

# THE FIRST WORD

March, 2012

## 2012 Oklahoma Legislative Session In Full Swing

The 2012 Oklahoma Legislature is wrapping up the 4th week of the session, and is heading toward a mid-March deadline for bills to clear their "House of Origin," i.e., House bills out of the House and Senate bills out of the Senate.

Committee work wrapped up this week, so now Senators and Representatives have two weeks of floor work to handle bills which survived in Committee.

Some 2,700 bills (new and carryover from the 2011 session) faced legislators on the first day of the session, and that number has already been cut to just under 1,100 active bills. Of those, there are probably some 350 "budget" bills addressing appropriations for the various state agencies and operations, leaving 800+/- "policy" bills still alive at this time.

ACEC OKLAHOMA is currently actively tracking 15 bills dealing with issues ranging from "unlawful practice" of engineering and updates of the State Engineering Licensing laws, to the development of a state "infrastructure bank" and transportation funding initiatives.

While we are closely watching these bills and keeping tabs on other broad issues, there have not been any bills or action, to date, which has any adverse impact on engineering businesses or the general practice of engineering. Frankly, it's been a very quiet session.....so far!

While we're not complaining, things could change quickly, so we remain ever vigilant.

As the session progresses, one major issue which we will watch closely is Governor Fallin's proposal to lower, and eventually eliminate, the state's personal income tax. Coupled with the income tax issue is the elimination of a variety of "tax credits," elimination of certain state sales tax "exemptions," and a variety of other revenue-based issues which might be used to offset the elimination of the personal income tax.

For example, a bill has been introduced which, if enacted, would require sales tax be collected and remitted on membership "dues" paid to professional, civic, fraternal and other organizations. Depending on the outcome, this could mean that ACEC OKLAHOMA might.....and we stress, **MIGHT**.....have to collect sales tax on your firm's annual dues.

As the income tax issue heats up, there are going to be a lot of issues which will have to be addressed for the state to stay "revenue neutral" as the personal income tax is lowered. Some of these issues may fall on the back of the business community, and ACEC OKLAHOMA will be working to assure that the engineering business community is not unfairly burdened.

If you have any questions regarding anything going on at the Capitol, please don't hesitate to contact ACEC OKLAHOMA.

## Transportation Day at the Capitol Tuesday, March 6th

The annual TRUST Transportation Day at the Capitol will be held on Tuesday, March 6th on the 2nd Floor of the Oklahoma State Capitol. ACEC OKLAHOMA members are strongly encouraged to attend.

Registration will begin at 11:30am and lunch will be served at 12:00pm. A Legislative Briefing will be held at 1:00pm in the Governor's Conference Room on the 2nd Floor of the Capitol. Following that, you are encouraged to visit with your individual Representative and Senator regarding the issues facing the Transportation industry.

For more information and to register, visit the TRUST website at: [www.restoretrust.org](http://www.restoretrust.org)

## ACEC OKLAHOMA Board & General Membership Meeting Set for March 29th

The next ACEC OKLAHOMA Board and General Membership Meeting will be held Thursday, March 29th at the Doubletree Hotel Downtown in Tulsa.

The General Membership Meeting will begin at 5:00pm with dinner at 5:45pm, and will be preceded by the Board of Directors meeting at 2:00pm.

Scott Perkins, ACEC Vice Chairman, from Albuquerque, NM will be our guest speaker. Scott is serving his second year on the ACEC Executive Committee, and is the ExCom liaison officer for Oklahoma.

Scott will update ACEC OKLAHOMA members on the recent activities of ACEC including providing the latest update on Congressional action on a new, multi-year Highway Funding program, as well as an overview of other ACEC initiatives in the government and regulatory affairs area.

In addition to Perkins' program, ACEC OKLAHOMA will be presenting \$500 scholarships to two high school seniors in the Tulsa Technology Center's "Pre-Engineering" program.

Registration information will be sent soon. So, mark your calendar for March 29th in Tulsa. See you then!!!!

### Welcome New Member

ACEC OKLAHOMA is pleased to welcome our newest member firm.....TEEMCO, LLC of Edmond..

The 33-person firm provides Environmental Engineering for the energy and farm industries.

Michael Dixon is the key contact for the firm

We welcome TEEMCO, LLC to ACEC OKLAHOMA and ACEC, and look forward to having them as active members of the Council.

### SBA Reduces Proposed Small Business Size Standard to \$14 Million

Effective March 12th, the SBA will set its new Small Business Size Standard for engineering services at \$14 million, based on a rolling three-year average of gross annual revenues.

The SBA originally proposed increasing the Small Business Size Standard for engineering firms from \$4.5 million to \$19 million. ACEC raised numerous concerns over the \$19 million level. In response to ACEC's input, the SBA reduced the final standard to \$14 million.

To view a copy of the final rule, visit [http://www.acec.org/advocacy/committees/pdf/sba\\_size\\_finalrule.pdf](http://www.acec.org/advocacy/committees/pdf/sba_size_finalrule.pdf)



## ACEC Annual Convention, April 15-18, Washington, DC

ACEC's Annual Convention and "Consulting Congress Day" activities will be held Sunday, April 15th through Wednesday, April 18th, at the Grand Hyatt in downtown Washington, DC.

Featured speakers at the General Sessions will include former Mississippi Governor Haley Barbour, former Pennsylvania Governor Ed Rendell, and Lee McIntire, CEO of CH2M Hill. There will also be a CEO Roundtable featuring Steven Blake, ARCADIS; Andrew Buckley, Cardno; and George Little, HDR, along with a variety of other educational programs.

Additionally, the "Consulting Congress Day" activities is your opportunity to go to the Hill and meet with the Oklahoma

delegation. ACEC OKLAHOMA will be coordinating the Hill visits in which we will take our issues directly our Oklahoma Congressmen and Senators.

NEW THIS YEAR -- ACEC is offering a "FIRST TIME ATTENDEE" discounted rate of only **\$850.00** for full registration. But the rate is only available until March 7th. If you've thought about attending, but never have, this is an opportunity almost too good to pass up.

This is always an interesting & exciting meeting, and we urge all ACEC OKLAHOMA members to attend. For more information and to register, visit the ACEC website, [www.acec.org](http://www.acec.org).

# PRESIDENT'S MONTHLY UPDATE

David Raymond, ACEC President & CEO

March 1, 2012

Highlighting this month's summary of ACEC activities: enactment of the long-term aviation bill that now endorses QBS for PFC projects; and a unique outsourcing requirement in the House Transportation bill, as reported out of Committee, to ensure that engineering work is contracted out "to the maximum extent practicable." Both provisions were ACEC priorities – as QBS and contracting out remain at the core of the Council's agenda and the lobbying effort of our upcoming Annual Convention in Washington, D.C. in April. Registrations are strong, and I urge you to take advantage of early registration and room block discounts which expire March 7.

Dave

## Government Affairs

\* Secured enactment of four-year, \$64 billion aviation reauthorization bill (P.L. 112-95) that sustains funding for the Airport Improvement Program and endorses the use of QBS on airport projects funded solely with Passenger Facility Charges.

\* ACEC witness testified before House hearing on a broad array of financial mechanisms needed to assist states and localities to pay for water projects.

\* Successfully defended provision in the five-year, \$260 billion House transportation bill (H.R. 7) requiring states to contract out for engineering services to the maximum extent practicable and report on compliance.

\* ACEC International Committee members lobbied House and Senate committees on the importance of infrastructure funding in foreign aid programs and the need for US engineering involvement and oversight.

\* SBA revised its new size standard for small firms in response to ACEC's comments, pulling back from the original proposal of \$19 million in gross receipts per year to \$14 million.

\* Hosted Congressman John "Jimmy" Duncan (R-TN), the Chairman of the House Subcommittee on Highways and Transit, at an event at ACEC headquarters.

\* House cleared ACEC-backed legislation to expand offshore energy production and secure approval of the Keystone XL pipeline.

\* Senate Finance Committee included ACEC-backed Private Activity Bond legislation in its financing title of the Senate transportation bill.

## Business Resources

\* The American Bar Association Forum on the Construction Industry included in their recent newsletter notice of ACEC's important new EJCDC document ULSM (Uniform Location of Subject Matter) which provides a key to plans and specifications documents from AIA and CSI as well as the EJCDC engineering associations (ACEC, ASCE and NSPE).

\* Save 30% on books in the Project Delivery Series through March 15, 2012: *Project Delivery Systems Owner's Manual*; *Construction Management at Risk*; *Design/Contract-Build*; *Design-Build-Operate*; *Design-Build Project Delivery*.

\* ACEC Member firms renewing their ACEC Business Insurance Trust (BIT) coverage qualify to have the trust pay their renewal dues for one of ACEC's coalitions, up to a maximum of \$150.

ODOT/ACEC Partnering Conference  
April 26, 2012  
Meridian Conference Center  
Oklahoma City

ACEC Midwest States Annual Convention  
May 31 - June 2, 2012  
Chateau on the Lake  
Branson, MO