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CONTRACTORS BUILDING SUPPORT

Industry group: Justice infrastructure plan will create needed jobs

FRONT PAGE

By Max Garland
Staff writer

A national contractors group voiced its support for Gov. Jim Justice's proposed infrastructure plan Wednesday, saying it would create jobs in an area seeing one of the sharpest declines in construction jobs nationwide.

"Proposals like the governor's will bring more workers into the economy," said Ken Simonson, chief economist of the Associated General Contractors of America, in an announcement at the state Capitol about Charleston's construction job losses. "Without increased funding, West Virginia infrastructure will continue to crumble and jobs will disappear."

Under Justice's plan, an estimated \$2.8 billion in bonds would be sold to fund various highway and other infrastructure projects. The bonds would be paid for by raising the Division of Motor Vehicles license fee from \$30 to \$50, raising and extending tolls on the West Virginia Turnpike and raising the excise tax on gasoline by 10 cents per gallon, among other methods.

The Charleston metro area experienced a 16 percent drop in construction jobs between April 2016 and April 2017, the second-sharpest decrease out of 358 metro areas nationwide, according to an analysis by the association released Wednesday.

Simonson said the employment decline is particularly concerning, since Charleston was once one of the fastest-growing construction job markets in the country after the latest recession.

"What makes these job losses even more frustrating is the fact many of them could have been avoided," he said. "Yet, too many construction firms that work on vital infrastructure projects are seeing less work today than just a few years ago."

Charleston's 6,200 people employed in the construction, mining and logging sectors in April is the lowest total for the month in more than 25 years, the analysis said. West Virginia as a whole saw a 2 percent decrease in those sectors, while the Huntington-Ashland metro area saw a 6 percent decrease.

Justice's proposal would "cost less than doing nothing" and provide immediate employment opportunities, Transportation Secretary Tom Smith said at the announcement. Smith cited a February report from the national transportation association TRIP that said [poor road conditions cost West Virginia drivers \\$1.4 billion](#) because of factors ranging from repair costs to lost time from traffic congestion.

"This is frustrating and bad news, very distressing news," Smith said of Charleston's construction job losses. "We cannot afford this cost of doing nothing. We have to make infrastructure investments."

Smith said the lack of infrastructure investment in recent years has created a "perfect storm" for job loss. Increased fuel efficiency in cars has reduced potential gas tax revenue that could have funded various projects, he added.

Charleston's bleak outlook for construction jobs differed from the majority of metro areas, according to the analysis. The group said 217 out of 358 metro areas saw an increase in construction employment, partly due to demand from the private sector.

But the United States as a whole has experienced a decline in public-works spending, dropping 8.5 percent since last year, which could hurt

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THURSDAY

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Gov.: 'Progress is being made'

Latest state budget plan offers lower sales tax hike, slower income tax reductions

By Phil Kahler
Staff writer

Legislative leaders are expected to return to the West Virginia Capitol this morning to resume negotiations on Gov. Jim Justice's latest revenue proposal, a plan with a less-steep increase in the state sales tax and with a slower, three-year phase-in of a reduction in income tax rates favored by Senate Republicans. "Progress is being made," Justice said in a statement Wednesday. "We explored every way possible to incorporate ideas from all sides, and we are now on the doorstep of a great compromise that will help all of our people."

Justice's plan would raise the state sales tax from 6 percent to 6.35 percent — lower than the 7.25 percent proposal advanced by the Senate on May 24 that the House of Delegates returned on an 84-6 vote.

However, the governor's plan broadens repeats of current sales tax exemptions, including exceptions for purchases by building contractors, which Senate President Mitch

RESAs might seek funds

Justice cut \$3.7M, ordered agencies to be disbanded

By Ryan Quinn
Staff writer

Gov. Jim Justice's education bill, which he signed into law last month, cut \$3.7 million from West Virginia's eight Regional Education Service Agencies and ordered their disbandment — at least in part. Although House Bill 2171 cut the agencies' funding, it also said they could continue to exist until school boards of the counties within them either form a cooperative agreement or change them, or until they are dissolved by July 1, 2018, whichever comes first. Now, despite the cut, the agencies might ask Justice and the Legislature to provide them with money next fiscal year, until they either dissolve or are transformed into the new, newly allowed "educational services cooperatives."

House Intel issues 7 subpoenas

Comey cleared to testify again

By Dan Richmann and Jake Pearson
The Associated Press

WASHINGTON — The House Intelligence Committee said Wednesday it is issuing subpoenas for former national security adviser Michael Flynn and President Donald Trump's personal lawyer, Michael Cohen, as well as their businesses, as part of its investigation into alleged Russian activities during last year's election.

The subpoenas to the four subpoenas, the committee has issued three others — to the National Security Agency, the FBI and the CIA — for information about requests that government officials made to "analyze" the identities of U.S. individuals named in classified intelligence reports, according to a congressional aide. The subpoenas were announced as the special counsel

CONTRACTORS BUILDING SUPPORT

Ken Simonson, the chief economist for the Associated General Contractors of America (left), and Tom Smith, secretary of the West Virginia Department of Transportation, discuss how Gov. Jim Justice's proposed infrastructure plan could increase employment in the construction sector on Wednesday.

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employment levels. Sewage and waste disposal investments were particularly affected, dropping by 22 percent.

The group's state chapter, the Contractors Association of West Virginia, is gathering support to get Justice's plan implemented, Simonson said.

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