

THE ACT REPORT

VOLUME 10, NUMBER 3
MARCH 2001



A PUBLICATION
OF THE AFFILIATED
CONSTRUCTION
TRADES FOUNDATION

The ACT Foundation is a division of The West Virginia State Building and Construction Trades Council, with offices in Charleston and Clarksburg. Steve Burton, President; Roy Smith, Secretary-Treasurer; Steve White, Director.

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INSIDE

Legislation	Pg. 2
Labor attack	Pg. 2
Pres. Bush	Pg. 3
Comp case	Pg. 4
WV Works	Pg. 4

Constellation Deal Approved Despite Local Worker Protest

The Wayne County Commission ignored the voices of more than 50 citizens and construction trade union members when they voted 2 to 1 to issue industrial revenue bonds to Constellation Power at a meeting on Feb. 20.

These bonds will cost the taxpayers of Wayne County more than \$20 million in lost property taxes over the next 20 years.

The bonds will finance the construction of a \$110 million, 300-megawatt, gas fired power plant.

Union members have protested these bonds because Constellation Power, a subsidiary of Bal-

timore Gas and Electric, has reneged on promises to hire local workers to build the plant.

H and M Construction, Constellation's general contrac-

gone to local workers.

"My sources tell me the management of Constellation is instructing new out-of-state workers to get post office boxes within

ferred health insurance while local workers are not.

According to Burton, the citizens of Wayne County are losing \$20 million dollars in tax revenue over the next 20 years for three full time jobs. Company officials made it clear that local workers don't have "the skill sets needed" for these jobs.

The current contract states Constellation will pay the County \$400,000 for economic development, and \$100,000 for each of the next two years, which will also go to economic development in Wayne County.

"I think Constellation knew the Commission could be bought," Burton said. "It was only a question of how much

'CONSTELLATION KNEW THE COMMISSION COULD BE BOUGHT. IT WAS ONLY A QUESTION OF HOW MUCH MONEY IT WOULD TAKE.'

STEVE BURTON, BUSINESS MANAGER, TRI-STATE BUILDING TRADES

tor, has imported workers from as far away as Texas, California and Louisiana while the company claims 70 percent of the workers are local. ACT estimates only 25 percent of the man hours on the project have

the commutable area so they can count them as local workers," said Steve Burton, Business Manager of the Tri-State Building Trades.

To make matters worse the imported workers are being of-

CONTINUED ON PAGE 4

Union Sends Message to Utility Companies

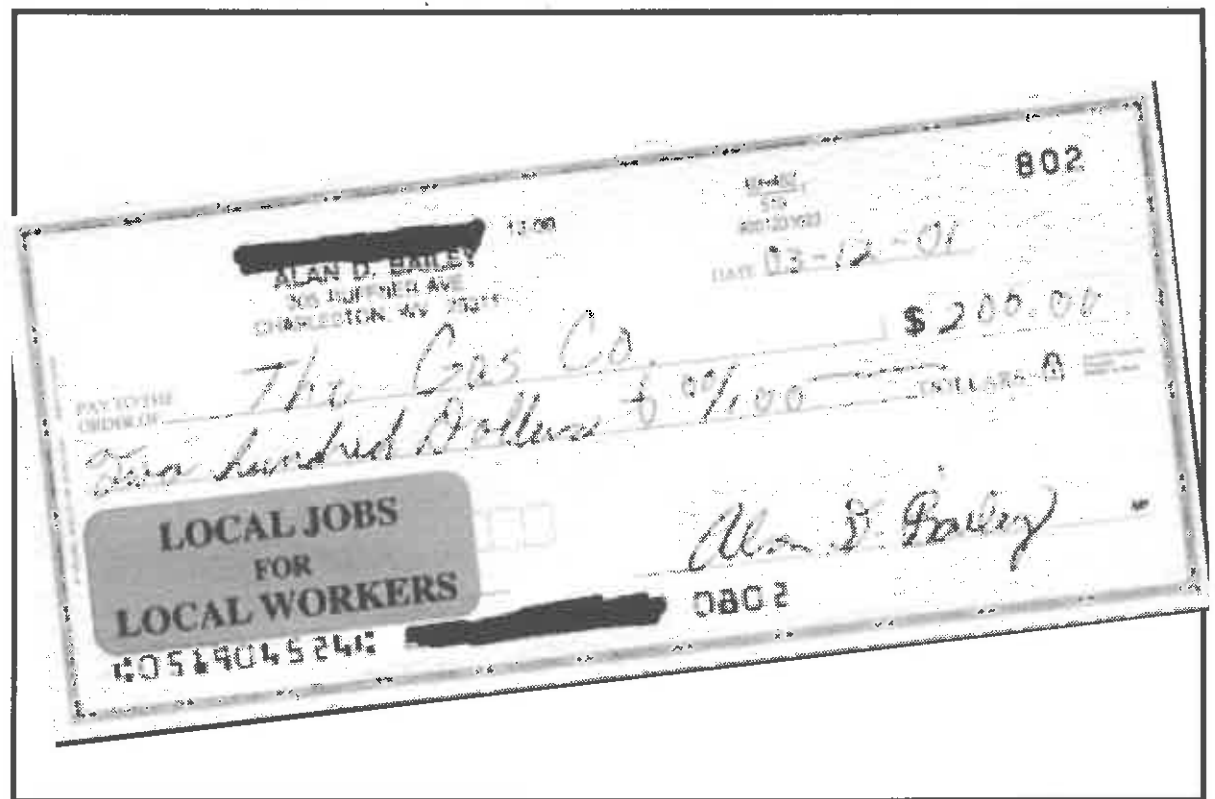
Local jobs for local workers.

That's the message Operating Engineers LU 132 members are sending to companies by placing stickers on their checks or bills.

According to Mike O'Hara, Organizer for the Operating Engineers LU 132, the campaign started as an effort to let the gas companies know about their paying customers who are being denied jobs at various gas fired peaker power plant construction jobs in West Virginia.

"We need jobs for local workers," said O'Hara. "The gas company sends us a message every month with a bill, so we want to send a message right back with our checks.

"We would like to see other trades join in the campaign, writing 'local jobs for local workers' on their checks to the gas and other utility companies," added O'Hara.



Operating Engineers LU 132 has started the sticker campaign in response to the power plants in the state not being built by local union construction workers. The stickers can also be placed on the return portion of your utility bill.

JOBS ACT, DEVELOPMENT ACCOUNTABILITY AND ILLEGAL ALIENS

Important Legislation Introduced

Three bills important to working men and women have been introduced in the West Virginia Legislature.

The West Virginia Jobs Act, now Senate Bill 103, is in the Small Business Committee and must be placed on their agenda to get it moving.

The Accountability for Economic Development Assistance Act, now House Bill 2600, is pending before the Economic Development Committee.

According to Sen. Jon B. Hunter, D-Monongalia County and the Jobs Act's lead sponsor, SB103 would require 90 percent of the construction workers on state or local government funded projects to live within 75 miles of the job site.

This is not a new idea.

This bill is based on existing federal law "very similar to

SB103," explained Hunter at a recent public hearing on the bill.

The Legislature passed a pilot version of the WV Jobs Act two years ago. However former Gov. Cecil Underwood vetoed it.

"I think we have a better shot at getting this bill through this session. The new Wise administration seems more in favor of SB103," said Hunter.

"According to a survey of constituents, 80 to 90 percent are in

favor of SB103," Hunter added. And having 25 of 34 Senators as sponsors doesn't hurt either.

The Accountability for Economic Development Assistance Act (HB2600) has Del. Barbara Fleischauer, D-Monongalia County, as lead sponsor.

HB2600 would require any agency giving economic development assistance to businesses to file detailed yearly reports on the progress of those businesses.

This report would include vital information such as the con-

payment of economic development funds if they are being misused or if the giving entity fails to file the report.

The bill is stalled in the House Economic Development Committee, a committee newly established for such

legislation. "Right now our economic development agencies have no idea where our money is going and what we are getting for it,"

said Steve White, ACT Director.

"Tax breaks in the name of economic development may amount to more than \$100 million each year, yet no one knows where this money goes or if we are getting the jobs promised."

Other states have passed

similar legislation that allows an analysis of various economic development programs. With data on the effectiveness of each incentive legislators are able to improve programs and correct problems.

"This is common sense legislation," said Fleischauer. "You can't monitor or improve economic development if you don't know where the money goes."

This bill would also help us ensure that we are only investing in good job creation with good wages and benefits, said Fleischauer.

"West Virginia doesn't have the money to invest in companies who create few good jobs," Fleischauer added.

Also introduced is a bill to take away a contractors license if they are caught knowingly hiring illegal aliens. It is house bill 2801.

'YOU CAN'T MONITOR OR IMPROVE ECONOMIC DEVELOPMENT IF YOU DON'T KNOW WHERE THE MONEY GOES.'

DEL. BARBARA E. FLEISCHAUER, D-MONONGALIA COUNTY

struction and permanent jobs expected, wage rates and benefit levels, the amount of money received, the purpose of the money and a report on whether the company is holding up their end of the deal.

This bill also gives the state tax department the right to stop

WV Development Office Officials Endorse Double Attack On Prevailing Wage Laws

Prevailing wage laws always come under attack at the state Legislature but this year is more serious than ever.

Prevailing wage laws require that contractors on a state construction project must pay workers the same wage as most others doing the same job in the area.

Two bills aimed at destroying the system have gotten a 'thumbs up' from state economic development leaders.

In a letter signed by John Snyder of the State Development Office and Don Rigby of the Council on Community and Economic Development, these

two bills showed up as issues recommended for support.

'IT'S ALARMING THAT A DEMOCRATIC ADMINISTRATION WOULD PROMOTE LEGISLATION THAT WILL HURT THE WORKING PEOPLE OF WEST VIRGINIA.'

STEVE WHITE, ACT DIRECTOR

ment Office and Don Rigby of the Council on Community and Economic Development, these

One of the bills would eliminate prevailing wage laws from school construction projects.

The other bill would allow county commissions rather than the state to determine the prevailing wage.

"It's alarming that a Democratic administration would promote legislation that will hurt the working people of West Virginia," said Steve White, ACT Director.

And White points out the state development office is using a study provided by an anti-union contractors association, the Associated Builders & Contractors (ABC), to promote the legislation.

"Prevailing wages promote local workers," said White. "Anti-prevailing wage groups like the ABC always promise lower costs but never can provide data to back up their claims."

"We have numerous studies showing that eliminating prevailing wages has very little impact on costs to the taxpayers but has a dramatic decrease on wages, safety and training."

The rest of the 'savings' goes to the nonunion contractors and paying to fix poor workmanship," said White.

Pres. Bush Shows Bad Intentions Toward Labor

President George W. Bush wasted no time showing his intentions toward construction workers.

He issued an executive order banning Project Labor Agreements (PLAs) on construction involving any federal money and by blocking rules that stop companies who break labor and other laws from bidding on federally funded projects.

According to an urgent notice issued by the Building and Trades Department of the national AFL-CIO, Bush's executive order effectively bans PLAs on all federal construction jobs, and on any private, municipal, county or state job in which federal money is involved.

PLAs have helped unionize some of America's largest public works projects.

PLAs are often used to build roads, bridges, airports, schools, public buildings and many other projects.

"It is clear by his early action how George W. Bush feels about organized labor. If there has ever been a time for labor unity it is now," said Roy Smith, Secretary Treasurer of the State Building Trades Council.

Today, more than 50,000 Building Trades members are employed on projects involving PLAs and federal funding.

A PLA guarantees many important issues on a construction project such as wages, procedures for dispute resolution and a guarantee the project will be staffed by union members.

"With skilled labor in short supply PLAs make good sense

and help save tax dollars by avoiding costly delays," said Smith.

The order applies to any construction contract the federal government or any entity receiving federal funds awarded after Feb. 17, 2001, even if the project is already under way or is covered by a PLA already in effect.

The order also forbids federally funded projects from requiring a PLA in their bid specifications.

According to the letter from the Building and Construction Trades Department, the executive order effectively strips elected state and local leaders of their discretion to decide, in a particular case, that using a PLA is the best way to ensure efficient smooth and successful operation of a complex construction project. The National Building Trades intends to file suit regarding the executive order.

President Bush has also secretly blocked rules prohibiting contractors who break safety, wage, environmental, or other laws from bidding on federal projects. These laws were designed to protect working families, the public and the environment. These regulations were blocked through "deviation" — without public hearings or public inputs.

"This action raises concerns whether the Bush Administration will use similar tactics to undermine new health and safety regulations in the future," said Smith.



ACT held its Biannual Convention on Feb. 27 where many issues such as salting procedures and the ongoing workers compensation investigation were discussed.

WIA Funds Bound in Red Tape

The Workforce Investment Act of 1998 (WIA) has brought major changes to the way training is funded in West Virginia.

This legislation replaced the old Job Training Partnership Act (JTPA). Under JTPA funding, union apprenticeship programs as well as journeyman upgrading was streamlined through a division of the West Virginia Building Trades known as Construction Trades Training And Advancement Program (CTTAP). Due to radical changes in the new legislation, CTTAP's infrastructure did not fit the plan. CTTAP closed on July 1, 2000.

The State Building Trades in partnership with the state AFL-CIO was able to secure funding to create a liaison position to try and regain the connection between the funding streams and the local unions. To date the

success of this program has been limited because of political problems with the past administration. There has been a lot of confusion at the state level and guidance to the local Workforce Investment Boards (WIBs) has been very vague and limited.

Governor Bob Wise on several occasions has talked of major changes at the state level that he intends to make so the funding can be made available to more of the entities such as the local unions. To date the Governor has replaced several of the key players in WIA. He has also made changes to the Human Resource Investment Council (HRIC), the board that recommends how the state and local boards are to work. With these early changes there is considerable confusion over past practices and it could take a while to effectively get the mountains of red tape sorted through.

The state is divided into seven

regional WIBs. There are two labor representatives on each WIB. Also, each WIB has been given the authority to design procedures for allocating funds to certified training providers thus creating large amounts of paperwork to be done so that registering local unions is a very long and drawn out process.

Sheryl Johnson, an employee of the State Building Trades Council occupies the Labor Liaison position. Johnson says she is hopeful that the change in administration will benefit Building Trades apprenticeship programs. "It has been an extremely slow process with numerous obstacles at every corner," she says, "but, I have been reassured that funding for the building trades programs is a priority at the state level."

**For more info on WIA
or labor WIB members
Contact Sheryl Johnson
@ 346-1367**

ACT WINS RIGHT TO CHALLENGE LAWSUIT DISMISSALS BY UNDERWOOD ADMINISTRATION**Coal Comp Debt Now \$406 Million**

Thanks to union construction workers big coal companies might still be held accountable for more than \$400 million in unpaid workers compensation premiums.

At a hearing on March 7, McDowell County Circuit Court Judge Booker T. Stephens granted ACT's motion to halt all dismissals sought by the Underwood administration in the cases against the delinquent coal companies.

Lawyers for the Wise administration argued against ACT's request to review the deal made by former Bureau of Employment Programs Commissioner William Viewig to drop the suits.

Nevertheless Judge Stephens directed ACT to serve its amended complaint on all of the coal companies that were dismissed

according to Stuart Calwell, ACT lawyer.

"We will definitely pursue the other coal companies in this law suit," said Calwell. "If this debt is collected it could mean better benefits for injured workers and lower compensation premiums for small businesses."

Judge Stephens

also ordered an Aug. 15 hearing on whether Viewig violated the law with his attempts to dismiss these cases.

According to a recent review conducted by the Bureau of Employment programs

these coal companies now owe the Workers Compensation fund more than \$406 million, double the previous estimates.

'WE BELIEVE WE HAVE THE EVIDENCE TO SHOW THAT VIEWIG WAS IN VIOLATION OF HIS DUTY TO THE BUSINESSES AND PEOPLE OF WEST VIRGINIA'

VINCE TRIVELLI, ACT LAWYER

According to an article appearing in the March 4, 2001 Sunday Gazette-Mail,

most of the \$200 million increase came from debts not included in previous lists. Some of the increase is due to interest accrued on those debts.

As reported earlier, in 1996 Gov. Gaston Caperton sued 20 large coal companies for the debts accrued by their subcontractors.

In 1998, just as the first case was ready to go to trial, the Underwood administration dismissed the lawsuit. ACT tried to stop the dismissals but

was turned down by the state Supreme Court.

Many coal companies claim they were not notified of their responsibility for their subcontractors debts, even though the companies had paid many other fees such as federal reclamation fees and taxes for subcontractors. Some companies let subcontractors accrue debt after the suit was filed.

However, ACT, as an employer who pays workers compensation premiums, has won the right to intervene in the lawsuits.

"We believe we have the evidence to show that Viewig was in violation of his duty to the businesses and people of West Virginia when he dismissed these cases," said Vincent Trivelli, ACT lawyer.

"When the business community complains about high Workers Compensation rates they should know they are paying off the debt that many profited from in the coal industry."

WEST VIRGINIA WORKS SHOWTIMES

WDTV Clarksburg & Morgantown Saturdays @ Noon	FOX59 Beckley & Bluefield Saturdays @ 12:30pm
FOX 11 Charleston, Huntington, Parkersburg Sundays @ 11:30am	
CABLE CHANNEL 10 Wheeling, St. Clairsville & Moundsville Saturdays @ noon	
CABLE CHANNEL 16 Steubenville, Follansbee & Wellsburg Saturdays @ noon	

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CONSTELLATION

continued from p.1

money it would take."

ACT has filed a lawsuit against the Wayne County Commission and Constellation Power claiming the industrial revenue bonds were issued unlawfully.

According to Vince Trivelli, ACT attorney, the legislature intended for these bonds to relieve unemployment in West Virginia

and to protect the peoples right to gainful employment. "The Commission has not done that," Trivelli said. "They issued these bonds to create three permanent jobs over the 20 year duration, and they admitted these jobs won't go to local workers."

Additionally, the commission did not put any penalties in the contract if Constellation doesn't stick to its end of the deal.