



**A New Era for Manufacturing in West Virginia – Measuring Our Progress**

By Karen Price, President, WV Manufacturers Association

For those in WV who have been involved in economic development for some period of time over the past few decades, we have struggled to make progress. Efforts to retain and attract businesses that create wealth for the state, in particular manufacturers, have been lackluster. We have seen manufacturing jobs decrease by the thousands and our ability to attract new investment to modernize existing facilities an uphill battle, more often than not lost to other locations throughout the country and around the world.

And try as we may over these decades, our efforts to make significant changes to West Virginia public policy and laws have for the most part fallen by the wayside. **But perhaps we are embarking on a new era, one of change, that could set the stage for needed transformations that will attract new investments.**

Although we have put in place tax credits and low interest loans for expansions and new locations that companies can use, these measures do not adequately address the basic "building blocks" of economic development. These "building blocks" are issues such as tort reform and workers' compensation reform, which businesses identify as affecting their decisions on whether they can operate successfully in West Virginia.

During the 2005 legislative sessions, some progress was made on these fundamental "building blocks." Governor Manchin embarked on the sessions with an agenda that included workers compensation reform and some aspects of tort reform. During the first special session this year, the governor and the legislature passed significant reforms to our workers compensation program, paving the way for the system to privatize by 2009. **This was a monumental beginning in efforts to redirect West Virginia's ship of state.**

The regular session of the Legislature convened and bills addressing both insurance reform and tort reform were introduced and passed. This legislation addressed the availability and affordability of insurance, bad faith lawsuits, rate approval and frivolous lawsuits. Legislation also passed that made some adjustments to how our courts may deal with "deliberate intent" cases, setting a standard so that employers must have actual knowledge of the existence of an unsafe working condition and the injury (or death) must be compensable under workers' compensation standards. Enacting these types of reforms are the first step in putting West Virginia back on the

list of locations that will be considered by companies looking for new investment or re-investment.

**But more remains to be done before West Virginia can move to the top of those lists.** We need to have comprehensive tort reform. That includes reform to our asbestos and silicosis laws, joint and several liability at 100%, collateral source reform, and non-economic damages just to name a few.

Currently in West Virginia, people with serious asbestos and silicosis related illnesses must get in line with thousands of plaintiffs who are not sick and may never be. With limited financial resources available to help those who are truly ill from asbestos and silicosis, payouts to thousands of non-sick plaintiffs rob many sick victims and their families of the compensation they desperately need. West Virginia should consider legislation that would speed the resolution of claims brought by people with severe asbestos and silicosis related illnesses, so that they receive the compensation they deserve. Ohio, Texas, Florida and Georgia have passed this type of legislation and West Virginia should not be far behind.

Adjusting our joint and several liability to require a person or entity to be held liable only for the degree of fault as determined by a jury would put us in line with other states. A person or company responsible for 1 percent of the damage should be held liable for 1 percent of damages awarded.

By adopting a collateral source law, juries would know of any monies received by the plaintiff from government programs, group disability, etc., so that could be factored into decisions on settlements.

West Virginia needs to follow the lead of many other states and put a limit on the amount of non-economic damages one can receive. We support a uniform standard for awards, taking into consideration whether or not there is severe physical injury.

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**EVENTS**

**West Virginia Environmental Institute – Renewable Energy Conference "A Renewable Future – Exploring Energy Sources for West Virginia" will be held September 14-15, 2005** at the Flatwoods Conference Center. For more information, contact Cindy at (304) 342-6972 or Conni at (304)543-5811 or [connigl@aol.com](mailto:connigl@aol.com).

**2005 West Virginia Economic Development Council Fall Conference** sponsored by the West Virginia Development Office will be held September 18-20, 2005 in Shepherdstown, WV. For more info: [www.wvdo.org](http://www.wvdo.org).

**2005 Wheeling Workshop: Waste Minimization and Energy Efficiency** will be held September 22, 2005 at Wheeling Island Racetrack & Gaming Center, Wheeling, WV. For more information contact Carroll Cather (304) 926-0499 ext. 1317.

**Ohio Technology Showcase sponsored by the U.S. Department of Energy, Energy Industries of Ohio, and the Ohio Department of Development** will be held September 27-29, 2005 at the Sheraton Cleveland City Centre, Cleveland, Ohio. For further information visit [www.ohioshowcase.org](http://www.ohioshowcase.org) or call (800) 608-7141.

**DOE webcast: Combined Heat and Power/Integrated Energy Systems. Noon to 4:00, Sept. 21, 2005, WVU National Research Center for Coal & Energy. Free of charge and open to all!**

**Please contact Kathleen Cullen at (304) 293-2867 x 5426 or [Kathleen.Cullen@mail.wvu.edu](mailto:Kathleen.Cullen@mail.wvu.edu) for further info and registration**

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We need to clarify the situation, as it exists with the state's Wage Payment and Collection Act. This statute provides for liquidated damages for an unpaid employee equal to 30 days of wages, regardless of the amount of the error in the employees paycheck. We need to move to a system that is fair and balanced for the employer as well as the employee.

With the passage of a bill that will privatize workers' compensation in 2009, the state has avoided the inevitable bankruptcy of this fund. But we are now faced with the probable bankruptcy of our Unemployment Compensation fund by 2008 – 2010 if we do not make changes in the system. This will be on our agenda for next year.

Economic development opportunities are looking up with changes made this year, but we find ourselves facing more challenges. If we manage these challenges in a positive, proactive manner we can put in place the "building blocks" of the foundation we have needed to create more opportunity for investment and jobs to make West Virginia a better place for manufacturers.

## Co-Funding Opportunities for IOF–WV Research Teams

Announcement	Due Dates	Funding
U.S. Department of Energy <b>Materials for Energy Efficient Industrial Processing</b> <a href="http://e-center.doe.gov">http://e-center.doe.gov</a>	Now Open (Request for Proposals) October 17, 2005 (Proposals Due)	\$7,600,000
U.S. Department of Energy <b>Laboratory Call for Materials for Energy Efficient Industrial Processing</b> <a href="http://e-center.doe.gov">http://e-center.doe.gov</a>	Now Open (Request for Proposals) October 26, 2005 (Proposals Due)	\$2,000,000
National Science Foundation <b>SBIR/STTR Programs Phase I Solicitation FY2006</b> <a href="http://www.nsf.gov">www.nsf.gov</a>	Now Open (Request for Proposals) December 8, 2005 (Proposals Due)	\$100,000 for Phase I awards \$100,000 to \$750,000 for Phase II awards
U.S. Department of Energy <b>Inventions and Innovations</b> <a href="http://e-center.doe.gov">http://e-center.doe.gov</a>	Now Open (Request for Proposals) October 11, 2005 (Pre-proposals Due) January 31, 2006 (Full proposals Due)	\$2,000,000 in total funding
U.S. Department of Energy <b>Chemicals Industry of the Future</b> <a href="http://e-center.doe.gov">http://e-center.doe.gov</a>	Now Open (Request for Proposals) January 11, 2006 (Proposals Due)	\$10,000,000 in total funding
U.S. Department of Energy <b>Innovative Energy Systems Challenge</b> <a href="http://e-center.doe.gov">http://e-center.doe.gov</a>	September 15, 2005 (Request for Proposals) TBD (Proposals Due)	TBD
U.S. Department of Energy <b>SBIR/STTR</b> <a href="http://e-center.doe.gov">http://e-center.doe.gov</a>	September 21, 2005 (Request for Proposals) TBD (Proposals Due)	\$100,000 for Phase I awards \$100,000 to \$750,000 for Phase II awards

## 9th Annual IOF-WV Symposium

### Innovations for Energy and Resource Efficient Industry

November 8-9, 2005

Charleston Town Centre Marriott, Charleston, WV

Registration and conference information will be out soon.

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