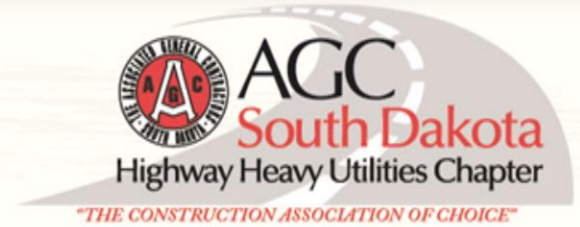


2018 ANNUAL LEGISLATIVE REPORT ON CONSTRUCTION RELATED LEGISLATION



INTRODUCTION

2018 Annual AGC Legislative Report

The 93rd Legislative Session ended on Monday, March 26, 2018. AGC had a busy and successful 2018 Legislative Session. AGC again had a full-time lobbyist at the capitol, who read each bill, and referred bills of interest to the AGC Government Affairs Committee. The Government Affairs Committee discussed each bill via email and weekly phone calls and set AGC's stance. AGC Lobbyist, Deb Mortenson, then executed the committee's instructions on those bills. With this team in action, AGC's interests were well represented during session.

AGC hosted our 2nd Annual "Legislative Day & Dinner" at the Capitol during the 2018 Session, where interested members learned more about the legislative process. Members spent time in legislative committees and were introduced in the House and Senate galleries. During the afternoon, members received updates from several state agencies as well as Governor Dennis Daugaard. The day wrapped up with the annual AGC Legislative Dinner, which was well-attended by members, legislators and constitutional officers. Plans are underway for the 2019 AGC Legislative Day & Dinner!

AGC U. S. House Candidate Forum

As part of our 2018 Legislative Day, AGC hosted U. S. House Candidates Shantel Krebs and Dusty Johnson for a candidate forum. More than 50 AGC members had the opportunity to personally meet each candidate and hear their thoughts on issues important to the construction industry.



AGC Gubernatorial Candidate Forum

AGC members had the opportunity to raise funds for CONPAC and learn more about candidates for the Governor's office in March. More than 80 members gathered for an evening with candidates Marty Jackley and Kristi Noem at Arrowwood Cedar Shores Resort in Oacoma, SD. Candidates shared information

about themselves and answered several questions about the construction industry and business in South Dakota.

With 534 total bills introduced, the 2018 Legislative Session was a busy one for all involved. AGC was no exception, with **24** bills and resolutions on our tracking list. The following is a discussion of the bills AGC tracked this session.

Restraints on Business

SB 84 - Required full disclosure when settlement with government entity reached. AGC opposed. SB 84 died in House Judiciary Committee.

SB 120 - Established minimum amount of paid sick leave. AGC opposed the bill. SB 96 was sent to 41st Legislative Day in committee.

HB 1153 - Required “reasonable accommodation” for pregnant and breastfeeding women. No definition given and federal law already regulates this topic. AGC opposed, and the bill died in committee.

HB 1224 - Required written permission from all tribes before mining. AGC monitored this bill and it died in House Commerce Committee.

HB 1225 - Would have slowed temporary water permits from days to weeks and may have required public hearings for those permits. DENR and AGC opposed. HB 1225 died in House Agriculture Committee.

HB 1299 - Set forth provisions regarding lawful possession of firearms in businesses. If posted as gun free, business owners would need to provide metal detectors and train staff to detect guns. AGC opposed the bill, and it was withdrawn by its sponsor.

Raids on the Highway Fund (state and local)

SB 158 - Would have taken \$6 million yearly from highway fund and put it into BIG program. AGC opposed the bill as SB 1 should be allowed to work. The BIG program is adequately funded and will continue to grow. SB 158 died in committee.

SB 210 - Sought to transfer \$1 million from the ethanol fuel fund and give to it to the ethanol infrastructure investment fund for blender pump incentives. This would be a \$1

million hit to the highway fund to give money to a program for which there is no demand. AGC opposed the bill and it died in Senate Agriculture Committee.

HB 1132 - Wanted to lower the drinking age to 18 years for service members. Passage would cost the highway fund \$20.4 million. AGC opposed the bill and it died in Senate State Affairs Committee.

HB 1158 - Sought to remove fees for personalized plates, which would cost local highway funds \$5.4 million over next few years. AGC and counties opposed the bill, but it passed out of committee. HB 1158 died on the House Floor.

HB 1210 - Would remove manufacturer rebates and discounts from “consideration” on car purchase, which would take a \$7.4 million bite out of excise tax revenue that reverts to the highway fund. AGC opposed HB 1210, and the bill died in House Commerce Committee.

Business Bottom Line Proactive Legislation

SB 69 - Will allow certain registration and permit documents to be stored and presented electronically. AGC monitored the bill. It has been signed by the Governor.

HB 1014 - Revised certain provisions regarding the application of the intrastate exemption for certain commercial vehicles from the federal motor carrier regulations. AGC monitored the bill. It has been signed by the Governor.

SB 58 - Revise certain provisions regarding tax increment financing districts. AGC monitored SB 58, which was signed by the Governor.

SB 136 - Allow driver license application and tests in languages other than English. AGC supported SB 136 as a workforce diversity issue. The bill died in committee but AGC and various Chambers of Commerce are working to create a summer study of the issue.

SB 145 - Eliminates a civil cause of action for work comp bad faith claims and caps bad faith damages. AGC supported the bill as it may curb the trend of big court payouts and keep work comp premiums low. SB 145 was defeated in Senate Commerce and Energy Committee.

SB 183 - Sets up funding for Precision Ag Classroom and Lab at SDSU. Uses private contributions, limited state revenue and cuts at SDSU to fund the project. Part of the state funding comes from rework of the Petroleum Compensation Release Fund. The highway fund

benefits from that fund, so AGC monitored to make sure the funding stayed the same or increased. The bill has been signed by the Governor.

HB 1229- Sought to provide for the primary enforcement of the seat belt law and to revise the penalty for a violation of that law. AGC supported the bill but it died in House Judiciary.

HB 1230 - Primary enforcement of texting while driving. AGC supported as it will give members' policies teeth. This bill died in Senate Commerce Committee.

HB 1287 - Wanted to revise provisions for Multiple Employer Trusts. AGC has been interested in them as a possible way to provide group health insurance. The bill was hog housed twice so AGC monitored to see what the final form would be. HB 1287 died on the House Floor.

Politically Proactive

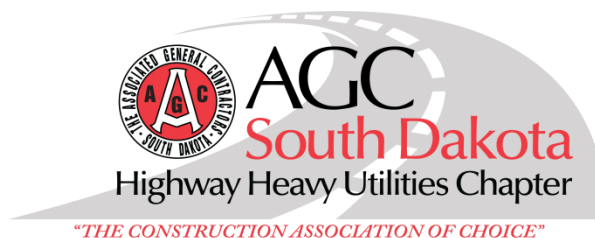
SB 128 - Redefines ballot question committees so they can continue to function. AGC has used the State Chamber's ballot committee for several ballot measures. AGC supported the bill and it has been signed by the Governor.

HB 1241 - Sought to establish a tax on electric and hybrid cars. AGC supported the bill as it is one missing piece for highway funding. While the bill died on the House Floor, its sponsors will rework it and bring it in 2019.

HB 1274 - Increased tobacco tax with some of proceeds to tech schools. AGC and others supported the bill but it died in House State Affairs Committee.

SCR 2 - Endorsing the right to work provisions in the South Dakota Constitution and in the Labor Management Relations Act that prohibit forced union membership. Concurrent resolutions have no force of law but reflect the beliefs of the legislature. Both the House and the Senate adopted the resolution.

For a complete list of the bill tracker – log on to: www.sdagc.org



CONPAC of South Dakota

CONPAC is one of South Dakota's more active, and effective, political action committees. And CONPAC will once again be active in the 2018 election cycle. CONPAC will meet in April to discuss campaign contributions to legislative and gubernatorial candidates and whether to engage in any initiated measures or constitutional amendments.



Remember that when you contribute to CONPAC, you are also a member of CONPAC. When you are a CONPAC member, your voice is heard when decisions need to be made about contributions, bylaws, or policies. Remember that you can either contribute to CONPAC individually or through a corporation. We hope that you enjoy the flexibility in giving and contribute generously to CONPAC on an annual basis.

Are you interested in shaping the legislature and office of the governor to be business and construction industry friendly? Then you need to join CONPAC. Just email becky@sdagc.org.

AGC of America Political Action Committee



The AGC of America Political Action Committee was established in 1977. AGC PAC is the non-partisan, federal political action committee of the Associated General Contractors of America. Its mission is to build a better Congress for AGC members. AGC PAC works to accomplish this through electing candidates for federal office who support the national legislative priorities of AGC. Through its efforts, AGC PAC encourages the political engagement of all AGC contractors to help shape a construction-friendly, federal legislative and regulatory environment.

Your contribution to the AGC PAC will ensure our message to Congress to **Make Transportation Job #1** and invest in our communities, our people and our transportation infrastructure.

For information on contributing to AGC PAC, log onto www.agc.org/PAC or e-mail David Ashinoff at ashinoff@agc.org or 202-547-3350.

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Mark Your Calendars! AGC Summer Fun Events!!



Fishing Tournament
June 21 & 22, 2018
Pierre, SD

East River Golf Tournament
July 17, 2018
Willow Run Golf Course
Sioux Falls, SD



West River Golf Tournament
August 9, 2018
Red Rocks Golf Course
Rapid City, SD