

For Members Only



A Word from the President

2018 Legislative Session Recap

by Karen Maine
President, MEA Board of Directors

I want to thank Bill Strusinski and Kirsten Christopherson for their hard work this session on behalf of MEA members and the electrical industry as a whole. Below is Bill's summary of the key successes and fails of the 2018 session:

You can now relax dear friends; the 2018 legislative session concluded its business. Put your wallets back on the night stand and break out the BBQ grills. And, you can grill steak instead of just hamburger. Here's why. The legislature did pass a tax bill that will make our Minnesota tax system conform to the new federal tax law. That means, the federal tax cuts recently enacted will not increase your Minnesota tax obligation. This is a big win for business owners and individuals. We all should see a reduction in taxes. BUT the governor vetoed an earlier version of the tax bill and many are concerned he will veto the bill that passed on Sunday night. He has fourteen days to make his decision.

The legislature overwhelmingly passed a **\$1.5B Capital Investment/Bonding bill**. Perhaps the largest ever; it should provide plenty of construction contract opportunities. Unlike other bills, the governor is likely to sign this one!

Overall, this session was quite a ride for MEA members. We attempted to address the temporary worker issue through a bill we termed the **Pathway to Licensure**. We gave it a good fight and worked hard to resolve many of the issues presented by the IBEW, NECA and the DLI. Unfortunately, in the end, there were simply too many objections to get the necessary legislative support this time. On a positive note, I believe MEA educated other contractors and the DLI on the problems presented with the current system of enforcement. This was a big step in the right direction. We made some

administrative progress because we made some noise. Thanks to all of you who contacted your legislators on this and other issues and a big thanks to Jason Seanger for his solid representation of MEA membership at the legislative hearings and in private meetings with legislators.

There were a host of other issues of that affected our industry. Chapter 155 was signed by the governor assuring the continuation of the **Conservation Improvement Program**. It allows contractors to help their residential and small commercial customers to access energy conservation/improvement grants from the state and their local utility. In addition, the **PACE** program that provides loans for clean energy building and home improvements was continued. The Dept of Commerce oversees this important activity.

Attempts were made by the **Solar Industry** to change the supervision ratio for journeyworker/unlicensed electrical workers from 2 to 5. The IBEW and DLI opposed, and it did not pass. Changes to the **retainage statute** dealing with holding back funds on public contracts was fiercely debated but failed to pass. The legislature wanted to defend the ability of local government to make sure contractors fulfilled their contractual obligations. The **Duty to Defend** bill also failed to secure the needed votes to pass the House and Senate. AGC was the major opponent to this Subcontractors Association initiative. But most importantly we have made new friends and allies and will work with them in the future.

There were some **workers comp** modifications that were agreed to by the Minnesota Chamber, labor unions, non-

(President - cont. on pg 2)



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Clara DeRosier
Executive Director

From the Executive Director Building Your Legacy – Powering into 2018

During the Annual Business Meeting, the 2018 annual report was distributed for all attendees, which included a snapshot timeline of 2018 goals and initiatives to move us further along in the strategic plan.

For all who were unable to attend, you can request a copy from me or download it at tiny.cc/k15vty

Here are some of the Big Picture items for the year:

Yearlong Initiatives

- Database/Website Enhancements
- Representation at Career Fairs and Project Build Partnership
- Process Automation
- Expand customized training with “hands-on” classes
- Expand NFPA 70E Safety Training
- Member Visits

Quarter 1

- Career Portal goes Live and Creation of Electrical Demo Board
- Sign OSHA Training Alliance to continue partnership
- Member Ambassador Program Kick Off
- Implement new phone provider (enhanced capabilities & remote access)
- TAG Advisory Board Meetings for Building Code Updates

(President - cont. from pg 1)

union contractors and the MN DLI. These changes were more technical in nature dealing with compensation for judges, revisions to forms and adjustments to the outpatient fee schedule, etc. These changes are still important to preserve the business integrity of the system.

Sadly, bills that would allow workers and contractors to allow more flexibility in the work schedule including working **four 10-hour days** instead of five eights without overtime pay distractions will need to wait for another session. A bill to stop local governments from adopting their own **wage and PTO ordinances** that are different from the current state law also failed. The governor and the unions steadfastly opposed this local government pre-emption bill. Thus, the ordinances on this matter adopted by Minneapolis and St. Paul will remain in place and other municipalities are also free to adopt such changes.

- MEA & ETN Financial Review/ETN of MN DLI Review
- Committee Hearings for Pathway to Licensure Bill
- MN Apprenticeship Summit

Quarter 2

- Conduct 48 hours of CE training at the NCEL Expo
- Annual Business Meeting. Passing of the Gavel to Karen Maine, Karen's Electric
- Building Day & Staff Retreat
- Redesign print marketing pieces
- Strategize Apprenticeship sales (RTI Federal Approval)
- Website audit to increase SEO & marketing of products

Quarter 3

- Avivo Partnership
- Update ETN Course Work for the upcoming school year
- MEA Summer Conference – 90th Birthday Bash
- Basic Electrical Program ready to use
- Record Breaking attendees for our Apprenticeship Program

Quarter 4

- 2019 Budgeting
- MEA Winter Conference
- Strategic Plan Preparation

If you would like more information on any of these items, give me a call – I would love to hear from you!

So, what's next and what do we do as an association going forward? We must all renew our commitment to become engaged in the political process. MEA will continue to take strong positions on issues important to our members like prevailing wage, tax reform, licensure, retainage and the use of temporary workers. We will continue to monitor Workers Comp and Unemployment Comp to prevent unnecessary increases. However, our very talented staff and lobbying team cannot do it alone. You need to do your share. **Many voices speaking in unison will make a difference.** Your contributions to the MEA PAC will ensure we elect legislators and a governor who thinks about business the way we do. The public policy challenges that lie ahead can be overcome through hard work and establishing relationships with new political friends. So, “Give to the PAC early and often!”

Please contact the MEA office for further information on any legislative issue or to share your thoughts on a new legislative matter.

You Need to Know

COMPLIANCE

US DOL Issues Opinion Letters for First Time Since 2009... DOL returned to its longstanding practice of issuing wage and hour guidance—a useful tool for employers to understand how the DOL interprets certain provisions of the Fair Labor Standards Act and can be used as a good faith for a claim. So far in 2018, DOL reissued 17 of 20 Opinion Letters that were issued during the Bush Administration; in addition, DOL issued two new Opinion Letters: www.dol.gov/whd/opinion/guidance.htm. (www.seatonlaw.com)

Court victory in Minneapolis Litigation... The MN Chamber achieved a significant victory in their ongoing lawsuit challenging the paid sick and leave ordinance enacted in July 2016 by the Minneapolis City Council. The city cannot enforce the ordinance on employers located outside city limits, ruled in Hennepin City District Court. The order on May 10 made a previous temporary ruling permanent. The City of Minneapolis has indicated it will appeal. (www.mnchamber.com)

ENERGY

Smart technologies can reduce energy by up to one-sixth... US homes can lower their energy use simply by incorporating smart technologies, according to a new ACEEE report, "Energy Impacts of Smart Home Technologies," which discusses especially HVAC, lighting,

appliances, and plug loads. These smart systems use energy only where and when it is needed, making our homes smart and efficient. (aceee.org)

LABOR & MANAGEMENT

NATIONAL

Construction Unemployment Rates... were down in 37 states in March. The March 2018 not seasonally adjusted national construction unemployment rate was down 1% from 2017. (US BLS)

MINNESOTA

Southeast MN... The recent 4th Qtr data release shows that there were almost 11,000 job openings, a 30% increase compared to last year. **Southwest MN...** 2017 ended with an avg unemployment rate of 3.7%, tied for the lowest rate on record since 2001. Of the 221,500 available workers in the labor force, just 8100 were unemployed. (www.deed.mn.gov)

Local 110 Voted to Reject Contract... based on increase to ratios citing safety concerns. Signatory employers were provided interim agreements on May 14. Membership is preparing for strike.

Miscellaneous

North Dakota... ND explores possibility of licensing Power Limited Technicians. (www.ndseb.com)

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