

**January 2016** 

Volume 28

## **Issue 1**

# **Union Contractors Council Session at the IRE "Securing the Future of Union Contracting"**



Union Roofing Contractors,

If you plan to attend the 2016 International Roofing Expo in Orlando, Florida, then make it a point to join the NRCA Union Contractors Council on **Thursday morning, February 18** for an informative program entitled, *Securing the Future of Union Contracting*.

International Roofers Union President Kinsey Robinson will give a brief "State of the Union" remarks, with emphasis on the affiliation agreement with the UA;

Dr. Bill Callahan will provide an overview of the results of the union contractor survey the Council conducted earlier this year; and

Bill McHugh will moderate group discussions of two (2) topics that many survey respondents viewed as especially important:

- 1. Worker recruitment and retention; and
- 2. Improving communication at all levels.

Time permitting, the session will conclude with an "Open Forum" where attendees can share best practices and discuss what the Union and signatory roofing contractors can and should be doing to protect and grow our markets.

To pre-register, visit: <u>http://www.theroofingexpo.com/Attendee/Register</u> and then scroll down the page to "NRCA Events". The cost of this program is just \$20, including a continental breakfast!

Look forward to seeing you in Orlando in February!

NRCA's 129th Annual Convention will be held at the Orange County Convention Center in Orlando, Fla., Feb. 15-19, 2016, in conjunction with Informa's 2016 International Roofing Expo<sup>®</sup> (IRE).

It is the premier event for roofing professionals and industry leaders to learn new strategies, discover innovative solutions and share best practices. The convention and expo offer cutting-edge educational sessions, inspiring messages from keynote speakers, and an exposition featuring the latest roofing innovations and networking events where attendees have the opportunity to build valuable contacts.

# To register

Online registration is open for the 2016 IRE. Registration may be completed by visiting www.theroofingexpo.com.



SOUTHEASTERN MICHIGAN ROOFING CONTRACTORS ASSOCIATION 3560 E. Nine Mile Road, Warren, MI 48091 (586) 759-2140 Fax (586) 759-0528 www.smrca.org



# NRCA's 10 @ 10—January 2016

Congress approved major tax relief and appropriations legislation in December 2015 to close out the first session of the 114th Congress, and the second session convened Jan. 5. There were numerous legislative and regulatory developments of interest to the roofing industry during the past month. If you have questions or need more information regarding any of these issues, please contact NRCA's Washington, D.C., office at (800) 338-5765.

#### **Tax Relief Package**

In December 2015, Congress passed a tax relief package addressing numerous tax provisions that had expired at the end of 2014. Most provisions were extended for two years (retroactively for 2015 and through the end of 2016), but several others that NRCA supports were made permanent. Businesses scored huge wins with the permanent extension of Section 179 expensing limits at the \$500,000 threshold, which now also are indexed for inflation, and several reforms used by passthrough businesses, such as a reduced recognition period for built-in gains. Businesses that take advantage of bonus depreciation will be pleased to see that provision has been extended for five years, through 2019. Additionally, NRCA worked to secure improved language under the residential energy-efficiency tax credit (Section 25C) to ensure all roofing products that are ENERGY STAR®rated qualify for the credit, and the commercial building energy-efficiency tax deduction (Section 179D) now includes updated ASHRAE standards. NRCA was pleased to see Congress work in a bipartisan effort to provide tax relief and greater certainty to employers, and we believe this tax package will serve as a bridge to consideration of comprehensive tax reform that provides further tax relief in 2017.

#### **Investment Tax Credit**

The rooftop solar sector scored a big win in the tax package approved by Congress. NRCA helped lead the charge to extend the renewable energy investment tax credit (ITC), which provides a 30 percent credit for solar and other renewable energy projects. The ITC, originally authorized by Congress in 2006, was scheduled to expire at the end of 2016. NRCA made the extension of the ITC a major focus of our legislative conference in October 2015, and the efforts of our members to lobby their senators and representatives paid off. Congress extended the ITC for five years, through 2021, with a phase-down in the credit amount in the final two years. The bill also includes improved language requested by NRCA and other supporters to allow the credit to be used upon the start of a project's construction rather than when the property is placed in service. The extension of the renewable energy ITC will provide certainty to the rooftop solar industry that will help sustain and create an estimated 140,000 jobs.

#### Affordable Care Act

Congressional Republicans took aim at a number of taxes authorized in the Affordable Care Act (ACA) in the year-end budget package. After years of work to develop bipartisan support, NRCA scored a significant victory when lawmakers included a one-year reprieve of the ACA's health insurance tax (HIT) in 2017. This is an incremental step toward NRCA's goal of full repeal of this tax, which increases premiums for health insurance plans purchased by businesses and individuals in the fully insured market. In addition, the budget deal delays for two years the ACA's 40 percent excise tax on high-cost employer-sponsored health plans (the so-called "Cadillac" tax), which was set to take effect in 2018 and now will take effect in 2020. Many union health plans would be hit the hardest by the Cadillac tax, and Democrats who pushed through the ACA in 2010 led the charge to have this tax delayed. Finally, the budget deal also includes a two-vear suspension of the 2.3 percent tax on medical devices. This ACA tax has been in place since 2013, and the medical device industry has spent millions of dollars lobbying Congress to repeal it. NRCA is pleased to see Congress delay these burdensome taxes that harm the economy, although the ultimate goal remains full repeal.

#### Affordable Care Act: Part Two

Congress also took action to fully repeal major components of the Affordable Care Act (ACA) when it passed a budget reconciliation package Jan. 7. Legislation considered under reconciliation rules must reduce the deficit and can be approved in the Senate with a simple majority (51 votes rather than the 60-vote threshold needed for most other legislation). Democrats originally passed the ACA in 2010 using the reconciliation rules. In December 2015, the House passed a package that repealed the ACA's individual and employer mandates to purchase or provide health insurance, along with a few other provisions, then sent this bill to the Senate. The Senate added repeal of several ACA taxes, including the health insurance tax, Cadillac tax and medical device tax, as well as the expansion of Medicare that some states have put in place. The House approved the Senate reconciliation bill last week, marking the first time Republicans have been able to send a major ACA repeal bill to the president's desk. President Obama immediately vetoed the bill Jan. 8, and although there are insufficient votes to override a veto, this political exercise will help highlight the ACA as an issue in the 2016 elections.

#### Regulatory Reform

The House continued its efforts to tackle the burdensome regulatory environment during the first week of January, and NRCA supported two regulatory reform bills that passed with bipartisan support. The first bill is the Searching for and Cutting Regulations that are Unnecessarily Burdensome (SCRUB) Act (H.R. 1155), which would create a commission to review all existing regulations; recommend to Congress which regulations should be repealed to lower regulatory costs; and institute a "cut-go" policy under which new regulations would have to be offset by repealing older rules. The other bill is the Sunshine for Regulatory Decrees and Settlements Act (H.R. 712), which seeks to end the practice of organizations suing an agency with the goal of obtaining a settlement that changes existing regulations without any public notice or comment period. The bill would ensure that any regulatory changes resulting from consent decrees or other settlements would receive opportunities for public comment and also requires agencies to post monthly notices of proposed rules in plain English. These bills received veto threats from the Obama administration, and it is unclear if the Senate will act on them.

#### **OSHA Silica Regulation**

The Occupational Safety and Health Administration (OSHA) sent its final silica rule to the Office of Information and Regulatory Affairs (OIRA) in December 2015 for final review, the last step in the regulatory process. The rule, originally proposed in September 2013, would reduce the permissible exposure level for silica dust to 50 micrograms per cubic meter-a dramatic reduction from the current standard of 250 micrograms per cubic meter for the construction industry. To meet this lower exposure limit, the regulation is expected to require new engineering controls and other measures to minimize workplace exposure to silica dust. NRCA filed comments opposing the rule and testified at an OSHA hearing in 2014 to outline members' concerns that the regulation would negatively affect worker safety by increasing fall hazards. NRCA also believes OSHA seriously underestimates the significant costs that would be imposed on employers and questions whether compliance with the rule is even technologically feasible. For these and other reasons, NRCA urged OSHA to withdraw the flawed proposal or provide an exemption for roofing contractors because of the unique safety concerns in our industry. NRCA CEO Bill Good and other staff will meet with OIRA officials Jan. 22 to further discuss our concerns with this regulation. OSHA is expected to issue a final silica rule as early as February.

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# NRCA's 10 @ 10—January 2016 Continued

#### H-2B Program

NRCA worked in support of several amendments to the Omnibus Appropriations bill approved by Congress in December 2015 to improve the operation of the H-2B seasonal quest worker program, which is used by NRCA members to fill seasonal job openings when U.S. workers are not available. These amendments will provide relief regulation will severely limit the ability of employers from burdensome regulations and outdated visa restrictions that have made the program more cumbersome for employers to use in a costeffective manner. The amendments also would opposing the rule after it was first proposed in expand the number of visas allowed to be issued annually to keep pace with demand, allowing more employers to participate in the program for 2016. These amendments were included in the final Omnibus Appropriations legislation, and this success will provide positive momentum toward ROOFPAC will host several exciting events at broader immigration reform in the future. NRCA worked in support of these bipartisan amendments with Reps. John Carter (R-Texas) and Henry Cuellar (D-Texas) and wishes to commend these lawmakers for their strong leadership regarding this sponsor Johns Manville, Tuesday, Feb. 16, at legislation.

#### Workforce Development

NRCA met with several congressional offices to discuss policy recommendations regarding legislation being drafted to reauthorize the Perkins Career and Technical Education Act, which has not been updated by Congress since 2006. The Perkins Act governs federal funding and policy with respect to career and technical education (CTE) programs, most of which are operated at the state and local level. A Senate committee requested policy recommendations for improving the Perkins law from interested stakeholders, and NRCA developed recommendations that will make CTE programs more responsive to the roofing industry's workforce development needs. These recommendations include providing for better alignment between CTE programs and business needs through more effective engagement of employers with educators; the promotion of workbased learning in CTE programs; and incentives to encourage the development of industry-recognized credentials in CTE programs. NRCA will continue working with lawmakers in support of improved CTE policies as Congress takes up this legislation.

#### "Persuader" Regulation

In December 2015, the Department of Labor (DOL) sent its so-called "Persuader" regulation to the Office of Information and Regulatory Affairs for final review. This regulation will hinder employers' ability to communicate with their employees during a union-organizing campaign by significantly expanding employer disclosure requirements under

the 1959 Labor-Management Reporting and Disclosure Act. As originally proposed in 2011, the rule would virtually eliminate the "advice exemption" that has been on the books for decades and allows communications between employers and their attorneys and other consultants regarding union-organizing matters to be kept confidential. NRCA is concerned this to use the advice of gualified consultants to help them comply with federal laws during a unionorganizing campaign and thus filed comments 2011. The DOL is expected to move forward with issuing a final regulation as early as March.

#### **ROOFPAC Events at Convention/IRE**

NRCA's 129th Annual Convention and the 2016 International Roofing Expo® (IRE) in Orlando, Fla., next month. The festivities begin with the ROOFPAC golf tournament, with Grand Patron Tranquilo Four Seasons Resort, one of the finest courses in Florida. On Feb. 17 and 18, ROOFPAC hosts it popular Silent Auction, with GAF as Platinum Sponsor, in the ROOFPAC booth (No. 932, next to the main NRCA booth). ROOFPAC also will host its cocktail reception, sponsored by ABC Supply Co. Inc., Feb. 18 from 7 to 10 p.m. at the Red Coconut Club at Universal Studios immediately following the NRCA Awards Ceremony; attendees who arrive by 7:15 p.m. will have the opportunity to go on one or two theme park rides. More information and registration forms for these ROOFPAC IRE events may be found on NRCA's website: www.nrca.net/roofpac-2016.



# Like US on Facebook!

# **Deadline Set for Drone Registration**

The Federal Aviation Administration (FAA) has made it official: drone owners must register between



December 21, 2015 and February 19, 2016. People who previously operated their Unmanned Aircraft System (UAS) must register by February 19, 2016. People who do not register could face civil and criminal penalties.

#### Who must register and which UAS's must be registered:

- Owners must be at least 13 years of age or older.
- UAS weighing more that 0.55 lbs. (250g) and less that 55 lbs. (25 kg). UAS weighing more that 55 lbs. cannot use this registration process and must register using the Aircraft Registry process.

#### How to register:

Owners may register through a web-based system at www.faa.gov/uas/registration

Registration is valid for three years.

## Cost:

Cost is \$5 to register your UAS. If you register before midnight EST, January 20, 2016, your \$5 registration fee will be refunded.

For more information, visit: www.faa.gov/uas/

Southeastern Michigan Roofing Contractors Association

**Michigan Roofing Contractors Association** 

**Detroit Roofers JATC Local 149** 

Roofers Local #149

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# Upcoming Events—Mark your Calendars!!



# Michigan Construction & Design Tradeshow MotorCity Casino, Detroit, MI February 3, 2016 9:00 am—4:30 pm

The United Union of Roofers, Waterproofers and Allied Workers Local 149, SMRCA and the Joint Apprenticeship School will be exhibiting at the show.

Stop by and see us at booth number 206. Online registration is available at: www.cam-online.com



The SMRCA, Roofers Union Local #149 and the JATC Apprenticeship Training Center Safety Committee will be hosting its 4th Annual Safety Day on Friday, February 26, 2016 at the JATC Training Center in Oak Park.

Who should attend?... Workers, Foremen, Key Personnel and Owners. Registration information to will be sent to the contractors soon.



American Safety Products, Inc. will be on hand to demonstrate fire safety and the safety committee will present basic signaling and rigging.

Please note the basic signaling and

rigging portion will not qualify you for certification—it is for informational purposes only.



WORKING TOGETHER TO KEEP YOU SAVE AND INFORMED!



# ROOFERS JOB FAIR



March 12, 2016 9:00 am—3:00 pm

The SMRCA and Roofers Union Local #149 Working Together Program will be hosting a Job Fair on Saturday, March 12, 2016 at the JATC Apprenticeship Training Center in Oak Park.

Attendees will have the opportunity to meet union roofing companies in the Detroit area, hear what the union contractors have to offer and the benefits of becoming a union worker in a relaxed environment, with no pressure.

If you know anyone interested in a roofing career, have them contact Roofers Union Local #149 at 313-961-6093.



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# **Birthday Wishes**

Chuck Rosa Lifetime Member February 16

Jackie Walters LaDuke Roofing & Sheet Metal March 1

Bill Borgiel Lutz Roofing Company, Inc. April 25

Jim Markiewicz GAF Materials Corporation April 29

Jeff Mullins J2 Sales Solutions, LLC April 29

# JATC Training Center Classes

The term for all Detroit Apprentices will be as follows:

Apprentice Two & Single Ply One Monday evenings starting on January 25

Apprentice One & Single Ply Two Tuesday evenings starting on January 26

BUR One & Steep Slope One Wednesday evenings starting on January 27

BUR Two & Steep Slope Two Thursday evenings starting on January 28

All classes begin at 6:30 pm.

Journeyworkers Skill Advancement Training Classes are available at no cost to all Detroit 149 members.

Dues must be current in order to enter the Training Center.

The Training Center also offers: Fall Protection Competent Person Course

If you are interested in any of these classes contact the Training Center at 248-543-3847 or BGregg@DetroitRoofers.org to make arrangements.

# **Deepest Sympathy**

Our deepest sympathy's are extended to family and friends of:

Daniel Crane (brother of Justin & Joe Crane, Crane Roofing, Inc.)

Everett "Ged" Sova (father of Gary Sova, National Roofing & Sheet Metal Co., Inc.)

Curtis Gagnon (son of Rich Gagnon, Schreiber Corporation)

Diane Volz (wife of Matt Volz, Mid Michigan Roofing)



Roofers Union Local #149/RIPF 31st Annual Scholarship Grant Program

In an effort to promote excellence in the roofing industry, Roofers Union Local #149 and the Roofing Industry Promotion Fund are working together to offer scholarship grants to eligible individuals.

The program offers four scholarship grants in the amount of \$1,000.00 each, to those eligible individuals who are attending or planning to enroll at an accepted college or university.

Scholarship Grants are possible through contributions by Roofers Union Local #149, the Roofing Industry Promotion Fund and the participating roofing contractor employer of the recipient's parent or guardian.

Information will be sent to SMRCA/RIPF Contractors in February. If you need information to submit an essay, please contact the SMRCA office.



# Industry Schedule of Events

January 15-17, 2016 SPRI 34th Annual Conference and Business Meeting Tuscon, AZ www.spri.org

January 21-22, 2016 CRCA 33rd Annual Trade Show & Seminars Oakbrook Terrace, IL www.crca.org

February 3, 2016 Michigan Construction & Design Tradeshow Detroit, MI www.cam-online.com/tradeshow.aspx

## February 8-11, 2016

Sprayfoam 2016 Convention and Expo Orlando, FL www.sprayfoam.org/expo

February 17-19, 2016 International Roofing Expo Orlando, FL www.theroofingexpo.com

### March 10-15, 2016

**31st RCI International Convention & Trade Show** Orlando, FL www.rci-online.org

#### March 30-31, 2016

NERCA 90th Annual Convention and Trade Show Mashantucket, CT www.nerca.org

# **2016 Standard Mileage Rate**

Beginning on January 1, 2016, the standard mileage rates for the use of a car (also vans, pickups or panel trucks) will be:

- 54 cents per mile for business driven
- 19 cents per mile for medical or moving purposes
- 14 cents per mile driven in service or charitable organizations

For more information: www.irs.gov

# **OSHA to Increase Fines in 2016**

For the first time in a quarter century, OSHA will increase its fines in 2016 for safety violations. This unwelcome surprise came because of the Bipartisan Budget Act of 2015 (H.R. 1314), signed by President Obama on November 2, 2015. Section 701 of the Bill, entitled the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, allows OSHA to increase its fines based on inflation where it was previously exempt from doing so.

The Federal Civil Penalties Inflation Adjustment Act of 1990 gave most federal agencies the authority to review and adjust their civil penalties once every five years in order to keep pace with inflation. However, OSHA was excluded from this legislation at the time, leaving OSHA fines stagnant for over two decades. Now OSHA will be required to make inflationary increases to its penalties every year, putting the agency in line with other federal agencies like the FDA, EPA, and EEOC.

OSHA will first enact a one-time catch-up assessment that will increase penalties to reflect the changes in inflation from 1990 - 2015, with a cap at 150%. Current estimates using October 1990 to September 2015 CPI data (the latest data available) allow for a nearly 80% increase in OSHA fines for 2016.

This means that OSHA fines for willful or repeat violations could increase from a current maximum of \$70,000 per violation to approximately \$125,000 per violation. Fines for serious and other-than-serious violations could increase from \$7,000 per violation to approximately \$13,000 per violation.

The law allows some leeway for OSHA to avoid inflicting the maximum catch-up penalty, but the general consensus is that employers should expect the worst. According to Assistant Secretary of Labor for OSHA, Dr. David Michaels, "Simply put, OSHA penalties must be increased to provide a real disincentive for employers accepting injuries and worker deaths as a cost of doing business."

The catch-up adjustment will take effect no later than August 1, 2016. Thereafter, employers should expect to see OSHA fine increases by January 15 of every year as the agency makes adjustments based on the annual percentage increase in the CPI.

Is it possible that OSHA will not assess the maximum penalties allowable under the law? Inflation is fluid, which is for sure, so the increases may be worse some years than others. In addition, after the catch-up year, they certainly will not be as dramatic from year-to-year. Nevertheless, given OSHA's stated goal to place even more pressure on employers to keep workplaces safe, we would not expect the agency to lower fines at any time or to shy away from maxing them out.

What is the bottom line for employers? This potentially huge increase in the cost of OSHA fines makes it even more important to shore up your safety programs and continue to stress a culture of safety throughout your organization. The safety of your employees should be organic to your company's value system and should infiltrate every area of operations.



When competition is increasing, margins are shrinking, and outside pressures are mounting, protecting your employees from safety hazards should be paramount. As you get better at protecting your family of employees from workplace hazards, you can keep both the human and financial costs at bay. The pain of losing an employee due to a work-related illness or injury is far worse than any financial pain you might experience, but the two go hand-in-hand. Now would be a great time to review your safety programs and even perform a safety compliance audit to make sure you are ready for the new rules.

# What is Snow Load and How Much Snow Can a Roof Support?

Snow load is the weight of snow (generally reported in pounds per square foot). The weights of the snow will vary depending on its water content. Snow load on the ground can provide a rough indication of roof snow load, but roof snow loads also depend upon factors such as melting and re-freezing of snow and ice, drifting, roof slope, type of roof, and design features.

The amount of weight that a roof can safely support is based on local building code requirements and should be available within the design specifications for your building. If the structure or roof has structural deterioration, the roof might support less weight than would otherwise be expected.



For more information on roof snow load calculations and requirements, see American Society of Civil Engineers (ASCE) 7, Minimum Design Loads for Buildings and Other Structures or www.osha.gov.

# SMRCA Spells the Best in Roofing Services

SAFETY	A safe jobsite is assured because SMRCA crews complete the M.U.S.T. Safety Training and Drug Testing.
<b>M</b> ULTIPLE SERVICES	A SMRCA Roofing Contractor has the ability to provide the roof you need because of our expertise in a variety of roofing applications and techniques.
Reliable	SMRCA Contractors are Union trained professionals bringing an Industry leading standard of service, quality and knowledge to every project.
	Projects completed by SMRCA Contractors provide a Michigan roofing contractor 2 year standard workmanship warranty.
ACCOUNTABILITY	SMRCA Contractors are established companies with years of experience in providing responsive service, superior workmanship and exceptional value.

Call us today at 586-759-2140 to receive our free "Roofing Facts" brochure or contact one of the SMRCA Contractors below for a no-cost estimate on your next roofing project.

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