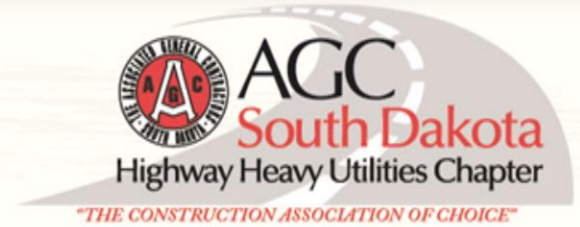


# 2019 ANNUAL LEGISLATIVE REPORT ON CONSTRUCTION RELATED LEGISLATION



## INTRODUCTION

AGC was in the Capitol each day during session and read all bills that were introduced to determine if they were of interest to the construction industry. Those bills were shared with the AGC Government Affairs Committee, which provided input on what stance AGC should take on each bill. AGC then executed that stance on each bill. Also, every Tuesday, members dialed in to a weekly legislative phone call to further discuss bills. With this team in action, AGC's interests were well represented at session.

With 460 total bills introduced, the 2019 Legislative Session was a busy one for all involved. AGC was no exception, with 15 bills on our tracking list.

### Restraints on Business:

**HB 1135** - An Act to provide for the use of certain confidential information by the director of the LRC. Would have allowed director of LRC to request an individual's sales tax returns, audit results, etc. with no limit on use. AGC opposed this bill to keep member's information confidential. HB 1135 failed in House State Affairs.

**HB 1173** - An Act to permit possession of firearms by certain employers. Passage would override any gun policies employers have for their buildings, parking lots, job sites, etc. Employers could be liable for any gun-related incidents on their property. AGC opposed this bill and it died on the House Floor.

**HB 1239** - An Act to revise certain provisions regarding temporary permits for the use of public water. The bill was introduced by groups wanting to defend their local water from exploratory gold mining and pipeline construction. The unintended consequences of this bill are that contractors are affected and passage would lengthen the water permit process. AGC opposed the bill and it was defeated in House Agriculture.

**HB 1240** - This bill was very similar to HB 1239 above. AGC opposed the bill and it died in House Agriculture.

**HB 1265** - An Act to revise certain provisions regarding the disclosure of tax returns. The bill was another attempt to get ahold of confidential information with no brakes on how it would be used. AGC opposed the bill and it died in House State Affairs.

## **Raids on the Highway Fund (state and local):**

**SB 110** - An Act to revise provisions regarding adjustments to the motor fuel tax fund balance. Would rework the dispersion of motor fuel tax funds to give counties \$700,000 more, thereby shorting the state highway fund by that amount. AGC opposed this bill and it was defeated in Senate Transportation.

**HB 1118** - An Act to revise provisions regarding motor vehicle excise tax on the purchase price of motor vehicles. Removes the motor vehicle excise tax from the "total consideration" of the purchase price of vehicle purchase, shorting highway fund anywhere from \$3.1 million to \$7.3 million, depending on total vehicle sales and number of rebates in given year. AGC opposed this bill and it died in Senate Tax.

**HB 1119** - An Act to make an appropriation to the aeronautics commission. This bill attempts to put back \$3 million swept from the aeronautics construction fund to balance the state budget in 2010. AGC supported the bill but it was defeated in House Appropriations.

**HB 1142** - An Act to revise certain provisions regarding motor vehicle license plates. The bill sought to remove the requirement that license plates be replaced every five years, resulting in a loss of revenue to local bridge funds. AGC opposed the bill and it was tabled in House Transportation.

## **Business Bottom Line Proactive Legislation:**

**SB 37** - An Act to revise certain provisions regarding association health plans. Passage would ease restrictions on self-funded and group-health plans, allowing groups to form across state lines. This bill was supported by AGC and signed by Governor Noem.

**SB 103** - An Act to provide for the annual transfer of certain unobligated state funds into the local bridge improvement grant fund. The bill would move about \$25,000 of unobligated general fund cash into the Bridge Improvement Grant fund at the end of each fiscal year. AGC supported this bill. It passed Senate Local Government but was killed on the Senate floor.

**SB 117** - An Act to authorize other languages to be used in the process of issuing certain driver licenses and permits. The bill would allow driver's license prep and written exam materials to be printed in Spanish. AGC supported the bill. The bill passed the Senate but was killed in House State Affairs.

**HB 1034** - An Act to revise certain provisions regarding unemployment insurance contribution rates. HB 1034 would give another 0.05% UI contribution reduction when the UI Trust fund reaches a set stage. AGC supported HB 1034 and it was signed by Governor Noem.

**HB 1082** - An Act to revise certain provisions regarding scrap metal purchases. The bill was introduced on behalf of AGC and would tighten the scrap redemption process to slow down scrap metal/copper wire thefts. The bill has been signed by Governor Noem.

**HB 1088** - An Act to prohibit the use of certain electronic devices while driving. If passed, the bill would provide for a full ban on texting while driving and make it a primary offence. Hands-free communications, GPS and dialing a number are excluded from the ban. AGC supported the bill. HB 1088 passed the Senate but was defeated in House State Affairs.

**HB 1258** - An Act to create the clean air settlement fund. This bill sets parameters on how Volkswagen settlement money apportioned to South Dakota will be spent. A fund will be set up and administered by the Department of Environment and Natural Resources, who will issue grants for emissions retrofitting. What's interesting is that these grants will be available for private businesses. HB 1258 has been signed by the Governor.

*For a complete list of the bill tracker – log on to: [www.sdagc.org](http://www.sdagc.org)*

**Technical Institutes:**

Technical institutes received funding boosts in the 2020 budget that passed on the final day of the 2019 Legislative Session. Here is a synopsis of those increases:

- Increase of \$881,642 in general funds for the Technical Institutes formula due to an increased number of students and inflation of 2.5% on the per student allocation.
- Increase of \$281,428 in general funds for year 2 of a 6-year plan to reach 2% of replacement value for maintenance and repair of state-owned buildings at the Technical Institutes.
- Increase of \$75,750 for 2.5% inflation of the instructor salary enhancement pool.

**AGC Government Affairs is Year Round**

Although the 2019 session adjourned on March 12<sup>th</sup>, that doesn't mean that our Government Affairs efforts stop then. In fact, AGC has been invited to participate in a summer work group put together by the House Transportation Committee. Topics for the work group will include; possible ways to tax electric vehicles and a look into streamlining the process of distributing license plates. As the work group meets over the summer, we will keep you posted on the progress.

AGC also monitors any summer studies selected by the Legislature's Executive Board. When those topics are chosen in a few weeks we will share details of any interest to contractors.

**AGC Legislative Day at the Capitol 2020**

Our 2019 event was cancelled due to inclement weather; however plans are underway for our 2020 AGC Legislative Day! Members will again visit the Capitol, sit in on Legislative Committees, spend time in the Senate & House Galleries and meet with select government officials for updates on programs of interest to AGC. To cap off the day, AGC will host Legislators for our annual AGC Legislative Dinner. Please save the date – January 28, 2020!



**CONPAC of South Dakota**

CONPAC is one of South Dakota's more active, and effective, political action committees. Each election cycle, CONPAC provides campaign contributions to legislative and statewide candidates who support the construction industry. CONPAC will again be active in the 2020 election cycle.

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 [toby@sdagc.org](mailto:toby@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](http://www.agc.org/PAC) or e-mail David Ashinoff at [ashinoff@agc.org](mailto:ashinoff@agc.org) or 202-547-3350.

## SAVE THE DATES ...

# AGC Summer Networking Events!!



### Fishing Tournament

June 14 & 15, 2019

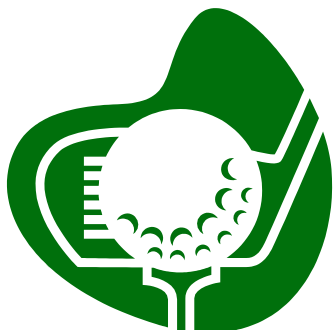
Pierre, SD

### East River Golf Tournament

July 16, 2019

Willow Run Golf Course

Sioux Falls, SD



### West River Golf Tournament

August 8, 2019

Red Rocks Golf Course

Rapid City, SD