



Director's Report

By Matthew A. Szollosi



Szollosi

The year 2018 brings with it another state-wide election. Voters will decide races for U.S. Senate, Governor, Attorney General, Secretary of State, State Auditor, State Treasurer,

two Supreme Court races, ninety-nine House of Representatives and nine Ohio Senate seats.

While I stay away from the "this is the most important election of your lifetime" banter we always hear from candidates and party leaders, the outcome of these races will certainly have an impact on the Building Trades.

ACT Ohio has invested heavily in

establishing strong relationships with many of these elected officials, regardless of political party. Why? Because supporting one party only, as has traditionally been done, is a great way to get steamrolled in the legislature.

In Ohio, for example, every state-wide office is held by a Republican, the Ohio Supreme Court is 7-0 Republican, and both the House (66-33) and Senate (24-9) are supermajorities of Republicans. Had ACT Ohio and many of our affiliates not acted boldly and aggressively in support of many Republicans over the last five years, Ohio would have already lost Prevailing Wage and likely would have become a So-Called "Right to Work" state.

Instead, we have had many friends, Republicans and Democrats, stand up for the construction industry and our members. By forging a strong relationship with the governor, as well as legislative leaders, the Building Trades have benefitted from over \$18 billion

invested in infrastructure and promotion of the trades to private investors.

By building a strong, bi-partisan Building Trades majority in the state legislature, we have been able to defeat the right-wing anti-worker attacks that were successful in Michigan, Indiana, Wisconsin, West Virginia, Kentucky and Missouri.

This year, we will be faced with tough political decisions, and it remains critically important that we invest and support wisely. As you will read inside, House Joint Resolutions 7-12 offer a sobering reminder of what could happen in Ohio. Fortunately, these resolutions are not expected to gain any traction.

As candidates and political parties ramp up the attacks on each other, we must cut through all the nonsense and continue to build for the future.

Please work safe. ■

Columbus Launches "Building Futures" Program

The Columbus/Central Ohio Building Trades, working with Impact Community Action (a local nonprofit workforce development agency) and the Franklin County Commissioners, has launched the Building Futures program. Twenty-five students began strengthening their employability skills in November, with training in interpersonal skills, teamwork, and financial literacy. In February, the students moved on to trade-specific training and math instruction to help determine their interests and skill level for each Building Trade.

"This is an exciting opportunity for both the Building Trades and the community," said Dorsey Hager, Executive Secretary of the Columbus/Central Ohio Building and



Cortez Bogard, representing the Franklin County Commissioners, addresses the first Building Futures class in February.

Construction Trades Council. "Construction in Franklin County is booming, and we need more men and women to enter the Building Trades.

The Building Futures program is helping to eliminate entrance barriers some may have faced in

See FUTURES page 3.

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A Message from the Legal and Research Department

By Rob Dorans



Dorans

As you may have read in the December edition of the *ACT Ohio Quarterly* newsletter, our legal team has been focused on enforcing the Prevailing Wage Law on a project at Terra State Community

College (Terra State).

As previously reported, Terra State set up a non-profit to build on campus housing and retail space for students, and claimed it did not have to pay prevailing wage to those working on the project. The Northwest Ohio Building Trades, UA Local 50, and other locals engaged ACT Ohio to ensure Terra State complied with Ohio's Prevailing Wage Law.

After a series of discussions and negotiations, Terra State finally

acknowledged that the project is subject to the Prevailing Wage Law. While union contractors have been successful bidding on the project after its designation as a prevailing wage project, questions have arisen concerning several non-union contractors that may have failed to comply with the law.

In early January, ACT Ohio acquired payroll records for the early phases of the project. Through initial review, it appears several contractors failed to pay their workers prevailing

wage. ACT Ohio has partnered with the local unions affected to file prevailing wage complaints against those contractors breaking state law. ACT Ohio's Legal Department will continue to aggressively police this project to ensure all contractors comply with Ohio's prevailing wage requirements.

If you are ever on a jobsite and become aware that workers are not being paid the correct wage, please contact ACT Ohio at info@actohio.org or 614-228-5446. ■

Becker and Reidel Continue Attack on Ohio Workers

In yet another attack on Ohio's construction trades workforce, both union and non-union, State Representatives John Becker and Craig Reidel introduced House Joint Resolutions 7 through 12 before the winter holiday break.

One by one, the House Joint Resolutions (HJR) chip away at the rights of Ohio workers, from making Ohio a So-Called "Right to Work" state, to repealing Ohio's Prevailing Wage law. If Becker and Riedel have their way, HJR 7-12 will end up on the 2020 Ohio ballot.

HJRs 7 and 8 are So-Called "Right to Work" resolutions. They prohibit "laws, rules, and agreements that

require employees of public sector employers to join or pay dues to an employee organization and to prohibit employee organizations from representing nonmember public sector employees in employment-related matters." In short, it allows non-union workers to take advantage of all the benefits of being a union member (like collective bargaining agreements) for free.

HJR 9 would forbid public entities from requiring contractors to pay their workers prevailing wage and is, in short, lunacy. There is a preponderance of peer-reviewed research that has studied the effect on the workers and economies of states that repeal their Prevailing Wage Law.

The latest of these findings was just released in February and addresses how Indiana's repeal of its prevailing wage (called common wage in that state), has driven down worker pay by 8% (15% for the lowest paid workers), slows worker productivity by 5.3%, and slows economic growth in the state by 1.5%.

HJR 10 would prohibit the use of Project Labor Agreements by public authorities statewide, and HJR 11 requires public sector unions to recertify their status annually.

Finally, we come full circle with HJR 12, which "prohibits dues and other fees payable to an employee organization from being deducted

from the payroll check of a public employee and to prohibit those dues and fees from being used for political purposes unless authorized by the public employee."

The slew of House Joint Resolutions from State Representatives Craig Reidel and John Becker represent the extreme anti-union viewpoints these particular politicians harbor. For them to openly suggest these measures are meant to help Ohio workers is libelous. They seek to present labor unions and their workers in the worst possible light. ACT Ohio will continue to fight any all anti-labor legislation that rears its head at the Ohio Statehouse. ■

ACT Ohio Executive Board and Staff Testify in Favor of Hannibal Power Plant

The Ohio Environmental Protection Agency (EPA) held a public hearing in October in Hannibal, Ohio to discuss a proposed air permit for a proposed 485-megawatt gas fired power facility. The proposed gas fired power facility is slated for the former Ormet Aluminum smelter site in Monroe County.

The Ohio EPA invited the public to make formal comments at the meeting, which it will consider in its determination of whether to issue the necessary permits for the facility. Over 75 local residents attended the meeting, many of them members of the Building

Trades. All thirteen individuals that provided formal comment to the Ohio EPA were in support of the construction of the gas fired power facility.

ACT Ohio Executive Board Member and Executive Secretary of the Parkersburg/Marietta Building & Construction Trades Council Bill Hutchinson addressed the Ohio EPA staff and those attending the meeting. "This project means jobs for our members and the community," said Hutchinson. "In our jurisdiction, we have hundreds of highly skilled construction workers ready, willing, and able to deliver this project on time and on or

under budget to the project owners."

According to the owners and developers of the project, Hannibal Development LLC and Ohio River Partners Shareholders LLC, the project will cost \$450-\$500 million to construct.

ACT Ohio's Chief Legal Counsel, Rob Dorans, Esq., also provided formal comments at the Ohio EPA hearing in support of the project. "The project's state-of-the-art combined cycle generating technology consisting of high efficiency combustion turbines will minimize its environmental footprint,

while creating 400+ construction jobs from ground breaking through project completion." said Dorans. "We estimate Monroe County's economy will benefit in excess of \$800 million over the course of the first 20 years of operations."

ACT Ohio looks forward to working with Hannibal Development LLC and Ohio River Partners Shareholders LLC to make this project a reality and secure work opportunities for our members on the construction of this facility. An announcement is expected soon regarding the selection of the general contractor for the project. ■

New Data on Prevailing Wage Repeal Shows Shrinking Wages, No Savings on Construction Projects

Recently, Representative Ron Hood (R-Ashville) sent a co-sponsor request seeking support for his upcoming bill to repeal Ohio's prevailing wage law. In his request, he promises significant savings if his bill was to pass.

However, new research from the Midwest Economic Policy Institute ("MEPI") found that Indiana's 2015 repeal of prevailing wage law (known as the Common Construction Wage) has failed to produce any taxpayer savings on school construction projects and has had a negative effect on wages, job growth, productivity, and other economic and industry indicators.

Prevailing wage rates are market-based construction rates that apply to taxpayer-funded projects on a county by county basis in Ohio. Ohio's prevailing wage statute is absolutely essential to the state's continuing workforce development success in the construction industry.

Researchers analyzed publicly available datasets from the U.S. Departments of Labor and Commerce and the U.S. Census Bureau to compare Indiana's post-repeal economic and industry outcomes with three neighboring Midwestern states – including Ohio – that have not repealed prevailing wage laws.

Overall, the study highlights ten specific impacts of repealing Indiana's prevailing wage law.

1. Wages: 8.5% drop in wages for blue-collar construction workers.
2. Income Inequality: 15.1% drop in wages for the lowest-paid construction workers.
3. Skills: 4.5% increase in construction workers without a high school diploma or equivalent.
4. Veterans: 1.2% drop in employment of military veterans in the construction sector.
5. Productivity: 5.3% slower than

neighboring Midwestern states with prevailing wage laws.

6. Turnover: 1.2% more worker turnover in Indiana's heavy and highway construction sector.
7. Job Growth: 1.5% slower job growth in public works than neighboring Midwest states.
8. Bid Competition: No significant effect.
9. Union Share: No significant effect on union share of the public construction market.
10. Costs: No statistical impact on the average cost per public school project in northern Indiana.

ACT Ohio Executive Director Matt Szollosi is unsurprised by the research results. "The new numbers out of Indiana support the findings of the 2017 study conducted in Ohio by researchers from Bowling Green State University, Kent State University, and Colorado State University," he said.

"Both studies reveal that repeal of prevailing wage would result in lower wages for skilled construction craftsmen and women. The lower wages and loss of healthcare coverage for those middle class workers would force many onto public assistance," said Szollosi. "These two studies should help separate rhetoric from reality on the issue of prevailing wage."

In April, Indiana Assistant GOP House Floor Leader Ed Soliday told an audience at the TDA Economic Forum in Wisconsin that repeal of the state's Common Wage "hasn't saved us a penny."

In addition to lower wages, sluggish job growth and no project savings, prior peer-reviewed studies have also shown a host of additional impacts that come with weakening or repealing prevailing wage laws: including less local hiring, higher poverty, and lower economic output. ■

Montgomery County Commissioners Enhance Bidding Requirements

On January 30, the Montgomery County Board of Commissioners passed a resolution which amended the bid criteria for all Montgomery County Board of County Commissioners' construction projects by enhancing bidding requirements for projects over \$50,000.

The contracting enhancement specifically added language stating that "Bidder may show evidence of participation in apprenticeship and training programs, applicable to the work performed on the project, which are approved by and registered with the United States Department of Labor's Office of Apprenticeship or the State of Ohio Department of Jobs and Family Services State Apprenticeship Council."

The resolution also adds that the "Bidder must certify that it offers a health care medical plan and retirement program other than Social Security to its employees."

"With the passing of this Resolution

the County leaders have shown that they truly have the taxpayers' best interest in mind," said John Hayes, Executive Director of the Dayton Building Trades. "They will certainly get the highest quality of work with trained workers at the lowest cost."

Both enhancements to the existing bidding requirements speak to the decision by the Sixth Circuit Court on the *ACI v. Cincinnati* case (Case Nos. 16-4248/4249) which argued that the "market participant doctrine" applies to ERISA preemption issues. (See the separate article in the *ACT Ohio Quarterly* on this case.)

Montgomery is the first in what ACT Ohio hopes is a long list of Ohio counties to enhance their bidding requirements with the addition of apprenticeship, health and wellness, and retirement language. ACT Ohio's Legal Counsel plans to assist local unions and regional councils with efforts to include this language in bidding requirements. ■

Futures

Continued from page 1.

the past. This directly benefits not only the participants and their families, but the community as a whole."

Four classes of 25 students each are expected to participate over the next year, for which Franklin County has set aside \$750,000. The program, which will provide 100 hours of training over the program's nine weeks, is seeking to be recognized as a registered pre-apprenticeship program through ApprenticeOhio, the state regulating agency for such programs.

In addition to training, participants receive a case manager from the Ohio Department of Jobs and Family Services to help with barriers to employment, including childcare and transportation.

"The Building Futures program demonstrates the power of

partnership and real opportunities for individuals seeking work in the construction trades," said Robert "Bo" Chilton, CEO of IMPACT Community Action. "Our staff and partners are committed to barrier reduction, quality education, and supportive services that increase the likelihood of individual and collective successes for our program participants."

This pilot program highlights the path to the middle class that the Building Trades can provide. Completion of the Building Futures program will lead to a Building Trades apprenticeship, which, in turn, leads to journeyman status, healthcare and pension benefits, and a long career earning good wages.

"Apprentices enjoy a good wage and benefit package which includes health insurance, dental, vision, and a pension. All so that they can take care of their families and retire comfortably at the end of their career," said Hager. ■



Tip of the Hard Hat



IBEW 306 Creates Renew Committee



Last year, IBEW International President Lonnie Stevenson challenged locals to get younger members involved. IBEW 306 responded by forming its Renew Committee, a group made up of members under the age of 35.

Local 306 President Chuck Zittle appointed three dedicated young people to the Renew Committee. Sebrina She-not, Courtney Hays, and Dean Deacon began organizing events right away.

Last fall, the LU 306 Renew Committee organized a tree planting for the Metro Parks in Summit County. The committee recruited volunteers and the response was overwhelming.

The group also instilled a little competition between the Commercial,

Residential, and Tele-Data apprentices in a can food drive before the holidays. Over 1,000 cans were collected and delivered to the Akron Food Bank. Instructor Ro Borjas's First Year Commercial class of (featured below) won the competition, and each member of his class received a tool from Milwaukee Tools as a reward.

"I am very proud of the work these young people have done so far and the energy they have in this challenge to make it work and grow," said Business Manager/Financial Secretary Michael Might. "The Renew Committee has many other projects in the works to help the IBEW, Local 306, and its members as a whole. I am thankful that the membership has bought in and is starting to get behind this group and the direction the Local 306 Renew Group is heading. I cannot wait to see what they do next," said Might. ■



Canned Food Drive winners (from left to right) Rolando Borjas - 1st-year Instructor, Jack Alderman, Dominic Smith, Dylan Alcorn, Gunnar Gabel, Dustin Shaw, Justin Sanders, Curtis Lenze, Glenn Might, Aaron Griffin, Daniel Moses, Steve Bowman and Blake Moore. Not pictured: Drew Sheck.

IBEW 82 Take Part in Dayton MLK Day March



IBEW 82 members (L-R below) Greg Groff, Business Manager Greg Gust, Board member Donald Brown, Kevin Peavy, David Bruce, Bruce Debore, and Organizer Yvonne Mullins participate in Dayton's Martin Luther King Jr. March on January 15. ■



IUPAT-DC6 Generosity Runs Deep



The IUPAT-DC 6 Young Lions group collected over 100 toys for the Toys for Tots drive in December, and donated an additional \$500 directly to the Toys for Tots

organization. Below, George Graley and Nichole McCarthy, both Young Lions Members, show off the donations.

IUPAT-DC6 Young Lions are also holding a fundraiser for Kelly DeCrane, an 18-year member of Local 181 Cleveland Glaziers who was recently diagnosed with breast cancer.

The event will take place at Rookies Bar & Grill (6913 W. 130th St. in Parma Heights) from 6 – 9 pm on March 3. Tickets for the event are \$25 and include dinner and drinks. Please contact Nichole McCarthy at recruiting@iupat-dc6.org to purchase tickets or for more information. ■



LiUNA Achieves Landmark Decision

In January, the Laborers International Union of North America (LiUNA) won a major victory for the construction industry. The U.S. Court of Appeals for the Sixth Circuit ruled in favor of LiUNA, allowing language concerning apprenticeship programs and retirement benefits to remain in the city's responsible bidding ordinance.

"LiUNA will continue to fight for the rights of construction workers" said Ralph Cole, Secretary/Treasurer of the Ohio Laborers' District Council.

"With the renewed focus on apprenticeship programs as an attractive alternative to college, language requiring quality training will have a very positive impact on those considering the construction trades as a career," said Fred Lampe, Executive Secretary of the Greater Cincinnati Building Trades. We are extremely proud of the quality and skill level of our young men and women, and are glad the City and other local entities are recognizing that."

The responsible bidder ordinance

has been the subject of lawsuits and long-running disputes between council's progressive and conservative members since it was enacted in 2013. The Appeals Court ruling affects not only Cincinnati, but all cities, states, counties, and townships in the Sixth Circuit, which includes Ohio, Michigan, Kentucky, and Tennessee.

"The city has a strong proprietary interest in developing a skilled workforce for its many future projects," the court wrote. "... [T]he city is acting as would a private party by

seeking a contractor that meets certain specification, aimed towards the efficient procurement of its own goods and services." said Cincinnati City Council Democrat Chris Seelbach.

"This is a landmark decision for Ohio's construction industry," said ACT Ohio Executive Director Matt Szollosi. "Contractors who cut corners, and cheat their employees and taxpayers will not like this ruling. What a great win for LiUNA, and a tremendous result for the Building Trades." ■