

# THE ACT REPORT

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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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UNPAID PREMIUMS TOTAL MORE THAN \$1 BILLION

# Workers Comp Attacked Again

**I**njured workers are under attack again by big business.

And again the battle scene is at the state capitol.

Several bills pending in the WV House and Senate aim to cut workers compensation benefits for injured workers and raise premiums 25 percent on businesses in order to deal with a budget shortfall.

Proponents of the bill believe it would reduce a \$400 million per year deficit by creating an independent agency, which would operate more like a private insurer.

The West Virginia AFL-CIO held a rally earlier this month to defend working West Virginians' rights when it comes to workers compensation.

Labor leaders say the bill's fiscal note only shows a savings of \$22 million per year.

The saving would primarily



AFL-CIO President Jim Bowen gives an interview in front of the crowd at the recent Workers Comp rally

come from reducing workers' benefits for permanent partial and temporary total disability from 70 percent to 66.6 percent of the workers' wages and raising the threshold needed to apply for a permanent disability award from 40 to 50 percent disability.

"The rest of the \$400 million will supposedly come from cre-

ating a more efficient system, which is a promise that has not been delivered in the past," said Jim Bowen, President of the WV AFL-CIO.

Losing four fingers on one hand is considered a 32 percent disability which means a worker is unable to apply for a permanent award. Losing a foot is considered a 35 percent

disability and under one version of the bill it would also not be considered enough to apply for a permanent award.

Changes are also aimed at forcing injured workers to take low paying jobs if they are unable to work at their previous high paying positions.

Labor leaders say they shouldn't cut benefits or raise premiums on responsible business owners who faithfully pay their share into the fund without ever using it.

"Injured workers shouldn't have to pay for a corrupt system where big companies such as large coal operators are allowed to run up \$400 million debts and pass it off as their subcontractors' responsibility," said ACT's Steve White.

"The fact is that if the state would aggressively pursue workers compensation debts it

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## ABC Attacks DOL's 2003 Wage Increase

**T**he anti-worker Associated Builders and Contractors (ABC) argued that the way the Division of Labor (DOL) calculated the prevailing wage rates for 2003 was inaccurate at a February 11 hearing.

This protest has frozen wages on public projects at lower 2002 rates until the matter is resolved.

The ABC contends rates were unfairly calculated because the DOL used collective bargaining agreements to determine prevailing wage.

They say this practice artificially inflates the wage rate because only 19 percent of the construction work force is

union.

However, the West Virginia State Building Trades contends this practice, along with surveys, is a fair way to determine the prevailing wage because

wage surveys to West Virginia contractors. Only 144 surveys were returned with usable wage information.

"The ABC has no one to blame but themselves if they

using this attack for internal publicity.

"They shouldn't be tying up wage increases for workers by challenging the most reliable means the DOL had for determining prevailing wage."

After the survey was sent to contractors, the DOL used public service announcements on the radio and in the newspapers around the state to urge them to return it.

The State Supreme Court upheld this process in 1994.

"The Supreme Court has already spoken. This should not be an issue," said Smith.

No decision had been made on this matter at press time. Therefore, wages remain frozen at the lesser 2002 rate at this time.

*'THE TRUTH IS THEY KNOW THE RATES ARE ACCURATE. THEY ARE USING THIS ATTACK FOR INTERNAL PUBLICITY.'*

ROY SMITH, SEC.-TREASURER, WV STATE BUILDING TRADES

collective bargaining agreements remain standard no matter whether the work is public, private, big or small.

In addition to using collective bargaining agreements, the DOL attempted to determine the rate by sending out 4,700

feel wages came out too high," said Roy Smith, Secretary-Treasurer of the State Building Trades. "Every contractor in the state had the opportunity to respond to that survey.

"The truth is they know the rates are accurate. They are

# Greenbrier Pipeline May Provide 1000+ Jobs

**A**t stake is a \$497 million pipeline project called the Greenbrier Pipeline Project.

And you can be sure leaders of the Operating Engineers can be found at meetings and hearings in support.

The proposed project of Dominion Power would provide about 1500 local union construction jobs for a period of one year, according to Bill Lemley, Special Pipeline Representative for the International Union of Operating Engineers (IUOE).

The very ambitious project will consist of installing 271 miles of natural gas pipeline from a compressor station in Clay County (West Virginia) to a Dominion power plant in



*Greenbrier Pipeline route North Carolina, 90 miles of which will go through southern West Virginia.*

The project is slated to begin in July 2004 and finish in July 2005.

"This project is a tall order," said Ronnie Burdette, Business Manager for IUOE Local 132.

"It's going to be very difficult, but that's why Dominion contacted our local and ACT from the beginning. They knew our highly qualified union workforce was going to be up to the challenge.

"We just completed a pipeline training course in conjunction with the International, so I have no doubt that our members can get it done safely and efficiently."

Construction of the pipeline will be a big economic boost to southern West Virginia, according to Burdette.

When local construction

workers are hired they spend their paychecks locally.

According to some studies every dollar paid in wages is circulated anywhere from three to seven times.

"It doesn't take a mathematician to figure out that at least 1000 workers making union wages for one year multiplied by seven will have a tremendous effect on the economy of southern West Virginia," said Burdette.

The pipeline has met some opposition during public hearings in West Virginia. Critics say the pipeline will negatively affect the environment and be a danger to the neighborhoods

it passes through.

"That's where ACT comes in," said Burdette. "They can help us get our message out that this job is good for the economy and will be safest with union workers."

The pipeline will be constructed in accordance with all federal and state environmental and safety standards, according to Lemley.

"In fact, the Federal Energy Regulatory Commission, which is charged with making sure that every energy project meets federal guidelines, has already approved the project."

As for safety issues the *continued on p. 4*

## ACT Monitors Prevailing Wage & WV Jobs Act In Legislature

**O**rganized labor is closely monitoring issues such as the West Virginia Jobs Act and prevailing wage attacks.

Renewing the West Virginia Jobs Act (SB352/HB 2852) is a top priority for ACT.

The current law, which expires in March, says that 75 percent of the workers on a

state project worth more than \$500,000 must be local workers. In addition to renewing the law, ACT wants to see the law expanded to include local county and city projects.

Prevailing wage laws are also

being debated in the Legislature.

Transferring the setting of prevailing wage rates to the Bureau of Employment Programs (SB 167) would destroy the current system for calculating what wage rate prevails.

Combining union wages with

take to get all construction workers earning minimum wages.

"This is a terrible idea," said Dick Ullum of the Mid-Atlantic Regional Council of Carpenters. "Our taxes shouldn't be used to drive down our standard of living. Contractors will

make more money but our members will be driven toward poverty."

The bill, sponsored by Sen. Mike

Oliverio, D-Monogalia, has not been taken up by the Senate Labor Committee. However, Sen. Herb Snyder, D-Jefferson is Chairman of the Labor Committee and a supporter of the bill.

**'OUR TAXES SHOULDN'T BE USED TO DRIVE DOWN OUR STANDARD OF LIVING.'**

**DICK ULLUM, MARCC**

minimum wage rates will greatly lower the average for construction workers. Once construction wages are lowered, each year will bring a new lower "average." The only question is how long would it

## Workers Comp

*FROM P. 1*

would go a long way toward fixing the system."

The Underwood administration lowered premiums by more than eight percent in 1999 and Gov. Wise froze rates last year costing the fund millions in revenues. Large companies that are self-insured have been caught 'dumping' claims into the second-injury fund. That fund was created so employers could hire World War II veterans who had a war injury without employers being responsible for the prior injury.

The self-insured companies never paid into the second injury fund but were allowed to place the claims of their employees there.

The abuse of the second injury fund has been estimated to be as high as \$600 million. "We can identify more than \$1 billion in unpaid premiums, second injury abuses and politically lowered rates," said White. "They need to stop

blaming injured workers."

White points out attempts to amend the bill with changes aimed at stopping companies that cheat were defeated. "There are two groups of employers who must be elated by this bill," said White. "First are the large self-insured companies because they are the ones that have profited greatly from the current system and they won't be required to pay back any of their ill-gotten gains.

"Second, are the employers who cheat, because nothing was done to stop companies that owe the fund but simply start a new company to avoid payment. Honest businesses pick up their bill, and injured workers are asked to take less.

"They even made it easier for individuals who own unsafe companies to avoid their accident rating when starting a new company."

The bill has moved through the Senate Judiciary Committee and to Senate Finance.

# Trades Credit Union To Open Branch March 3

**T**he Charleston branch of the Union Trades Federal Credit Union (UTFCU) will be open for business March 3.

The UTFCU, which is located on the first floor of the West Virginia State Building Trades Office, will be open Monday through Friday from 8:30 a.m. to 4:30 p.m.

The hours may be extended if the need arises, says Joyce Fox, UTFCU Manager.

“Our open house was a big success,” said Fox. “We had several people come in to see what advantages the credit union could offer them.

“We are excited about expanding our wide range of services to the Charleston area.”

Some of the unique services offered include free life insur-



*Denise Saul receives a \$100 cash prize from UTFCU Manager Joyce Fox during the recent open house.*

ance on savings up to \$4,000, discount theme park and theater tickets, and that’s in addition to almost every service you would get at a bank, according to Fox. (See the box for a complete list of services.)

“If for some reason a member can’t make it during regu-

lar business hours a drop box for deposits will be installed outside the building,” said Fox. “In addition we may install an ATM in the future where members can get cash from their UTFCU accounts free of charge.”

Members already can use

their check cards to get cash free of charge at any Credit Union ATM that’s a member of Alliance One, which was formed specifically to provide credit union members with free ATM terminals. Members can use ATM machines at other credit unions in the Charleston area such as Members Choice, Peoples and West Virginia Public Employees.

For more information on specific free ATM locations visit the Alliance One website at [www.atmallianceone.org](http://www.atmallianceone.org).

For more information about how the credit union works or the services it offers visit [www.utfcu.virtualcu.net](http://www.utfcu.virtualcu.net), call (304) 485-1421 or stop by the office (after March 3) at 600 Leon Sullivan Way Suite 101, Charleston, right next to the Farmers Market.



## services

- Savings
- Vacation Club
- Direct Deposit
- IRA
- VISA Credit cards
- Certificates of Deposit
- Quarterly Newsletter
- Bear Club (young savers)
- Gift Cheques
- Christmas Club
- Pre-authorized Payment of Union Dues
- First Mortgage Loans
- Home Equity Loans
- Federal Income Tax Loans
- Mobile Home Loans
- Farm & Lawn Equipment Loans
- Checking
- Share Loans
- Payroll Deductions
- Debit Cards
- Travelers Checks
- Theatre Tickets
- Notary Service
- Theme Park Tickets
- State Quarter Sales
- Automatic Loan Payments
- Free Life Insurance on Savings up to \$4,000
- Auto Loans (new and used)
- Personal Loans
- Overdraft Loans
- Home Improvement Loans

# Bush’s Federal PLA Ban Stands

**P**resident Bush’s executive order severely restricting the use of project labor agreements (PLA) on federally funded projects will stand.

The U.S. Supreme Court refused to hear the National Building Trades Department’s appeal of the July decision of the U.S. Court of Appeals for the D.C. Circuit, upholding its ruling.

“President Bush has won and West Virginia construction workers are the losers,” said Roy Smith, Secretary Treasurer for the West Virginia State Building Trades. “This is a setback for union construction workers in West Virginia and across the country.”

Executive order 13202, is-

sued in February 2001, restricts the use of PLA’s on federal projects or state and local projects receiving federal funding. PLA’s have been used for years on hundreds of huge federal projects.

The National Building Trades Department argued that the Executive Order violates long-standing federal law protecting workers’ rights and that it is a misuse of presidential power to restrict the use of federal funds allocated by the Congress, with total disregard for the impact such restrictions will have on labor laws that have stood for over six decades, according to a press release from the National Building Trades Department.

“The ruling means that until Bush leaves office there will be

no PLAs on projects such as federal courthouses or even state-funded projects, such as interstate construction, where there are matching federal funds,” said Smith. “However, we will still be able to enter into PLAs with contractors on these jobs, just not with governmental agencies.”

The Supreme Court ignored the briefs of many unions, contractors, municipalities and state agencies, which urged the court to hear the case and overturn the circuit court’s ruling.

In 1993 the Supreme Court unanimously approved the use of PLAs on federal projects.

There is no further legal recourse to fight the PLA ban short of passing legislation, which is very unlikely, according to Smith.

# 2000 Young Prospects Visit Construction Expo



School kids line up to enter the 2nd Annual Construction Trades Expo sponsored by the Parkersburg Marietta Building and Construction Trades Council.

“We accomplished what we set out to do,” said Sam Davis, business manager for the Parkersburg Marietta Building Trades. “We had about 2000 kids from many of the area high schools. We also had many of them return on Saturday with their parents.”

# Building Trades Offers Free College Classes

**C**lass is in session for members of the state building trades.

Construction Works of West Virginia, a company set up to handle training grants for the West Virginia State Building Trades, has formed a partnership with West Virginia State College to offer an Associates Degree in Occupational Development.

This program is open to anyone who has completed or is in the process of completing a building trades apprenticeship program and meets Workforce Investment Act guidelines.

This unique program allows building trades members to combine their 43 hours of college credit as journeyman with 22 additional credits leading to an Associates Degree in Applied Science.

To obtain this degree students must complete the following courses in addition to apprenticeship training:

2 English



*Students work toward Occupational Development Degree.*

1 communications  
1 algebra  
1 science with a lab  
1 humanities  
1 business

Each class lasts for 12 weeks. Because the classes are funded with Workforce Investment Act money, the classes offered by the building trades are free.

The cost to take the same class on campus is about \$350 plus additional fees such as parking.

"I have the degree and I think

it's a great opportunity for members to advance their education and increase their employability, especially since it's free," said Sheryl Johnson, Director of Construction Works of West Virginia.

This semester's class is Intro to Business. There are 16 students enrolled in the current class, ranging in age from 24 to 56 with a relatively even number of men and women and several trades represented.

"We are hoping to offer two more classes starting in Sep-

tember," said Johnson. "It all hinges on the availability of Work Force Investment Act money."

Construction Works of West Virginia hopes to expand the program to include partnerships with Marshall in the Huntington area, and West Virginia University-Parkersburg, in Parkersburg.

Johnson is also working with Kathy D'Antoni of Advantage Valley to explore the possibility of establishing a board of regents bachelor's degree with an emphasis on construction management.

Those interested in getting in on September classes should contact Sheryl Johnson at 346-1367.

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## Pipeline

### *FROM P. 2*

project will be constructed with 30 inch, double walled pipeline, which will be equipped with all available modern fail-safe technology such as automatic shutoff valves that close when sensors detect any change in gas pressure.

"We look forward to working with Dominion on this project," said Burdette.

"We would also like to thank ACT for its help with this project and for continuing to pursue the work on the compressor station in Clay County."

### The Earned Income Tax Credit Boosts Your Income!

## Money in Your Pocket... You've Earned it!

**If you worked anytime in 2002 you may file the Earned Income Tax Credit (EITC) and get back:**

- Up to \$4,140 if you have two or more children and earned less than \$33,178 in 2002;
- Up to \$2,506 if you have one child and earned less than \$29,201; or
- Up to \$376 if you have no children, earned less than \$11,060 and are at least age 25 and under age 65.

**For More Information Call 1-866-982-3482**

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Wellsburg  
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11:00pm

**CABLE CHANNEL 10**  
Wheeling, St. Clairsville &  
Moundsville  
daily @ 11:00am &  
11:00pm

### WEST VIRGINIA WORKS SHOWTIMES

**WOAY 4**  
Oak Hill  
Sundays @ 11:00am

**WCBS 8**  
Charleston,  
Huntington, Parkersburg,  
Beckley, Bluefield  
Sundays @ 11:00am

**WDTV 5**  
Clarksburg &  
Morgantown  
Sundays @ 11:00am