



2011 Virginia General Assembly Final Legislative Report By VUHCC's Legislative Representative

Volume 15A, Issue 3
Revised
March, 2011

DDIG

**THE NEWSLETTER OF THE
HEAVY CONSTRUCTION CONTRACTORS ASSOCIATION**

This is the final Legislative Report from the 2011 Regular Session of the Virginia General Assembly. You will note from the detailed information below and the attached matrix that numerous issues which directly impact the business interests of VUHCC members were introduced at this session. Many of them passed and many of them were amended or defeated based on the work of our lobbyists and other industry allies.



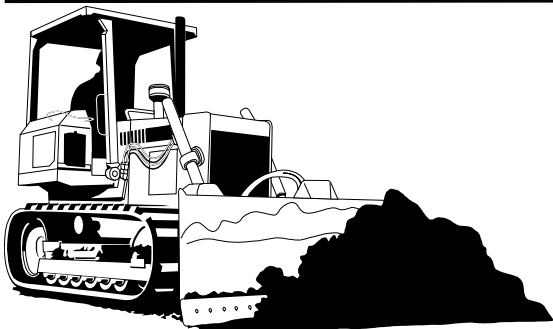
Of special significance was the passage of transportation funding legislation (highlighted below) that represents the first real injection of new capital for transportation infrastructure projects in over 20 years. Although this legislation is primarily a borrow and spend plan, it is a much-needed jumpstart towards meeting the state's ever-growing transportation needs. Rest assured that VUHCC continues to work with our industry partners legislative members, and the Governor to finally address the need for a long term, sustainable, and adequate transportation funding stream. In previous reports I have highlighted legislation that sought to amend state law regarding the applicability of bid, payment, and performance bonds. Because the issue of bonding affects so many VUHCC members be advised that buried in SB 1126 is language that requires VDOT to create a committee which will include industry members and bond insurance representatives to review performance and payment bond requirements currently in state law, and to make recommendations for any changes to the current law before year's end. VUHCC will endeavor to monitor this situation closely.

Finally, I want to recognize and thank our lobbying team from Hunton & Williams - Whitt Clement and Myles Loria - for doing an excellent job representing our interests at the 2011 session. (A special thanks to Myles for taking time to provide VUHCC with his written weekly comments regarding activity at the session.) I would also be remiss if I did not thank the leadership and members of each of the three participating VUHCC organizations for their financial support of these efforts.

Myles and Whitt are available to personally address each VUHCC member association regarding actions taken at the 2011 session. I urge you to provide that valuable opportunity to your members.

Thank you again for your continued support of the VUHCC.

Mark Singer, Legislative Representative, VUHCC



Inside this issue:

- Final Legislative Report—1
- Virginia's Politicians Could Use a Little Competition—2
- Bills Related to Reducing NOVA Congestion Fail—3
- HCCA Announces Winners of 2011 Safety Awards—3
- HCCA 2011 Safety Day and Equipment Rodeo—4
- Congratulatory Ad Honoring Ron White—5
- First Safe Supervisor Class Held at Superior Paving—7

FINAL REPORT

The Budget and the Conclusion of the 2011 General Assembly Session:

The scheduled adjournment of the 47 day 2012 General Assembly session stretched into a 48th day due to disagreements surrounding revisions to the Commonwealth's two year \$80 billion budget document. The General Assembly approved nearly 1600 bills during the regular session (Governor McDonnell will have 30 days to sign, amend, or veto the bills passed by the legislature. The Governor's amendments and vetoes will be considered by the General Assembly during their one day reconvened session scheduled for April 6).

Governor McDonnell who offered an ambitious legislative package, had some significant success during the legislative session, with the most notable being the approval of his signature transportation package which represents the largest infusion of funds into the state's infrastructure program in more than two decades (approximately \$3 billion). The package will help fund 900 projects statewide (more information on the Governor's package can be found below).

The issue that forced the General Assembly into overtime, the budget, ended up being a document that members in both chambers and on both sides of the aisle supported unanimously, which is the first time in many, many years the budget received universal support from both chambers and both parties. The respective budgets approved by the House and the Senate several weeks ago differed dramatically in terms of operating philosophies. The Senate wanted to dramatically increase spending on core services such as K-12 education and Health and Human Resources in an effort to begin restoring the \$4 billion in cuts that were necessary to close last year's budget shortfall. In contrast, the House was focused on correcting long-term imbalances in areas such as the Virginia Retirement System and the Rainy Day Fund that could adversely impact future budgets. In the end, the House and Senate budget conference committee reconciled the two budgets by, in effect, meeting each other halfway on both the spending priorities and the long-term structural issues. For example, the House and Senate agreed to increase spending on public education by \$75 million for public education (a Senate priority), while replenishing the state's Rainy Day Fund with \$64 million (a House priority). The budget also includes no new fee or tax increases (and in fact, reduces existing fees paid by some Virginia businesses by nearly \$6 million).

Other notable budget items include:

- Provides \$100 million for public colleges and universities to help stabilize tuition costs, increase student financial aid, and increase the number of in-state undergraduate seats
- Places \$30 million into the Behavioral Health Trust Fund to help move intellectually and developmentally disabled Virginians into community care
- Restores \$65 million in cuts for reimbursements for Medicaid health care providers and provide an additional \$47 million to restore waiver slots for those with intellectual and developmental disabilities, and other behavioral health services
- Provides \$22.6 million for sheriffs, \$12.4 million for local police departments, and \$3 million for state troopers
- Provides \$46 million to begin eliminating the accelerated sales tax, which is a budget-balancing trick that forces retailers of a certain size to collect sales tax a month earlier than normal
- Requires state employees to pay 5% of their salary toward their retirement (the requirement is offset by a 5% salary increase.

Transportation Funding:

As referenced above, the House and Senate reconciled the differences between HB 2527 (sponsored by Speaker Bill Howell (R-Stafford) and SB 1446 (patroned by Senator William Wampler (R-Bristol) and Senator Chuck Colgan (D-Prince William County)). The substantive difference between the two bills was the use of general funds to help capitalize the newly created Infrastructure Bank. The House proposed investing \$150 million, while the Senate rejected using any general funds for the Bank. In the end, the House and Senate agreed on using \$33.7 million in surplus general fund dollars for the Infrastructure Bank.

The transportation funding bills, which were overwhelmingly agreed to by both chambers, require at least 20% of the proceeds from the newly created Infrastructure Bank to be used to make grants to localities for transportation projects, with the remaining resources to be used to make loans to private or public entities for transportation projects (both the grants and the loans will be for projects that will be chosen by the Bank). The bills also authorize the issuance of approximately \$1.2 billion in Transportation Grant Anticipation Revenue Notes (GARVEEs). The proceeds from the GARVEE bonds will be used for transportation projects as determined by the Commonwealth Transportation Board. In addition to the use of the GARVEE bonds, the bills also increase the amount of the Virginia Transportation Capital Projects Revenue Bonds to be issued from \$300 million to \$600 million over the next two fiscal years (totaling \$1.2 billion by 2013). These infrastructure bonds were the result of the transportation bill that passed the General Assembly in 2007.

The bills also increases the availability of dollars for the Revenue Sharing Program, which is a dollar for dollar match program, from \$50 million to \$200 million, and increases the per project cap from \$1 million to \$10 million.

It is worth noting that one of Governor McDonnell's signature efforts, the proposal to privatize the Commonwealth's ABC operation was never even considered by the 2011 General Assembly. Senator Mark Obenshaine (R-Harrisonburg) introduced SB 1417, which would have privatize the Commonwealth's retail ABC operation, while maintaining the wholesale component of the system under state control. The bill would have generated a onetime cash payment for transportation of approximately \$200 million (which would have been placed dedicated to the Infrastructure Bank).. The privatization plan lacked support even among House and Senate Re-

publicans. In fact, an identical version of the Senate bill, HB 2456, was introduced by Delegate Bob Brink (D-Arlington County) in an effort to force House Republicans who opposed the privatization plan to vote against the Governor's proposal and in doing so, embarrass Governor McDonnell. Neither of the bills even received a hearing from their respective committees that were charged with considering the measures..

E-Verify:

In what ended up being a drama filled final day for the two bills related to requiring businesses that contract with the state to utilize the E-verify program, Delegate Jackson Miller (R-Manassas) offered amendments on the House floor to Senate Bill 1049 patroned by Senator George Barker (D-Fairfax County). Senator Barker's bill was the compromise E-Verify legislation that VUHCC lobbyists helped to negotiate. The compromise that was negotiated provides that any employer with 50 or more employees for the previous 12 month period must use E-Verify for newly hired employees when entering into a contract with the state that is in excess of \$50,000. The bill would become effective December 1, 2013. Delegate Miller offered amendments that among other things, eliminated the 50 employee threshold, eliminated the delayed effective date of the bill (making it effective this July), and increased the debarment period. The House approved the amendments, making the bill completely unsuitable for VUHCC members. VUHCC lobbyists worked with Senator George Barker and Senator Jeff McWaters (R-Virginia Beach) to ensure that the Senate would reject the amendments and insist on the negotiated version of the E-Verify bill. Delegate Dave Albo (R-Fairfax County), who wanted a tougher E-Verify program, nevertheless worked with members of the House to accept Senator Barker's original version of the bill in order to preserve the negotiated settlement between the legislators and the business community. In the end, SB 1049 and HB 1859, which was patroned by Delegate Rich Anderson (R-Prince William County) and is identical to SB 1049, passed the House and Senate. The work on this issue is far from complete. There is a strong possibility that Governor McDonnell may offer amendments that will be contrary to the interests of VUHCC members and the larger business community. There will be a concerted effort to educate the Governor's policy staff regarding the business community's strong opposition to adding additional burdens on the business community through additional mandates that feature extended use of the E-Verify program.

Taking of Private Property:

VUHCC, along with a variety of other business interests, were successful in efforts to remove damaging amendments to House Joint Resolution 693, sponsored by Delegate Johnny Joannou (D-Portsmouth). HJR 693 seeks to amend the Virginia Constitution by clarifying that no private property shall be damaged or taken except in cases where it is for a public use, without just compensation to its owner. The Senate Privileges and Elections Committee offered amendments to the bill that would have stymied almost any infrastructure project by adding language that would have made it impossible to calculate just compensation. VUHCC and other business groups were able to strip out the offending language on the floor of the Senate. The Resolution subsequently passed both Houses by a comfortable margin. Since this is a resolution that amends the Virginia Constitution, the measure must be passed in two General Assembly sessions that are separated by an intervening election, so this resolution must be passed again by the 2012 General Assembly.

What to Expect in the Coming Months:

In addition to the Reconvened Session of the General Assembly that will consider Governor McDonnell's actions to legislation that was passed during the regular session, the General Assembly will also be holding a special session to address the decennial redistricting process, which will redraw all the House, Senate, and Congressional districts. In addition to the always contentious redistricting process, which will help shape the political map in Virginia for the next decade or more, all 140 members of the General Assembly will be up for re-election this November.

Myles Louria, Director of Government Affairs, Hunton & Williams LLP



Virginia's Politicians Could Use a Little Competition

By Toni-Michelle C. Travis, Fairfax
Friday, February 25, 2011; 8:49 PM

In the next two months, Virginia lawmakers will be responsible for redrawing the lines of political districts across the state. To help in that process, Gov. Robert F. McDonnell created the Independent Bipartisan Advisory Commission on Redistricting. During the group's first meeting, the governor praised it for taking on the challenging work ahead, and he left them with this recommendation: "Considerations that are either inherently political, or a factor such as increasing competitiveness among the districts, I would suggest to you is not an appropriate consideration for your panel."

The first half of this makes perfect sense. A highly politicized redistricting process might generate sensational headlines, but it would do little service to the commonwealth and, besides, would probably run afoul of the Voting Rights Act. The second half of the governor's statement, however, is troubling, given the significance that "competition" has played in our state's and country's development. Competition is good for democracy.

Consider these facts. In the 2007 election, 40 state offices were on the ballot in Virginia. But in 17 of these races, the incumbent was unopposed, and in eight others incumbents had only nominal opposition. That means that there was little or no competition in almost two-thirds of the races. Is it any wonder that only 30 percent of the electorate turned out to vote?

Visit Virginia's House of Delegates or Senate, where you will often hear both Republicans and Democrats speak eloquently about the power of greater competition. When it comes to building new roads, state officials will tell you that competition can save Virginia millions. In an effort to save money on health care, the governor has even encouraged workers to take part in a team weight-loss competition. More to the point, business leaders commonly stress the economic value of a marketplace in which enterprises can compete fairly.

Why, then, should politicians be any different? Perhaps we should turn the question upside down and consider why competition is good for politics.

Our democracy is based on the power of the vote. As a society, we set our compass by the preferences of citizens who are actively engaged in selecting the leaders of our state and nation, and one need only look at voter turnout in last year's Virginia elections to see what a difference contested races make.

In 2010, highly contested congressional races generated voter turnout of greater than 43 percent - the same percentage that came out to pick a new governor, lieutenant governor and attorney general the year before. In contrast, voter turnout fell lowest in the 6th Congressional District, where Rep. Robert Goodlatte had no major-party opposition. In 1998, the last time Virginia held congressional elections without a presidential or U.S. Senate contest to boost turnout, only one-third of Virginia's registered voters cast ballots. That year, only three of the 11 seats featured real competition.

Like it or not, the public doesn't care about one-sided races. Creating districts that ensure incumbent domination leads to greater voter apathy and less-responsive government, while drawing lines to create greater parity between the parties can do the opposite. Competition is not only good for business, commerce and capitalism. It's essential for democracy. And democracy will always be more important than politics as usual.

The writer is editor of the Almanac of Virginia Politics and an associate professor of government and politics at George Mason University.

Governor McDonnell ALERT: While we are unable to confirm at this time, Governor Bob McDonnell's office has advised us that they have reserved time in his calendar to address the HCCA membership at the October or November 2011 Dinner Meeting. We will not know for sure until six weeks before the planned event, so we will keep you informed through the summer if we are fortunate enough to get confirmed on the Governor's calendar.

Bills Related to Reducing Congestion in Northern Virginia Go Down in Defeat

HB 1998, HB 1999, HB 2000 Final Score

Parochialism and partisanship prevailed over prudent public policy. It was that simple.

At the behest and urging of Northern Virginia Senators **Mary Margaret Whipple**, **Richard Saslaw** and **Janet Howell**, **Fairfax County** and other local governments, the Senate Finance Committee summarily dismissed legislation to identify (HB 1998) and invest (HB 1999) future regional transportation dollars in projects that most reduce daily congestion, save lives in the event of a homeland security emergency and provide state taxpayers representation (HB 2000) by one with actual professional public transit expertise on the WMATA Board of Directors.

All three bills passed the House of Delegates by large margins, and with bipartisan support.

Had these bills been considered by committees (Senate Local Government and Transportation) with actual jurisdiction over such matters, it is likely one or more would have passed the Senate and become law.

However, when all three bills, each of which had been deemed to have no fiscal or budgetary impact, were referred to Senate Finance, it was clear their fate had been predetermined on a political, not public policy, basis.

The fact that Northern Virginia has the nation's worst congestion and is at risk to a homeland security emergency mattered not. Nor did the WMATA Board's legendary political mis- and micro-management.

Delegate Jim LeMunyon merits the thanks of Northern Virginia taxpayers and travelers for sponsoring all three bills that deserved a better fate.

Sleep Soundly. Our Most Congested Status Remains Secure. (Pogo was right)

Source: Northern Virginia Transportation Alliance

HCCA Announces Winners of 2011 Safety Awards

The HCCA Safety Committee has evaluated all of the applications that were received for Safety Awards as well as Safe Employee Award and the Robert Woodward Memorial Safety Award, and the results are shown below. The formal presentation to the winner will be at the Membership Dinner Meeting at Evergreen Country Club on Wednesday, March 16, 2011.

Category A—Highway Construction

Fort Myer Construction
S. W. Rodgers Company
Shirley Contracting

Category B—Excavation/Clearing/Grading/Utility Work

Columbia Gas of Virginia
S. W. Rodgers Company
Shirley Contracting

Category C—Paving Operations

Concrete Paving Operations

Atlantic Contracting & Materials Company

Asphalt Paving Operations

Fort Myer Construction
Superior Paving Corporation
Virginia Paving Corporation (Lane Construction)

Category D—Blasting Operations

PRK Drilling and Blasting

Category E—Plant Operations

Americast—Ashland
Americast—Harrisonburg
Fort Myer Construction

Category F—Trucking Operations

Under 26,000

Less than 500,000 Miles

Superior Trucking Corporation
Over 500,000 Miles Less Than 1 Million
Atlantic Contracting and Materials Company

Over 1 Million Miles

S. W. Rodgers Company

Over 26,000:

Less than 500,000 Miles

Columbia Gas of Virginia
Over 500,000 Miles Less Than 1 Million

The Anderson Company

Over 1 Million Miles

Superior Trucking Corporation

Continued on page 7



**HCCA
2011**



SAFETY DAY AND EQUIPMENT RODEO

No Cost to Attendees

**March 25, 2011 11:00AM – 4:00PM
Prince William County Fairgrounds
10624 Dumfries Road, Manassas, VA 20112 (703) 368-0173**

**Seminars and Lunch 11:00AM – 1:00PM
Equipment Rodeo 1:00PM – 4:00PM
(Competition for Trophies and "Bragging Rights")**

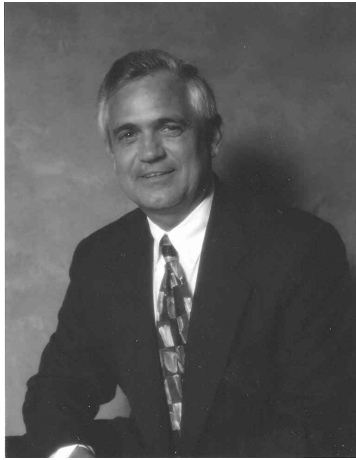
Indoor Displays

Outdoor Displays

Sponsors Encouraged...and Very Welcome

Separate Package Available for Those Interested in Participating

Congratulatory Ad in the Booklet Honoring Ron White



On September 21, 2011 the HCCA will be honoring **Ronald M. (Ron) White** of Superior Paving with the HCCA Lifetime Achievement Award. As has traditionally been the case in the past, we will be publishing a booklet honoring Ron. This will be distributed at the dinner event at Fairfax Country Club.

We will need to send the document to the printer in August, and while that seems to be very far into the future from this point in time, in reality it is far closer than one may think. Therefore, we need to start the process now to ensure that everything goes as planned.

If your company wishes to place an ad in the congratulatory booklet, we need for you to begin thinking about that now. Here are the specifications that you should follow in designing/structuring your printed, black and white spread.

Cost of Advertisement

Full Page \$400

Half Page \$250

Size of Booklet

5 1/2" x 8 1/2"

Size of Ad

Full Page 4 1/2" x 7 1/2"

Half Page 4 1/2" x 3 3/4"

Graphics

Digital advertisements should be in a format suitable for printed publication purposes. The most commonly accepted formats are the .tif, .png, .jpg or .gif. Graphics should be Photoshop friendly. Please do not send us .pdf graphics as these cannot be altered or inserted in an unprocessed fashion. For printing purposes the .tif is the best configuration, and we will convert any other format to .tif before sending to the printer. Please refrain from sending .eps, .bmp, or other Apple-based graphics.

Sending to HCCA

Please send ad graphics via email to ken@hcca.net

Designing Ads

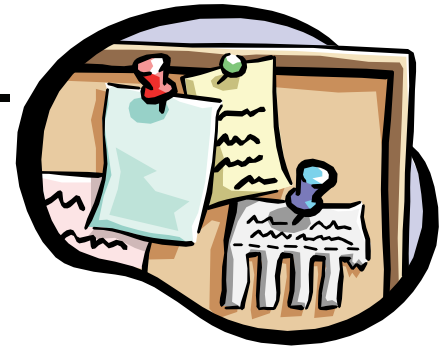
We can assist you in designing your ad in needed.

Colors

The booklet will be printed in black and white. We encourage you to refrain from sending color graphics as they frequently do not render well in monochrome documents. Note: Black and White references also include grayscale.



Association Bulletin Board



Our Newest Members (Literally)



Corinne Ray Sigafoose. Born February 2nd at 7:12pm. 21" long and 7lbs 12oz. Mama and baby are doing good. Corinne Ray is the daughter of Will and Michelle Sigafoose of HCCA member firm Flippo Construction. Our heartiest congratulations to them all.

HCCA has expanded the number and type of Spanish language classes that are being taught. We encourage you to visit the web site www.hcca.net to view the very latest class schedule.



Chairpersons of the HCCA Committees (left to right): **Roy Beckner**, SW Rodgers (Legislative), **Jeff Kauffman**, The Kauffman Group (Municipal Relations), **Ken McIlvoy**, HCCA (Education), **David White**, Superior Paving (Membership), **Sue Knecht**, The Strittmatter Companies (Public Relations), **Lewis Lee**, Luck Stone (Golf), **Sean Knick**, Superior Paving (Safety), **Joe Pierce**, Kasimer & Annino (Human Resources) and **Doug Coleman**, TDS, HCCA President. Not shown is **Matt Murphy**, SEE, Inc, (Co-Chair Safety). This picture was taken at the February 2011 dinner meeting following the chairpersons reports to the membership.

HCCA Business Partners Program

The following organizations have paid to advertise in our newsletters and on our web site. We encourage you to patronize these companies and take advantage of the discounts that they offer to employees of HCCA member firms.

SPECIAL OFFER HCCA MEMBERS

\$3 off
any service
of \$21 or more

Includes shampoo and conditioning rinse. Offer not valid on Value Packages. Long hair charges apply for select services. Cannot be combined with any other coupons, discounts or offers. Not valid on any previous services or toward the purchase of gift cards. Valid only at participating salon(s) with original coupon. Coupon must be surrendered when redeemed. Associates are not eligible. Offer expires 11/24/11.

0073806973

Open 7 days. Just walk in.

hair cuttery.

Over 90 Hair Cuttery Salons in Northern Virginia & West Virginia. Visit haircuttery.com to find a location near you.

Discount Code: 6973

We Move Families



Kloke ^{KG} Group

- Employee-Owned and Operated
- Drug-Free Workplace
- Free, Computerized Estimates
- Local and Long Distance Moving
- Worldwide Moving
- Short and Long Term Storage
- Office Moving
- Records and Equipment Storage

703-361-7136
Toll Free: 800-289-0332

10904 Carolina Drive
Manassas, VA 20108

Major Credit Cards Accepted



Visit our website for a free Household Inventory form and other valuable relocation resources.

www.kloke.com

©2011 Kloke Moving, Inc. All rights reserved.



Agent for United Van Lines

First Safe Supervisor Class Held at Superior Paving

HCCA Announces Winners of 2011 Safety Awards

Continued from page 3

Safe Supervisors



Achieving an injury free as well as accident free workplace takes more than one individual. It truly is a team effort where all individuals must work together to accomplish a goal. Everyone therefore needs to be engaged in the Safety Culture and all must per se buy in. If not then there becomes a break down and the entire effort will eventually fail or diminish over time. Safety leaders among organizations have often discovered that in order to shape the mindset among employees and building that Safety Culture that the First Line Supervisors must first understand their role in shaping those employees that they have direct contact with daily. Safe Supervisor is a 3-day course designed to enhance the supervisors understanding of this picture. The first Safe Supervisor class in the Northeast Region was held February 14-16 at Superior Paving Corp. with all ten attendees being employees of Superior Paving Corp., Superior Trucking Corp. and National Asphalt. Pictured below are those who attended. Seated left to right: Chris Griffith, Matt Murphy with SEE Inc., Rightor Cobb instructor with Louisiana Safety Council, Fred Free. Standing left to right: Burton Crabtree, William Mosley, Mark Painter, David Dye, James Kelly, Matt House, Danny Huff, and Terry Roof.

Sean M. Knick, COSS

Safe Employee

Mike Toles

Equipment Operator
Atlantic Contracting and Materials Company

Safe Supervisor

Jason Peele

Paving Crew Foreman
Superior Paving Corporation

Humanitarian of the Year

Jarod Schoppaul

Laborer
Virginia Paving Company



Robert E. Woodward Memorial Safety Award

Sean Knick—Superior Paving



Calendar of Events (Dates, Locations, & Times Subject To Change)

April

5—Trenching and Excavation
7—Work Zone Basic
9—Defensive Driving (Falls Church)
9, 16—OSHA-10 (Spanish)
12-13—Work Zone Intermediate
14—Work Zone Basic
16—First Aid/CPR
20—Dinner Meeting
23—Work Zone Basic
23—Defensive Driving (Manassas)
28—Confined Space
28—Confined Space (Spanish)
29-30—Work Zone Intermediate (Span)

May

7—Defensive Driving (FChurch)
7—Work Zone Basic
7—Work Zone Basic (Spanish)
13—Ditch Diggers Open
13-14—Work Zone Intermediate
21—Defensive Driving
21—Work Zone Basic
23-25—OSHA-502

June

4—Trenching & Excavation
4—Trench & Excavation (Span)
4—Defensive Driving (FC)
14-15—Rigger I
18—Defensive Driving (MSS)
23—Lift Truck Train the Trainer



8424 Quarry Road Suite 201,
Manassas, Virginia 20110
Telephone: (703) 392-7410
Fax:: (703) 392-7249