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A Division of the WV State Building Trades, AFL-CIO | Chuck Parker, *President* | Dave Efaw, *Secretary-Treasurer* | Steve White, *Director*

2 Flee During Electrician License Check at Gas Plant

Two workers fled when the West Virginia Fire Marshals office went to a Moundsville jobsite to check electrician licenses on November 5.

Magistrate Court records from Marshall County show three people were cited for not having a West Virginia electrician's license during the inspection at the Williams Companies Inc.'s Oak Grove project.

MMR Constructors Inc. from Baton Rouge, Louisiana is the main electrical contractor.

One worker imported from Tennessee pled guilty.

According to the citation two workers "fled on foot into a heavily wooded area adjacent to the work site" when hearing the license check was underway.

Both workers who fled were ap-

parently from the Richmond, Virginia area, but they had drivers license from other states.

"My guess is they fled because they had fake electrician licenses and fake ID's," said Tom Conner, Business Manager for IBEW Local 141,

Wheeling.

"This is an increasing problem for our industry, and we commend the Fire Marshal's office for their work, we simply wish they had more tools at their disposal to fix the problems."

Conner points to several issues he hopes are ad-

ressed to combat fake licenses and fake ID's.

He noted that neither the employer nor project owner were cited for any infraction.

"First, the employer and ultimately the project owner should have

some responsibility to make sure those employed as electricians have the proper credentials," said Conner.

Validating a WV electricians license is easy to do.

Conner also believes the use of E-Verify to validate ID's would help and wonders if any tax laws were violated. E-Verify is a federal website designed

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*Business Manager
IBEW Local 141, Wheeling*



Two workers fled this Moundsville project site when the WV Fire Marshal's office showed up to check electricians licenses on November 5. Court records show three people were cited for not having a West Virginia electrician's license during the inspection. MMR Constructors Inc. from Baton Rouge, Louisiana is the main electrical contractor.

Audit Finds WV Losing Millions in Taxes Due to Employee Misclassification Fraud

Employee misclassification, the widespread illegal practice of employers calling their workers independent contractors when they are not, is costing the state millions of dollars.

That conclusion comes from of a

recent audit of the state unemployment fund by legislative auditors published on December 22.

WorkForce's lack of staff to perform employer audits and their lack of administrative penalties against cheaters were identified as key con-

tributors to the problem. The legislative audit also pointed out how profitable it is for employers who game the system.

Legislative auditors looked at data from 2014 through 2018. One glaring problem was the lack of auditors on

staff at WorkForce, the state agency which administers the unemployment fund.

In 2014, WorkForce had seven full-time workers conducting unemployment audits.

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\$1 Billion Power Plant Project Advances Property Tax Deal Approved for Longview-2

The Monongalia County Commission approved a “payment-in-lieu-of-taxes” property tax plan, known as a PILOT, on December 16 advancing the \$1 billion Longview-2 project one step closer to construction.

The deal will result in more than \$60 million dollars in payments to the county over a 30-year period.

Industrial projects face stiff property tax rates in West Virginia as compared to other states and PILOT plans are often used to negotiate the taxes paid to assist developers in building a project.

Longview-2 will add a \$950 million, 1,200-megawatt, combined cycle gas-fired plant and a 70-megawatt solar array to the existing coal fired unit already at the site near Morgantown.

The majority of the solar project will be built in Pennsylvania.

Attending the meeting in support of the project were Bryan Raber of Plumbers & Pipefitters Local 152, Bengy Swanson of Ironworkers Local 549, Matt Kennedy of Boilermakers 667, Rita McCrobie and Natalie Stone of the North Central WV Building Trades Council.

“We all spoke in favor of the project,” said Raber. “Longview’s commitment to use local union construction labor makes a huge economic impact not only for our members but for the entire community.”

Representatives of the Sierra Club spoke in opposition to the project.

The Monongalia County Board of

Education, which will be the major recipient of the PILOT funds, has already approved of the plan.

According to North Central’s Natalie Stone, with this major piece in place the project developers will be looking to arrange financing for the project early this year.

The selection of an EPC Contractor

(“Engineering, Procurement, and Construction”) is also underway with a construction start perhaps at the end of the year.

The project still has several permits to acquire including an air permit from the state DEP and a pipeline permit from the Federal Energy Regulatory Commission (FERC). ■



Pipefitter Local 152’s Bryan Raber (left) is among a number of craft representatives who spoke in support of the Longview-2 project before the Monongalia County Commission at a December 16 meeting. Commissioners unanimously approved a tax plan that allows the \$1 billion Longview-2 project to move forward.

Misclassification

Continued from Page 1

However, by the beginning of calendar year 2019, WorkForce was down to just one.

WorkForce agreed with the conclusion saying they are unable to find employees who meet the qualifications set by the legislature at the pay allowed by law.

In effect their hands are tied by the legislature to offer starting auditors, who must have an accounting degree, \$27,729 per year while other agencies can pay more than \$31,000.

Even with a declining number of auditors the legislative report noted between 2014 and 2018, WorkForce identified over \$27.4 million in un-

derreported wages.

This included over \$410,000 in underreported contributions to the State’s unemployment insurance program.

Based on the \$27.4 million in underreported wages, the Legislative Auditor estimates that the State lost, at a minimum, \$824,000 – \$1.1 million in personal income tax revenues from 2014-18.

In addition to addressing salary problems for auditors and adding administrative penalties for companies caught cheating, the Legislative Auditor also recommended WorkForce “continue to seek out data-sharing

agreements with other state agencies, such as the Department of Transportation, that receive certified wage reports from employers in the State.”

The WV Jobs Act also requires payrolls and these documents could strengthen enforcement if not repealed by the legislature.

Finally, the legislative auditor notes certain laws such as OSHA and the Fair Labor Standards Act apply to employees but not independent contractors.

Thus, misclassification of workers can cost workers certain employment rights.

According to ACT Director Steve

White the report is a good start but barely scratched the surface when it comes to illegal workers and misclassification.

“We estimate the state is losing upwards to \$100 million per year from illegal workers, fake independent contractors, and companies who skirt our tax and licensing laws,” said White.

“We have a double standard in West Virginia,” said White. “We make our local companies and workers’ pay all the taxes and fees but seldom if ever go after the out-of-state invasion that takes local jobs and pays nothing.” ■

Website Created About Value of Licenses

A new website called 'Licenses Work WV' has been created to educate WV citizens and lawmakers about the hazards posed by an unlicensed and unqualified workforce.

Found at www.licensesworkwv.com the site includes a petition op-

posing the elimination or weakening of current licensing laws.

Over the last few years, a dangerous trend has been taking place in Charleston. Legislative leaders are trying to eliminate or erode occupational licensing laws.

Licenses for electricians, plumbers, crane operators, sprinklerfitters, HVAC and contractors have specifically been under attack. However, these attacks have even extended to almost all professional licenses.

During the 2019 legislative session, HB 2697, more commonly known as the "Occupational Licensing Consumer Choice Act," was introduced with the aim of making many occupational licenses optional.

"Aside from this being a slap in the face to hardworking professionals, who have spent years developing their skills, it presents a serious danger to public health and safety," said George Capel, Government Relations Director of the WV State Building and Construction Trades.

Allowing unlicensed professionals to operate could have dangerous, life-threatening consequences for unsuspecting consumers. For example, an unlicensed electrician could easily make an inexperienced mistake, causing an electrical fire in

a home or business.

For this reason, the WV State Building and Construction Trades are asking everyone to visit the website at www.licensesworkwv.com, and sign the petition to let our representatives know that West Virginians support licensure.

In addition to the threat to public safety, attacks on occupational licenses also deter people from attending apprenticeship, vocational schools, and colleges.

"It's hypocritical to encourage future generations of West Virginians to attend schools but at the same time lower or remove standards for these professions," said Capel. "If anyone can do it, why invest in training?"

According to Capel, easier access to quality training would provide better re-

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*Government Relations Director
WV State Building and Construction Trades*

sults.

"We need more training to help workers reach certification and licensing goals," said Capel. "Putting people at risk with lower standards is heading in the wrong direction." ■

Charleston Trades Volunteer for Christmas Fund Drive, Raise \$7407



Laborers Local 1353 Vice-President Gerald Stewart and his son Andy volunteer as bell ringers for the Salvation Army during their Christmas fundraising drive.

The pair was joined by Local 1353 Field Representative Calvin Brogan and his grandson Beckett Griffith in Charleston on Saturday, December 19.

According to Charleston Building Trades Council Business Manager Paul Breedlove members of Carpenters Local 439, Painters Local 970, Plumbers & Pipefitters Local 625, and Roofers Local 185 also set up at various locations around the Charleston area.

The combined effort raised \$7,407 which included a \$1,000 contribution from IBEW Local 466. That is the most raised in the Charleston area this year by any club or group according to the Salvation Army.

Members of the Charleston Building Trades have volunteered with the Salvation Army for their annual Christmas fund drive every year for decades.



This screenshot of the new 'Licenses Work WV' website shows how you can stay updated on licensing issues. Log onto www.licensesworkwv.com, and find it on Facebook & Twitter under 'Licenses Work WV.'

Madison Elementary Pantry

Parkersburg Area Labor Council Holds a Food Drive, Raises \$1,360 and Supplies

The Parkersburg Area Labor Council held a food drive on Saturday, January 9 to help supply a new food pantry for elementary school students.

Madison Elementary in Parkersburg is setting up a food pantry for students who attend. According to news reports there is a great need among students who attend the

school.

Hearing about the effort, members of the Parkersburg Area Labor Council set up the drive to help stock the pantry.

“We’re excited to do this,” said Parkersburg Area Labor Council president, Andrew Stump who also is a member of Plumbers & Steamfitters Local 565. “Our children are

our future and that’s what it’s really about.”

According to Buddy Malone, Business Manager for the Parkersburg-Marietta Building Trades, the

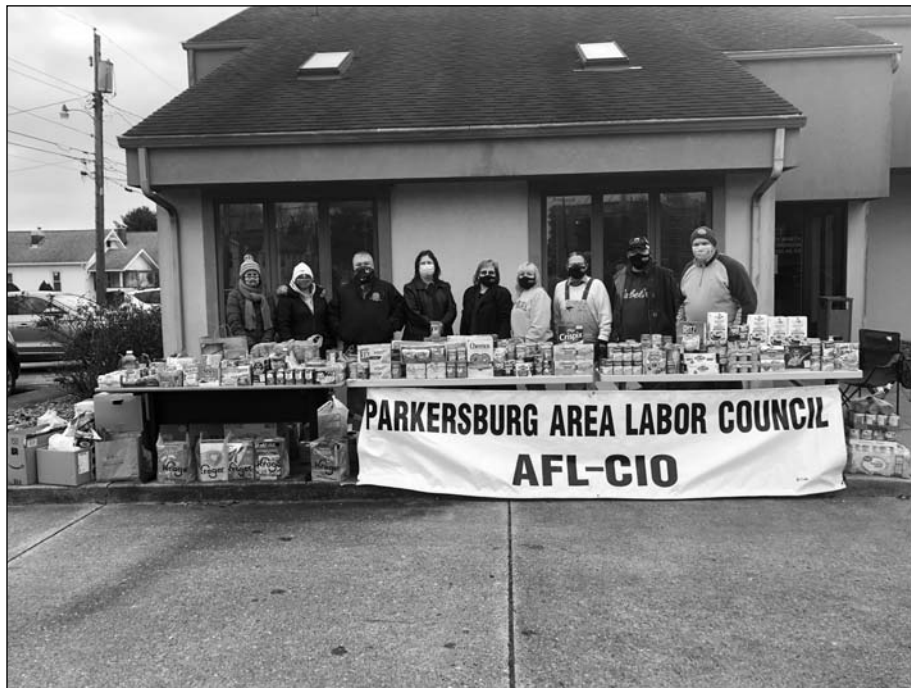
food drive, which was held at their office, collected \$1,360 in addition to a significant food supply to help start the Madison Elementary Food Pantry. ■



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Volunteers of the Parkersburg Area Labor Council stand in front of the Parkersburg-Marietta Building Trades offices and behind a pile of food collected during the Saturday, January 9 food drive for the Madison Elementary School food pantry. They also raised \$1,360.

2 Flee License Check

Continued from Page 1

to validate ID’s and is free of charge to employers.

“These folks apparently had fake ID’s, and if so how was their employer making federal and state income tax payments without knowing the ID numbers were invalid?” asked Conner.

The Oak Grove site takes the ‘wet’ gas found in the Marcellus and Utica Shale and extracts natural gas liquids like ethane, propane, butane and gas-

oline.

They also compress the residue gas for export through pipelines.

The prior day, on November 4 at a Georgia jobsite, an MMR worker was killed when they fell to their death.

According to news reports there had been questions about safety for months. In September federal authorities arrested 13 illegal workers who were working at the same SK Battery site. ■

Affiliated Construction Trades

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Legislative Session to start February 10

The 2021 legislative session convened on January 13, but only for one day and then recessed until February 10.

Every four years the 60-day legislative session is postponed a month as per the state constitution.

“We are trying to prepare the best we can,” said Dave Efaw, Secretary-Treasurer of the WV State Building Trades.

Efaw points to the overwhelming republican margin in both the House of Delegates and State Senate as well as the pandemic as challenges for the Trades.

“We normally would be lining up members to come visit with their leg-

islators but that is unlikely to happen this session,” said Efaw.

Legislative concerns around licensing, the WV Jobs Act and further attacks against unions and union contractors are anticipated. “But we don’t really know what will happen until they start,” said Efaw.

While the Trades maintain decent relationships with members of both political parties the number of labor friendly legislators is currently below the 50 percent needed in each chamber to stop bad bills from passage.

According to Efaw there are some opportunities to get to know the new legislators and perhaps find common ground. ■