative Bulletin. Tuesday, February 23, was the last day to introduce bills in the House. House bills impacting the construction industry are listed at the bottom of this bulletin.

Work is progressing rapidly on legislation since all bills must be passed out of committees in their house of origin by Sunday, February 28. March 2 is the last day to consider bills on Third Reading in their house of origin.

## **SENATE JUDICIARY ADVANCES \$2 BILLION ROAD BOND AMENDMENT**

The Senate Judiciary late Tuesday passed [Senate Joint Resolution \(SJR\) 6](#), a bill to place a \$2 billion bond amendment for highways on the November ballot. Committee members discussed on what type of projects the money would be spent and how the bond debt would be retired. The CAWV presented testimony on the 1996 Better Roads Amendment which provided \$550 million in bond authority. The association noted that the debt service on the bonds, initially over \$50 million annually and currently about \$34 million annually until the bonds are paid off in 2025, is being paid out of WV Division of Highways annual allocations. This is \$34 million that cannot be used for ongoing maintenance and construction programs.

Judiciary Committee members were adamant that bonds must be repaid by a new revenue source to not further deplete WVDOH's annual maintenance funds. The committee voted to include a property tax increase as the funding mechanism. Since the amendment would be on the November election ballot, voters would have to vote yes on the bonds and to increase property taxes. Much discussion was held on the likelihood of voters agreeing to the proposal.

SJR 6 goes to the Senate Finance Committee for further review and approval before it goes to the full Senate. Placing a constitutional amendment on the ballot would require two-thirds vote of the House and Senate.

## **S.B. 610 FUNDING BILL STILL AWAITING ACTION**

During discussion of the road bond proposal in Senate Judiciary Committee, the CAWV noted that it would take 18 to 24 months to get highway projects to construction. If voters ratify a good roads amendment in November, the West Virginia Legislature would have to vote next session to sell the bonds. Since this is a gubernatorial election year, the legislative session will begin 30 days later next year. Then, bonds would have to be sold. Depending on how soon projects are ready to go to bid, construction projects may not be ready to bid till late 2017 or 2018.

The CAWV continues to promote [S.B. 610](#), which could provide dollars this year for construction and maintenance projects. Legislative leaders are working this morning to see if there are enough votes to pass the bill out of the Senate Finance Committee and, eventually, the full Senate.

CAWV members and their employees have been calling their legislators to seek their support of S.B. 610. **IF YOU HAVE NOT CONTACTED YOUR LEGISLATORS ON S.B. 610, TIME IS RUNNING OUT. THE BILL MUST BE PASSED OUT OF SENATE FINANCE COMMITTEE THIS WEEK. MEMBERS SHOULD CALL THEIR SENATORS TODAY.**

Below is information on S.B. 610 and the CAWV Legislative Action Center.

### **TALK SHOWS TO REVIEW S.B. 610 TODAY**

Sen. Ed Gaunch, R-Kanawha, lead sponsor of S.B. 610, and Delegate Mick Bates, D-Raleigh, will be on West Virginia Public Broadcasting's *The Legislature Today* to talk about the need for highway funding. The show is aired on local PBS stations statewide.

CAWV Executive Director Mike Clowser will be the guest on West Virginia MetroNews *Talkline* with Hoppy Kercheval at 11:06 a.m. He will discuss the need for a pay-as-you system for highway funding in addition to whatever action is taken on SJR 6, the \$2 billion bond amendment.

### **MEMBERS MUST CONTACT SENATORS TO SUPPORT S.B. 610**

The Senate Finance Committee is expected to take up the bill this week. Members need to call their Senators immediately to ask them to vote yes for [S.B. 610](#). The CAWV has developed a short email explaining the issue and the need to invest in West Virginia's highways. To email your senators on this issue, visit the CAWV Legislative Action Center by clicking [here](#). **MEMBERS SHOULD CALL THEIR SENATOR'S OFFICE AS WELL.** To get phone numbers of senators, click [here](#). This is best opportunity to get highway funding this year. Every member must contact their legislator asking their support of the bill.

Talking points on S.B. 610 include:

- West Virginia needs jobs. This bill creates over 3,800 jobs, many outside the construction industry.
- State Road Fund revenues are stagnant and WVDOH is putting future expansion projects on hold.
- This bill only costs motorists pennies per day. The average motorist is spending \$333 annually due to poor roads.
- Other states have stepped forward to fund their road program. Inaction will hurt WV's ability to attract new businesses to WV.
- Good roads equal jobs, economic development and improved safety.

### **WVBT RELEASES 'PENNIES A DAY' AD**

West Virginians for Better Transportation is continuing with its "Fix Our Roads" campaign to show that West Virginia needs to invest in its roads and bridges for job creation and safety reasons. This week's ad will show that [S.B. 610](#) will only cost West Virginia drivers pennies a day while driving on bad roads cost 90 cents a day.

(See attached).

There will also be an ad showing West Virginia has moved from 14<sup>th</sup> in the nation to 8<sup>th</sup> in the nation in two years based on the number of deficient bridges as a percentage of total bridges. Members can visit [www.fixourroadswv.com](http://www.fixourroadswv.com) to view the WVBT 30-sec TV commercial and newspaper ads on the homepage.

### **OTHER UPDATES**

[S.B. 673](#) and [H.B. 4626](#) have been introduced to create a safe harbor valuation for severance tax for limestone and sandstone. [S.B. 557](#), the bill to make permanent the use of Public Private Partnerships (P3) on highway projects was laid over Tuesday in the Senate Transportation and Infrastructure Committee, effectively killing the bill this year.

### **WEST VIRGINIA LEGISLATURE BILL INFORMATION**

House and Senate bills can be accessed from the CAWV's Legislative home page at [www.cawv.org/legislative](http://www.cawv.org/legislative). Members can view status updates on bills of interest to the construction industry and see what legislation is introduced that affects the construction industry. A summary of each day's activities will be uploaded each afternoon.

**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](mailto:mclowser@cawv.org).**

<b>HOUSE BILLS</b>			
<i>Bill #</i>	<i>Proposal</i>	<i>Sponsors</i>	<i>Introduced/ Committee</i>
<a href="#">HB 4684</a>	Authorizing local units of government to adopt local energy efficiency partnership programs	Del. Hanshaw, Fleischauer, Rowe and McCuskey	2/23/16 - Political Subdivisions then Finance
<a href="#">HB 4693</a>	Establishing a recovery fee for the rental of heavy equipment property	Del. Boggs and Westfall	2/23/16 - Finance
<a href="#">HB 4698</a>	Enabling applicants for a certificate of convenience and necessity for a water, sewer, and/or storm water project to file complete applications without incurring the expense of an engineer's preparation	Del. Espinosa	2/23/16 - Government Organization
<a href="#">HB 4699</a>	Limiting supervision of laying of lines on state rights-of-way	Del. Fast, Howell, Butler, Walters, Cadle, Foster, Lynch, Boggs, Guthrie, Trecoast and Shaffer	2/23/16 - Government Organization