



PHCC NEWS

An advertorial section sponsored by the Plumbing-Heating-Cooling Contractors - National Association (www.phccweb.org)

PHCC predicts progress on Capitol Hill in '06

FINDING QUALIFIED WORKERS. Dealing with rising insurance costs. Fighting frivolous lawsuits. Trying to make a profit. Battling unfair utility competition. These are some of the most pressing challenges plumbing and HVACR contractors face every day.

What is on the horizon in Washington, D.C., that could help lessen the load for contractors? Based on its involvement on Capitol Hill, this is what PHCC forecasts for 2006:

Immigration reform

Immigration reform is proving to be the hottest issue in Congress. Reforming our immigration system could allow a reliable flow of workers into the country. PHCC is exploring with its membership a position on the issue, and is hopeful that its members will support a comprehensive approach to immigration that focuses on reform and a guest worker visa structure.

In late December 2005, the House considered immigration legislation aimed at increased enforcement and securing the nation's borders. The legislation does not include a key component of comprehensive reform: a guest worker visa program. The measure puts the burden of enforcement and verification on the business owner, who can face large fines for violations. As of this writing, PHCC is pushing to defeat or amend the bill in ways that add a guest worker program, ease its verification and penalty requirements or accomplish both objectives.

The Senate is expected to consider a more comprehensive immigration reform bill in early 2006. This bill is anticipated to be more favorable toward the business owner, and will likely be supported by PHCC.

Association Health Plans

Many small business owners are struggling to provide health insurance for themselves, their families and their employees. PHCC supports legislation for Association Health Plans that would allow small business owners to band together across state lines to purchase health insurance as a group.

Although there was movement on Association Health Plans in Congress in early 2005, other issues, such as the Iraq War, took precedence near the end of the year. But there was some progress, including passage of an AHP bill in the House, and the announcement of compromise legislation from Sen. Mike Enzi, R-Wyo., chairman of the Senate Committee on Health, Education,

of providing incentives to those in the Gulf Coast region to assist in the recovery effort.

Tort reform

With the increasing number of mold and construction defect claims occurring in the construction industry, subcontractors are becoming more and more involved in unnecessary lawsuits. PHCC is fighting this by lobbying for tort reform in the construction industry.

Recently, there has been progress on Capitol Hill. The House passed HR 420, the Lawsuit Abuse Reduction Act, by a vote of 228-184. The legislation would impose sanctions on attorneys who file frivolous lawsuits. It also would prevent attorneys from filing litigation in plaintiff-friendly parts of the country, a practice known as "forum shopping." The legislation now heads to the Senate, where it faces an uncertain future.

Unfair utility competition

Unfair competition from utilities continues to concern plumbing and HVACR contractors. In 2005, PHCC led a coalition of construction-contractor related associations in an effort to amend the comprehensive energy bill to prevent utilities from competing unfairly in the businesses of PHCC members. PHCC has long maintained that utilities should not be able to use their monopoly assets such as mailing lists

and create subsidiaries that would compete against its members.

Due to lack of support for the amendment sponsored by

PHCC allies Sens. Sam Brownback, R-Kan., and Russ Feingold, D-Wis., the amendment was pulled from consideration. In exchange for this removal, the Senate Energy Committee agreed to hold a hearing on the unfair utility issue, along with a commitment for a study from the General Accounting Office on the topic.

To bolster its handling of the utility competition issue, PHCC assisted in conducting a hearing in the House Small Business Committee, where the issue of unfair utility practices was discussed. The association plans to coordinate aggressive efforts like this in 2006, as well.

Election year forecast

Along with increasing funds for its Political Action Committee, PHCC plans for a busy legislative session in 2006. Typically, election years are dominated by legislation early in the session, so the first couple months will prove to be very active. PHCC's annual legislative conference is March 16th, which also marks the 10th anniversary of the conference.

For more information about PHCC's legislative activities, and to contact Congress directly through PHCC's Legislative Action Center, go to www.phccweb.org/governmentalrelations/index.cfm, or call 800/533-7694.



PHCC is fighting for tort reform in the construction industry.

Labor and Pensions.

A Senate committee consideration of the legislation was anticipated in November 2005, but it was delayed until January. In the meantime, Sen. Enzi is continuing to meet with key stakeholders, including the insurance lobby, AHP supporters and others to move the legislation along. Positive movement is expected in 2006.

Death tax

PHCC supports permanent repeal of the estate, or "death," tax. The estate tax for individuals will gradually phase out until 2010 when it is repealed completely. However, under current law, in 2011 the estate tax reverts back to its pre-estate tax repeal level, or 55% of estate value. The U.S. House of Representatives has approved legislation that would permanently repeal the tax, but the Senate is continuing to debate the issue.

PHCC is supporting bipartisan legislation in the House and Senate for permanent repeal of the death tax. In the aftermath of Hurricanes Katrina and Wilma, Senate leadership postponed estate tax votes in favor

PHCC's top legislative issues

Association Health Plans

Tort Reform

Unfair Utility Competition

Permanent Repeal of the Estate Tax

Immigration Reform