

TENNESSEE



PLUMBING-HEATING-COOLING
CONTRACTORS ASSOCIATION™

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The TN PHCC Newslink

Fall Quarter 2018

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9041 Executive Park Dr.
Suite 220
Knoxville, TN 37923
865-531-7422
taphcc@bellsouth.net
www.TAPHCC.com
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Welcome President Gordy Noe!

How did you get started in your business?

I went to work with my Dad who was a plumber when I got out of high school. The company he worked for did Plumbing and HVAC. After trying both, I liked the HVAC better, really not sure why. After doing HVAC for a few years I decided to try it on my own with my own business in 1981 and started Pioneer Heating and Air in Knoxville.

What do you enjoy most about your business?

It has to be the people, including customers, employees, associates, etc. I guess I really just like people and new best friends every day.

What drives you to achieve success?

I think the challenge of it. Anybody can go out and just do business as usual every day but doing something different every day, being ahead of the game and making it all come together and work in the end, that's pretty special.

What advice would you give someone just starting in your industry?

It's simple. Work hard, work smart, listen to successful people but always be unique.

Last year was the first year you attended the PHCC National Convention, your opinion?

It was great. I met a lot of interesting and successful people from all over the country and just confirmed that we all have the same issues no matter where we're from. I was fortunate enough to get to present the Ride and Decide Program there and got an overwhelming response and continue to hear from those business owners still today.

How did you first get involved in the PHCC?

I had been looking for the right organization affiliated to our industry that I could get involved with, both to help my business and the industry and just hadn't ran across it yet. The Knoxville Chapter President asked me to attend a monthly luncheon. That was over 10 years ago and I've probably only missed 4 or 5 luncheons since then and was chapter president for 3 years.

(continued on next page)



Gordy and Ethel Noe

Med Gas
Needed?
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ELECTION
Legislative and PAC
News for the Upcoming
Election pgs 3-4

**TN PHCC Clay
Shoot Challenge**
November 9th
12pm- 4pm
Registration on page 7



Tuesday, November 6th is Election Day!
Please don't forget to **VOTE!**

Member News

Upcoming Date Reminders...

- November 4: End of Daylight Savings Time
- November 6: TENNESSEE ELECTION DAY
- November 9: Fall Board Meeting, TN PHCC Office, Knoxville
- November 9: TN PHCC Clay Shoot Challenge, Chilhowee Sportsman's Club, Maryville (pg 7)
- April 24-26, 2019: TN PHCC Annual Events, Knoxville
- May 7-8, 2019: PHCC Legislative Conference, Washington DC
- Oct 2-4, 2019: PHCC National CONNECT, Indianapolis, IN

Mission Statement:

"The TAPHCC is dedicated to serving and improving the PHC industry by providing opportunities for continuing education, communication, social networking, and business improvement. We are dedicated to the protection of the environment and the health and safety of our society."

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Welcome New Contractor Member:

My Plumber, LLC

1148 N. Peters Road, Suite 222
Knoxville, TN 37923
865-617-4596
Contact: James Foster

2018-19 Board of Directors Changes:

The Tennessee PHCC Board of Directors for 2018-19 includes the following changes:

Chairman of the Board: Kay Keefe
President: Gordy Noe
Knoxville Director: Donna Johnston (**Welcome!**)
Board-Member-at-Large: Steve Gammon
Stepped Down: Brad Sims (Middle TN Director) and Derek Robinson (Associate Member) due to work/time obligations.

The Board of Directors is currently seeking candidates for an Associate Director position on the Board of Directors. If you are an Associate Member in good standing and would like to be considered, please contact any board member or the state office.

TN PHCC Members Win PHCC National Scholarships:



Congratulations to three of our Tennessee students that were awarded PHCC National Scholarships at the 2018 CONNECT Awards program:

PHCC Educational Foundation Scholarship Awards, (\$2500 each):



Hayden Rhymer
Blountville, TN
Mechanical Engineering- Tennessee Tech



Brandon Jacoby
Knoxville, TN
Mechanical Engineering - Virginia Tech

PHCC Auxiliary Scholarship Awards:

Brandon Jacoby
Knoxville, TN
Mechanical Engineering - Virginia Tech

Lauren Day
Morristown, TN
Public Information-
Virginia Military Institute



Gordy Noe- President (continued from page 1)

What do you think is the most valuable asset for a PHCC membership?

It has to be the members and the wealth of knowledge in both contractor members and associates. Although we compete on jobs daily, we still remain supportive of the industry and each others businesses and continued success.

What will be your main areas of focus and your biggest challenge as President?

It has to be the workforce. We all MUST address it daily. The shortage is here to stay unless we ALL get involved in getting young people interested in our industry and training them for success, both ours and theirs.

We have great involvement in the PHCC but many skilled trades don't have it and it effects all of us. Hopefully someday we can get them off the fence where they're watching a handful of us try to correct a huge problem. But sad as it is, some of us will do something about it and the rest will sit on the fence and complain about it. I guess that's just the way it works.

- Gordy Noe

Legislative News

TN PHCC PAC (Political Action Committee) Supports Candidates

Meetings have been held with candidates for the Tennessee legislature and a candidate (TN PHCC Member) for Governor before the Primary Elections and the General Election on November 6th.

This year's election includes US House, US Senate, Governor and all 99 of the TN House seats and 18 of the 33 Senate seats that are being contested.

Issues discussed were Workforce Development, Career Training in Schools and business issues effecting the trades in our state with the candidates in candid work environment meetings.

The PAC Committee takes requests from our members for campaign donations and researches the candidates for voting records and positions that align with our Association's goals.

Featured Clockwise from top right:

Senator Becky Massey (center) and from left to right- Director Doug Mayes, President Gordy Noe, Director Donna Johnston and Treasurer Terry Self.

Senator Massey with President Gordy Noe, Doug Mayes, Donna Johnston, Terry Self and Whitney Almarez, (Ride and Decide student) now employed full time as a welder for Interstate Mechanical.

Representative Jerome Moon (second from right)- Doug Mayes, Scott Robinson, Donna Johnston, President Gordy Noe and Terry Self.

Representative Jerome Moon with Terry Self (below)

Thank you to Interstate Mechanical for the use of one of their shops for the meetings and the photos.



**Please do not forget to vote on
Tuesday, November 6th!**



TN PHCC Member Bill Lee Running for Governor

History may be made on November 6th if Bill Lee wins the Race for Governor of TN. To the best of our knowledge he will be the first TN PHCC member to serve as Governor. We have had the opportunity to meet with Bill and show our Association's support. As owner of member company Lee Company in Nashville, Bill has first hand knowledge of the issues our industry faces.

When asked about his specific priorities for the upcoming legislative session, Lee returned to one of his primary talking points on the campaign: People want good jobs, good schools for their children and to live in a safe neighborhood.

He said he plans to "develop an emphasis on our education system," including post secondary vocational and technical education opportunities.

"We don't have an education system constructed to really create pathways to success for them or pathways for hope," Lee said, noting that computer programming and other technology skills were also among the types of vocational training needed "that may not require a four-year degree."



Executive Director Beth Killen, Member Steve Merryman, Director Doug Mayes, Treasurer Terry Self and Candidate Bill Lee



Members Steve Merryman, Doug Mayes and Terry Self speak with Governor Candidate Bill Lee

Later in the interview, on the topic of standardized testing, Lee said that as a businessman he believed measurement was key to evaluating growth, but suggested the state may be taking the wrong approach.

"We may measure too much," Lee said. "We may be measuring the wrong thing."

Lee said he believes the state should work to find a fair way for teacher compensation to be tied to their performance evaluations and students' test scores.



PHCC President Gordy Noe with Senator Art Swann and Director Doug Mayes



Director Scott Robinson with Representative David Wright and TN PHCC President Gordy Noe

Local Chapter News

Middle Tennessee PHCC Chapter Holds Annual Sporting Clay Shoot

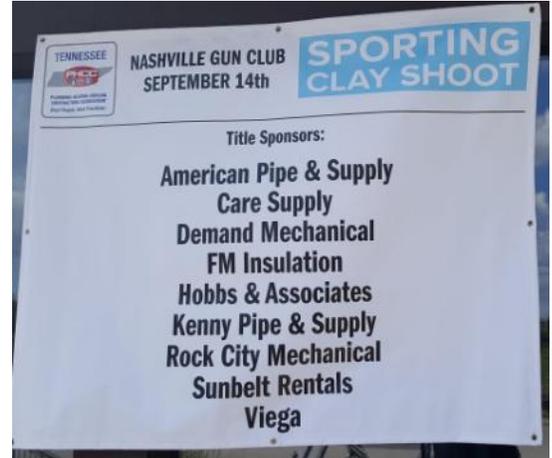
The Middle TN PHCC Chapter held their Annual Clay Shoot on September 14th at the Nashville Gun Club on 1100 County Hospital Road in Nashville. The event sold out and is a very popular annual gathering for the Chapter and the sponsors.



Event Organizer Amy Cathey on right and Chapter Treasurer Curtis Frizzell on left.



Cheryl Gammon of the PHCC Team



Left- Shot Gun Raffle Winner: Jared Smith

Lunch Sponsors: Merryman-Farr, ACCU-WORKS, Hiller Plumbing, Heating, Cooling and Electrical

Station Sponsors: Trillium, Lochinvar, Ivey Mechanical, SM Lawrence, Mueller Industries, JJP, State Water Heaters represented by Mid America Marketing, Watts Water Products represented by Mid America Marketing, Charlotte Pipe & Foundry represented by Mid America Marketing, James M. Pleasants Co., Lee Company, Ram Tool and Hiller Plumbing, Heating, Cooling & Electrical

And thank you to Care Supply for providing the ear plugs and goggle for the shooters.



Long Shot Contest Winner: Luke Brown



Local Chapter News (cont.)

Middle Tennessee PHCC Chapter Holds Annual Sporting Clay Shoot (cont.)



Members of the First Place Demand Mechanical Team with a 66.75 Overall Score: Darren Broadway, Dean Kelly, Michael Adcock, Bobby Meadows and Randall Steagall



Knoxville Chapter PHCC Donates to Second Harvest Food Bank

The Knoxville Chapter PHCC donated over 80 pounds of food and money to the Second Harvest Food Bank at their September Chapter meeting.



This time of year before the holidays and after school has started is an especially lean time for donations to help the area's residents in need.

Second Harvest accepts all non-perishable food items but could use canned chicken and meats, tuna, fruit, and vegetables. Peanut butter is also in great demand.



Second Harvest is audited annually and spends 0.8% of its budget on administrative expenses, 3.4% on fundraising and 95.7% on operating hunger-relief programs. Second Harvest can provide 3 meals with every \$1 donation. To donate please use this link:

<https://community.secondharvestetn.org/donatenow>

Knoxville PHCC Apprentice School Begins the 2018-19 Program Year

A record breaking 172 students have enrolled in the 2018-19 apprentice school in Knoxville. The school offers 3 programs: Plumbing, Sheet Metal and HVAC and is US Department of Labor approved. This year classes are held at the Lincoln Park Technology Center and Fulton High School where they are building an HVAC Lab for the apprentices and the high school students to use.

TN PHCC Clay Shoot Challenge

Friday, November 9th, 2018
12 noon (lunch served) to 4pm
Chilhowee Sportsman's Club
7601 Old Railroad Bed Road, Maryville



Please join us for a fun afternoon of fellowship and sportsmanship at our Clay Shoot Challenge benefitting our PAC (Political Action Committee) Fund this year.

- Option One:** Sporting Clay Course– includes 100 clays and generally for more experienced shooters and teams of four are suggested or individuals will be teamed up on the course.
- Option Two:** Five Stand– includes 75-100 clays and shooters that prefer a stationary stand rather than travelling the course. Great for beginners and novices too.
- Fees:** \$100 per shooter (Five Stand or Sporting Clays) or \$375 per 4 person team for the Sporting Clay Course

Lunch is included in fee. Ear and eye protection are required and will be available. You must bring your own ammo (also available at the course). Ammo cannot be larger than 7 1/2. Shells must be approved by course at registration. Loaner guns will be available with instruction for new shooters. All participants must sign the course waiver before participation.

You may sign up as an individual, partner or team. If you do not have your team member names, you may print "TBD" below.

Shooter 1: _____ Company: _____ Clay Course 5-stand
Shooter 2: _____ Company: _____ Clay Course 5-stand
Shooter 3: _____ Company: _____ Clay Course 5-stand
Shooter 4: _____ Company: _____ Clay Course 5-stand

Total Registration Fee enclosed from options above: \$ _____

Return completed form with your payment to: TAPHCC, 9041 Executive Park Dr., Ste 220, Knoxville, TN 37923, email to taphcc@bellsouth.net or call the office with your credit card payment (3.5% handling charge) 865-531-7422. Fax number: 865-531-7045

Please contact me about sponsorship opportunities for the Tournament:

Company Contact: _____

Email: _____ Phone: _____

Registration Deadline is November 2nd!

We will have our Tennessee PHCC Fall Board Meeting the morning of the Clay Shoot Challenge on November 9th at the State Office at 9041 Executive Park Drive in Knoxville from 8am to 11:30. Please consider joining the Board of Directors and attend. Simply RSVP to taphcc@bellsouth.net



PHCC CONNECT 2018

CONNECT Ascends in Albuquerque

This year's national convention in Albuquerque, NM was filled with education, networking and hot air balloons! The convention coincided with the International Balloon Festival and our members and their families were thrilled to attend the early morning balloon ascensions and the final evening's VIP treatment with over 100 balloons participating in a "balloon glow."

Our Zone Director, Joel Long from GA completed his 3 year term and our Zone awarded him items to help show his continued support of TN with supplies for his son who currently attends Maryville College. Pictures- (bottom right) at the PHCC Board Meeting.

Top right group picture from left to right: Steve Gammon, Meghan Scott, Cheryl Gammon, Gordy Noe, Wrenn Scott, Kay Keefe, Travis Scott, Apprentices: Chase Binkley and Chad Sanders.



PHCC CONNECT 2018 (cont.)

National Apprenticeship Contest

Even though our two state winners Chase Binkley, (plumbing) from Ivey Mechanical– Nashville and Chad Sanders, (HVAC) of Pioneer Heating & Air– Knoxville did not place in the top three in the PHCC national apprenticeship competition, we are proud of their efforts and their dedication to their trades.

Their 3 day contestant experience not only featured the actual contest but education sessions and group training.

Both young men commented that the experience was very rewarding, they received lots of free tools and made quite a few friends during the trip. "It was great meeting people from all over the country and talking about our trades," commented Chad Sanders.



Chad Sanders– HVAC (above), Chase Binkley– Plumbing, (below)



Workforce Development

Tennessee PHCC Attends Numerous Area Career Fairs to Promote the Trades

Each year the Fall season is very busy in the area schools and job centers with career events. The Tennessee PHCC staff and members promote the trades, Ride and Decide and the Knoxville Apprentice School to the attendees, parents and school counselors.

We give information to the attendees including, "Why Choose the Trades", "Cool Careers and Hot Jobs in Plumbing and HVAC" and Interesting Employment Statistics including a chart on the college vs. trade school route.

The following events were attended or are planned to attend by the end of the year: Knoxville Area Employment Consortium, Knox County Schools College and Career Fair, Hardin Valley/Farragut/Bearden College Fair, Next Steps Post Secondary Programs, Carter High School, ETSU Fall Education Fair, Austin East High School College and Career Fair, Powell High School Job Fair, Williamson County and Franklin District Career Fair and Halls High School Career Day.

We will also be attending the Knox County CTE Advisory Meeting in November to present the various opportunities in the trades and raise awareness to discuss industry standards and potential job opportunities to CTE teachers.

If you are aware of an upcoming Career event by way of a student or employee, please let us know, we will to attend to promote our industry.



Workforce Development (cont.)

President Trump Signs Career and Technical Education Bill to Give Workers, Students 21st Century Skills

President Trump has signed the Strengthening Career and Technical Education for the 21st Century Act, which reauthorizes the Carl D. Perkins Career and Technical Education (CTE) Act. The bill, H.R. 2353, also makes important updates to career and technical education to give workers and students the skills they need to find high-skill, high-wage, or in-demand jobs.

Training update, increased coordination. This is the first re-authorization of the Perkins CTE Act since 2006. The bill encourages states, schools, and local CTE providers to update education and job training to meet the needs of the local economies, ensuring students have the skills needed to remain competitive. It also increases alignment with the Workforce Innovation and Opportunity Act (WIOA) and the Every Student Succeeds Act (ESSA), and promotes collaboration between stakeholders so that local businesses can communicate their needs to states and educators as strategies and programs are developed.

White House applauds passage. In a statement, the White House noted that the Perkins CTE had been stalled for years due to policy disagreements and that re-authorization was one of the top workforce development policies in the infrastructure plan that President Trump sent to Congress in February 2018.

Tennessee receives \$22 million per year for workforce development programs for high school and beyond from the Carl D. Perkins Act.

Perkins CTE programs authorize more than \$1 billion for States each year to fund vocational and career-focused education programs, according to the White House. These programs benefit secondary and post-secondary students across America who utilize CTE programs to gain the skills and knowledge needed for rewarding careers. Perkins CTE re-authorization will benefit more than 11 million students.

Reprint of Article on the Trades

Shortage of Tradespeople Will Affect All- By Dorothy Royal, The Topsail Advertiser

If you want a reason to panic, other than global warming or unisex bathrooms, let me give you something that will, without a doubt, affect each and every person out there in the next decade. There is a great shortage coming, not of .22 ammo, though that was terrible and luckily is over, but of something that each of us may need at one time or another in our lives.

Tradespeople. Yes, electricians, plumbers, carpenters, truck drivers. The days of apprentices and summer jobs that would lead to a life time career seem to be dwindling. When was the last time you saw a plumber with a young person that was learning how to do the job? When was the last time you tried to find someone to do a job, even a simple addition or adding an outlet, and were told, "Sorry, we are booked up right now."

This is not going to end. This is the time to panic people – this is time to reach down deep and contact everyone you know and beg that those high school kids start to pay attention and to learn, not just computer skills, but real life skills. What if your pipes bust from the cold? What happens when your outlet stops working and you can't charge your smart phone? The time to panic is now.

Now on a different note, I plead with you young people, please don't waste four years or more of your lives on a college career that won't really take you anywhere. Is this harsh? Sure, but so is \$100,000 college debt you will be trying to pay back while working as a cashier.

How about learning a trade first, then you can go to school to live out your dream as a British Lit major, plus you can make money to travel the world to understand what all those authors were writing about.

How will this great shortage affect you? Easy. In your pocket. If there are only three electricians instead of 20 you will pay higher prices – plain and simple. Supply and demand. If the framers hired to build your home learned from a u-tube video, you might want to buy a level.

We are a society of instant gratification and if people are no longer around to make sure the simple things, like cold air, hot water and toilets that flush, we are really going to be in a jam.

Remember knowledge is power, a tradesperson can't be replaced by a phone app, and it's time to worry or time to learn, it's your choice.



Prior Ride and Decide Student Whitney Almaraz discusses her career as a welder with Senator Becky Massey (top) and Representative Jerome Moon (above) at Interstate Mechanical

PHCC Zone 2 News

Tennessee Hosts PHCC Zone 2 Meeting



It's Our Business to Protect Yours
FEDERATED INSURANCE

Thank you to our Sponsors!



Ryan Lanier of Federated with Gordy Noe



Tennessee PHCC hosted the annual PHCC Zone 2A meeting in Chattanooga on September 21-22. In attendance were each state's Executive Board members and their Executive Directors from Tennessee, Georgia and North Carolina.

The education session included discussions about workforce development, our apprentice school programs and business challenges facing our members.

Federated Insurance gave a presentation on Surety Bonds with Ryan Lanier and Hugh Weeks. **Tennessee PHCC also awarded Federated with a gift for 30 years of continued support of our Association.**

At CONNECT, Joel Long stepped down as Zone 2 Director and Jonathan Byrd from Georgia assumed the role. Photo on right with State Executive Directors: Beth Killen (TN), Ellen Whitaker (GA), Jonathan Byrd (Zone 2 Director) and Jim Pendergrass (NC).



PHCC Zone 2 News (cont.)

Tennessee Hosts PHCC Zone 2 Olympics

Last Fall the members of Zone 2 expanded their college football rivalry to include an Olympics style competition. On the Southern Belle Riverboat in Chattanooga, the members continued that tradition on September 21st.

The team captains (on right) rallied their teams in the Cup Stacking Race, Foosball, Corn Hole, Darts and Ping Pong. Teams consisted of members and their families and after the contests the group took a leisurely riverboat ride up the Tennessee River.

Georgia and North Carolina tied the competition upsetting last year's champions– Tennessee. Rather than complete in a tie-breaker, GA and NC decided to engrave - "Not Tennessee" on the travelling trophy. North Carolina will host the event in 2019 and *we will be ready.....*



Support Your TN PHCC

First Aid Kits for Construction:

Please support your TN PHCC and consider our new First Aid Kits for your crews or office. They are the perfect size to fit under the seat of your work vehicles and the compact kits are OSHA 1926.50 (d)(2) compliant for construction sites and are latex free.

Everything from sting relief pads to an ice pack are included in the sturdy, water resistant plastic container. Each kit has supplies for 10 people.

The cost is just \$20 per kit and we will arrange pick up or will deliver the kits to your office depending on your location.

Simply return the form below or email the TAPHCC office to order yours today!



Jumbo LED Lanterns:

TAPHCC is offering Jumbo LED Lanterns with our TN PHCC logo or your company logo!

The ultra bright LED bulb illuminates tight spaces with these hands free, lightweight and durable lanterns. They are compact when closed and can fit easily in a tool chest at 3" in diameter and 5" high when closed. They lanterns are 7" inches high when opened, perfect to fit under sinks, in HVAC units and next to equipment.

The cost is \$12 each with the TAPHCC logo or you can order them with your own company logo for a set-up fee of \$50 and a cost of \$14 per lantern.



Orders for either or both items must be placed by November 15th for December 1st delivery.

Support Your TN PHCC Order Form– return to Taphcc@bellsouth.net, Fax: 865-531-7422

Company: _____ Contact: _____

Address: _____ City: _____ State: _____ Zip: _____

Email: _____ Phone: _____ Date: _____

Please order me _____ Construction First Aid Kits at \$20 per kit. Total: _____

Please order me _____ Lanterns at \$12 each- TN PHCC Logo Total: _____

Please order me _____ Lanterns at \$14 each- My Company Logo Total: _____ add \$50 set up fee

(Members will be billed, non-members must include payment)

Grand Total: _____

Business News

I-9 Audits and Investigations of Employers Have Nearly Quadrupled in 2018



U.S. Immigration
and Customs
Enforcement

Government enforcement activities at businesses have significantly increased this year. The Immigration and Customs Enforcement (ICE) division of the [Department of Homeland Security \(DHS\)](#) has already conducted 5,200 audits this year compared to 1,360 audits in all of 2017.

What are I-9 Inspections? Employers have been required to verify the identity and employment eligibility of all new hires since 1986, and document that information using Form I-9 by the third day after the first day of employment. I-9 records must be updated and retained by employers in accordance with DHS regulations. ICE conducts targeted inspections of employers' Form I-9 records to ensure compliance with the law, and to confirm that employees are authorized to work in the U.S.

I-9 inspections, which may be targeted as a result of anonymous leads and tips, are commenced by an ICE officer serving the employer with a Notice of Inspection (NOI). When an employer receives an NOI, the employer is typically given three days advance notice to prepare for the inspection. Less time may be given if ICE presents a search warrant to the employer. Therefore, it is critical for employers to regularly conduct I-9 self-audits, and engage in regular and systematic training of human resources personnel with responsibility for I-9s to ensure that their I-9s are in order.

What to Expect- What Happens if ICE Finds Violations? If ICE identifies violations, the agency could impose civil fines, and may also recommend criminal prosecution if there were intentional or known violations.

Fines are increasing every year. Current fines for paperwork violations range from \$224 minimum to \$2,236 maximum per violation. Even typos or mistakenly entering the wrong date of birth may be found to be a paper violation. Likewise, fines for violations when an employer knowingly hired ineligible workers range from \$559 to \$4,473 per violation. These include knowing that a new hire is unauthorized to work in the U.S. and still employing him/her, situations where the employer should have known, such as when untrained eyes could detect the lack of authenticity of documents presented, or continuing to employ an employee after learning that he or she is not authorized to work.

In short, employers have the obligation to properly and carefully complete I-9 forms and review documents. Training personnel who complete and conduct I-9 verifications is critical to remaining compliant, as well as periodically conducting audits. Enforcement activities will continue to be a major focus of ICE during the Trump administration.

Developing Policy to Address Employees' Personal Devices During and After Working Hours

Many employers allow and/or request employees to use their personal devices for work and allow employees to bring to the workplace their personal devices for personal use. The reality in today's world that we live in is that we are all very closely tied to our cell phones, tablets, watches, and laptops. For many, it's a preferred and primary way of communicating with staff, clients and personal friends and family. Personal devices and electronics will only increase in terms of the way we work and live our lives.

Employers, as well as individuals alike, rely on personal devices in the workplace because allowing use, especially for work, provides significant convenience, cost benefits, flexibility, improves overall productivity and responsiveness, and increases worker satisfaction. However, with these benefits there also are significant risks to consider as well such as the loss or theft of devices, Wage and Hour (working time) issues, employee privacy, discrimination and harassment and separation of employment.

Wage and Hour Paid Time- Employers should carefully consider the Wage and Hour risks of personal devices in the workplace. Under the Fair Labor Standards Act (FLSA), employers must pay at least minimum wage to nonexempt employees for all hours the employee is suffered or permitted to work by the employer. In addition, nonexempt employees must receive overtime pay when they work in excess of 40 hours during a workweek (federal some states are more restrictive). When employees have remote access, hours of work can include time spent on or off the clock drafting and responding to emails, taking conference calls, video conferencing and completing projects or discussing work with other employees. Many employers even require employees to check emails around the clock while others may not; but if such compensable time is not paid, it can expose the organization to potential liability back wages for time worked not paid.

Staff Recommendation: Employers can protect themselves from such Wage and Hour risks by incorporating into policies that address: Require employees to record and report all time worked this would include after hours worked when using personal devices. Set clear policies on working outside of normal scheduled hours and that employees should not perform work after hours unless specifically requested to do so or approved by their manager. Policy should address minimum wage compliance by reimbursing employees for device fees or paying an hourly rate that ensures employees receive at or above minimum wage after device expenses and fees.

Articles courtesy of SESCO Management Consultants- Bristol, TN, (423) 764-4127, sesco@sescomgt.com

Business News



IRS: Several tax law changes may affect bottom line of many business owners

On October 16th the Internal Revenue Service reminded business owners that tax reform legislation passed last December affects nearly every business. With just a few months left in the year, the IRS is highlighting important information for small businesses and self-employed individuals to help them understand and meet their tax obligations.

Here are several changes that could affect the bottom line of many small businesses:

Qualified Business Income Deduction

Many owners of sole proprietorships, partnerships, trusts and S corporations may deduct 20 percent of their qualified business income. The new deduction -- referred to as the Section 199A deduction or the qualified business income deduction -- is available for tax years beginning after Dec. 31, 2017. Eligible taxpayers can claim it for the first time on the 2018 federal income tax return they file next year. A [set of FAQs](#) provides more information on the deduction, income and other limitations.

Temporary 100 percent expensing for certain business assets

Businesses are now able to write off most depreciable business assets in the year the business places them in service. The 100-percent depreciation deduction generally applies to depreciable business assets with a recovery period of 20 years or less and certain other property. Machinery, equipment, computers, appliances and furniture generally qualify. Taxpayers can find more information in the [proposed regulations](#).

Fringe benefits

- **Entertainment and meals:** The new law eliminates the deduction for expenses related to entertainment, amusement or recreation. However, taxpayers can continue to deduct 50 percent of the cost of business meals if the taxpayer or an employee of the taxpayer is present and other conditions are met. The meals may be provided to a current or potential business customer, client, consultant or similar business contact.
- **Qualified transportation:** The new law disallows deductions for expenses associated with transportation fringe benefits or expenses incurred providing transportation for commuting. There's an exception when the transportation expenses are necessary for employee safety.
- **Bicycle commuting reimbursements:** Employers can deduct qualified bicycle commuting reimbursements as a business expense for 2018 through 2025. The new tax law also suspends the exclusion of qualified bicycle commuting reimbursements from an employee's income for 2018 through 2025. Employers must now include these reimbursements in the employee's wages.
- **Qualified moving expenses reimbursements:** Reimbursements an employer pays to an employee in 2018 for qualified moving expenses are subject to federal income tax. Reimbursements incurred in a prior year are not subject to federal income or employment taxes; nor are payments from an employer to a moving company in 2018 for qualified moving services provided to an employee prior to 2018.
- **Employee achievement award:** Special rules allow an employee to exclude certain achievement awards from their wages if the awards are tangible personal property. An employer also may deduct awards that are tangible personal property, subject to certain deduction limits. The new law clarifies that tangible personal property doesn't include cash, cash equivalents, gift cards, gift coupons, certain gift certificates, tickets to theater or sporting events, vacations, meals, lodging, stocks, bonds, securities and other similar items.

The [tax reform for businesses](#) page has more information on fringe benefit changes.



Estimated Taxes

Individuals, including sole proprietors, partners and S corporation shareholders, may need to pay quarterly installments of estimated tax unless they owe less than \$1,000 when they file their tax return or they had no tax liability in the prior year (subject to certain conditions). More information about tax withholding and estimated taxes can be found on the agency's [Pay As You Go](#) page as well as in [Publication 505](#), Tax Withholding and Estimated Tax. Publication 505 has additional details, including worksheets and examples, which can help taxpayers determine whether they should pay estimated taxes. Some affected taxpayers may include those who have dividend or capital gain income, owe alternative minimum tax or have other special situations.

More information see [IRS.gov/taxreform](https://www.irs.gov/taxreform) for more information about these and many other tax law changes.

Business News

Tennessee Tourism Reaches \$20 Billion Milestone in Tourist Spending

Tennessee reached another tourism milestone in 2017, topping \$20 billion spent by visitors for the first time ever.

Gov. Bill Haslam announced the record tourism numbers in a press conference last month. Haslam emphasized that the record dollar figures - \$20.7 billion to be exact - is direct visitor spending and not economic impact, an accounting tool that is sometimes viewed with skepticism in tourism circles.

Without a state income tax, Tennessee relies heavily on sales tax to fund its state and local governments. The booming tourism industry aided local governments across the state last year, Haslam said, with all 95 counties topping at least \$1 million in direct visitor spending.

The music-fueled tourism industry in Davidson County led the way with a record \$6.5 billion in direct visitor spending. Shelby County followed with \$3.5 billion. Then came Sevier County with \$2 billion, followed by both Hamilton and Knox counties with \$1.1 billion each.

"It means a lot of people were introduced to our state all the way from the Saturday night race in Bristol to the Civil Rights Museum in Memphis and everything in between," Haslam said. "But it also means real money for our governments." Working with tourism leaders from across the state, the Haslam administration has invested in marketing efforts to attract far-away tourists who tend to stay longer and spend more money.

"The numbers show Tennessee is a destination of choice for visitors around the world. However, we would not have these numbers if not for the capital investments, renovations and dedication made by tourism partners across the state to deliver great experiences that create wonderful memories," Department of Tourist Development Commissioner Kevin Triplett said.

Nashville's leisure tourism market has been achieving record breaking numbers for several years. According to data from the Nashville Convention and Visitors Corp., the city has set monthly hotel room night records in 89 of the last 92 months.

The strong tourism business has attracted substantial capital investment in the form of new hotels. Nine new hotels with 1,380 rooms have opened in the last year.

Overall, tourism accounted for \$1.8 billion in revenue collections for state and local governments, Haslam said.



Tennessee Election Makes United States History

In November 2018, **28 candidates for Governor of Tennessee** will be on the ballot. For regularly-scheduled statewide general elections, this is the greatest number of candidates on a government-printed ballot in U.S. history, for a particular office.

The main reason there are so many candidates in the Tennessee Governor's race is that the Libertarian Party placed fifteen candidates on the ballot, using the independent procedure, which only needs 25 signatures, and no filing fee. Also one Green Party candidate filed, plus ten bona fide independents.

Libertarians took this action to draw attention to the irrational ballot access laws of Tennessee. The petition to create a party requires signatures equal to 2.5% of the last gubernatorial vote, a petition so difficult that it hasn't been successfully used since 1968. Libertarians this year actually tried to get 23 gubernatorial candidates on the ballot, using the independent procedure, but not all of them qualified.

The previous high number of candidates in a regularly-scheduled statewide general election was for president in Colorado in November 2016. That ballot had 22 presidential candidates. Colorado does not require a petition to get on the ballot for president in November; it just requires a \$1,000 fee.

Need Med Gas? Class Slated in Knoxville

We have 4 openings for a Medical Gas Installers certified class to be held in December in a member's office location in Knoxville.

The 3 1/2 day class fee is \$1000 per student and will include a brazing test on the last day. Certification is dependent on passing the required brazing and written test.

Please contact Beth in the state office if you would like to enroll your employees.



The TAPHCC Newslink

TENNESSEE ASSOCIATION OF PLUMBING -
HEATING - COOLING CONTRACTORS, INC.
9041 Executive Park Drive - Suite 220
Knoxville, TN 37923

I love everything about the holidays: the food, the decorations, the parties, and spending time with friends and family. What I love most is that feeling of giving back. Every bit counts. -Brad Goreski

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KNOXVILLE

President: Scott Robinson, Secretary-Treasurer: Jim McCampbell

Bi-monthly Meeting - 4th Monday, 11:45 am, Bearden Banquet Hall, 5806 Kingston Pike
RSVP- Rose Mayfield - appschool@taphcc.com

MIDDLE TENNESSEE

President: Jonathan Sadler, Secretary-Treasurer: Curtis Frizzell

Bi-monthly Meeting: 3rd Tuesday, 11:00 am, Piccadilly's at Murfreesboro & Wilhagen
RSVP - Jonathan at 256-759-3972 for details

NORTHEAST TENNESSEE

President: Mark Lucas, Vice-President: Keith Rhymer, Treasurer: Leslie Persinger

Meeting - 2nd Tuesday, 11:30 am

Call for Location: 423-926-2665