

2018 Legislative Session Summary

The 2018 Legislative Session ended at midnight on Saturday Night.

A total of 1778 Bills were introduced during the 2018 Session. Of those, 260 Bills were successfully passed by the Legislature and sent to the Governor. Many of those Bills are now pending in the Governor's Office, awaiting his signature or veto.

For the first time in decades, the West Virginia Legislature passed a budget bill in time to avoid an extended session. While passing a balanced budget by the end of the regular legislative session is required under the state Constitution, it ordinarily takes a few days after the end of the session to iron out differences between the House and Senate versions of the spending plan.

The biggest issue faced during the 2018 Legislative Session was the teacher strike. The 2018 Session will long be remembered for the 13-day strike by West Virginia's public school teachers and school service personnel. Teachers demanded that the Legislature grant pay raises, as well as provide a dedicated funding source to the Public Employees Insurance Agency (PEIA). After several days of negotiations and the movement of various legislative Bills, the Legislature ultimately gave all state public employees (including teachers, service personnel, and state troopers) a five percent (5%) pay raise in fiscal year 2019. Governor Justice also "froze" current PEIA rates and premiums for the next 16 months, and created a PEIA Task Force to study the issues and problems facing the health insurance plan for state workers.

General issue/business bill passed:

The Legislature approved the creation of single-member districts in the WV House of Delegates (HB 4002). These new district boundaries will be crafted following the 2020 census and will take effect for the 2022 elections. Single-member districts will eliminate the current system of multi-member House districts. West Virginia is one of only two states which has multi-member districts containing more than 3 delegates per district.

Legislation which will interfere with a business' right to prohibit weapons on its parking lot passed the Legislature and is now pending action by Governor Justice. HB 4187 will prohibit employers or businesses from banning weapons and firearms from parking lots if such weapons are kept locked inside the vehicle. Unlike similar laws enacted in other states, HB 4187 does not contain any exceptions for those employers or businesses that work with hazardous chemicals, refineries, or explosives. The Bill also lacks any exception for churches or religious groups which might object to such weapons on their church property. HB 4187 is currently awaiting action by Governor Justice, who can either sign the Bill into law, veto it, or allow it to become law without his signature.

Employers will soon see relief in their workers' comp premiums with the passage of HB 4628. This Bill will terminate the nine percent (9%) surcharge on workers comp insurance premiums which are directed towards the Workers Compensation Old Fund Debt, which was created back in 2005 when the state's workers comp system was privatized. Now that the Old Fund debt is actuarily funded to pay all future claims, HB 4628 provides that this surcharge will be eliminated at year end (December 31, 2018).

Two Bills were passed which will enact significant venue reform for lawsuits filed in West Virginia. HB 4013 will prohibit out-of-state plaintiffs from filing lawsuits here in West Virginia unless the lawsuit cannot be filed anywhere else. HB 2028 will eliminate the current requirement that all lawsuits against the State of West Virginia or its state

agencies must be filed in Kanawha County Circuit Court, and will instead allow such lawsuits to be filed locally in the county where the claim arose. The US Chamber's Institute for Legal Reform (ILR) has long advocated for these needed venue reforms to help improve West Virginia's judicial climate.

The Legislature passed SB 290, which addresses storm water discharges and will allow for the "netting" of water quality standards. Also, the Legislature passed a variety of DEP administrative rules relating to air and water quality (SB 163), which were the product of the legislative rule-making process over the past year.

Tort Reform legislation that did not pass:

Legislation to authorize the creation of a new Intermediate Appellate Court system in West Virginia died when the House of Delegates failed to consider the Bill after it was passed by the Senate. SB 341 would have created a new intermediate appellate court, consisting of six (6) judges and with the state divided into two districts (North and South). Various fiscal notes put the cost of the new court system somewhere between \$3 to \$12 million dollars annually. The additional cost of the new court system ultimately led to is defeat.

Legislation that did not pass that affected IIAWV Members:

HB 4222—Requiring the owners of motorboats to carry liability insurance, (Did Not Pass—study resolution adopted)

The West Virginia House of Delegates Banking and Insurance Committee heard and discussed the IIAWV endorsed bill regarding boat liability insurance—HB 4222 on Thursday 2/15/18.

The chairman and counsel moved a committee substitute version of the bill that made the following specific changes. The committee substitute required liability insurance on all public waterways regulated by the state of West Virginia for all watercraft and boats with motors of 50+ horsepower for a total of a \$50,000 minimum aggregate coverage amount.

The West Virginia Insurance Federation opposed the bill on philosophical grounds as they are against insurance mandates and minimum coverage amounts.

The West Virginia Insurance Commissioner and West Virginia Department of Natural Resources expressed compliance and enforcement concerns regarding boats/watercraft registered in other states.

Ultimately the committee moved and voted to put the issue into a study resolution to be worked on and explored further throughout the summer and fall. This keeps the issue alive and provides an opportunity to work out these issues with the interested parties throughout 2018 and into the 2019 legislative session.

<u>SB 458</u>—Prohibiting political subdivisions from enacting regulations or legal requirements relating to employeremployee relationship

This bill would do exactly as the title suggests. It would prohibit towns/cities or counties from setting minimum wages, guaranteed benefits, side step the state right to work law, prohibiting the sales of certain items, etc. The bill passed the Senate 22-12 but failed to move out of the House Judiciary Committee.

We supported this bill as it would help ensure that the State of West Virginia alone would dictate these and similar matters, and not we would not have a patchwork of laws around the state making compliance difficult.

<u>HB4367 - Relating to admissibility of certain evidence in a civil action for damages.</u> The purpose of this bill is to allow admission of evidence in a civil action of the use, misuse, or nonuse of safety belt on the issues of negligence, contributory negligence, comparative negligence and failure to mitigate damages.

A special thanks and congratulations to Government Affairs Director Daniel Hall on a very busy, very successful Legislation Session!