

# 2018 Public Policies Agenda

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The Greater Chambersburg Chamber of Commerce accepts the responsibility to represent its members as the voice of business. Our goal is to ensure that the business community's best interests are always represented in the region's governments. A pro-business climate is critical to the superior quality of life we enjoy in the greater Chambersburg area. It allows us to attract new businesses to our community and expand the ones currently hiring, serving and producing. It also allows us to grow.

The Chamber's professional staff and board of directors monitor borough, county, state and federal activities and represent our members on issues and legislation affecting the welfare of businesses and the quality of life in the Chambersburg area. When there is cause to advocate publicly on an issue, our president and representatives from the board of directors meet with decision-makers to ensure the position of the thousands of businesses and employees that we represent are being accounted for.

The Chambersburg Chamber Public Policies Agenda is updated annually to reflect the issues currently facing our community. In addition to specific priorities outlined below, the board of directors may identify key issues throughout the year that the Chamber will advocate for on behalf of the business community.

*Approved by the Board of Directors – February 2018*

## **Public Policies**

### **Address Local Education and Workforce Development Needs**

The Chamber will work diligently with local stakeholders, businesses and organizations to open up a community conversation to help create the framework for a long-term workforce development initiative. This vision-based effort has led to a Community Education Coalition that drives sustainable and effective workforce solutions for Franklin County. The resulting plans will address the education and economic needs of our community through a systematic approach.

### **Combating the prescription drug and opioid epidemic**

Pennsylvania is facing a prescription drug and opioid abuse epidemic, particularly with injured workers. The Chamber seeks to improve Pennsylvania's workers' compensation system and help address prescription drug overuse and opioid addiction. The Chamber advocates implementing a prescription drug formulary for workers' compensation, which has helped mitigate prescription drug over-prescribing and addiction in many other states. Formularies offer a flexible approach that makes treatment of typical patients more efficient, facilitates exceptions for unique cases and addresses the outlier instances of over-prescribing. The Chamber also supports the proper certification of Utilization Review

Organizations to ensure qualified experts are holding all parties accountable to properly apply the formulary.

### **Opposition of Minimum Wage Increase**

While all businesses would feel the impact, small business employers would be especially hit hard: on average they make just \$50,000 a year. Businesses with such thin profit margins may not be able to absorb an employee wage hike, regardless whether their employees are full-time or part-time. Small businesses are the most common employers to pay minimum wage and would be most likely to halt hiring or cut jobs as a result of the wage hike. With more than 60 percent of Chamber membership comprised of small businesses, the Chamber is dedicated to representing businesses and advocating for no increase in the minimum wage that would be harmful to local small businesses.

### **Opposition of Reverse Tax Appeals**

The Chambersburg Area School District initiated an effort in 2015 to reassess the value of commercial properties to increase the property taxes owners must pay. A third-party consultant identifies properties as being appraised too low, and then the school board initiates a Reverse Tax Assessment Appeal. While this may provide financial benefits for the district in the short-term, it will have long-term negative consequences on the district, local businesses and the community.

Reverse Tax Appeals could lead to companies moving to other locations in the region where the taxes are significantly less. Property taxes paid by warehouses comprise a significant tax base for the school district and support over 1,000 jobs. If these companies leave Chambersburg for better tax rates and benefits, it could have a major negative impact on our business climate, and ultimately the entire community.

### **Widening of Interstate 81**

Interstate 81 has grown in its importance as a major north-south economic engine to our region. The explosive increase in truck movements has occurred and will certainly continue to grow as both intermodal and distribution centers come on line. The highway provides access to major markets on the east coast. While the Chamber represents the interests of the business community, we can unequivocally express the desire of the residents of the county to see action to expand the highway. It has been 14 years since PennDOT studied the corridor, but little in the study has been implemented. We need to move immediately toward the expansion of the highway. While we wait for action, congestion grows. The Chamber supported the 2013 PA transportation bill (Act 89) to raise approximately 2 billion when the five-year phased-in tax increases are fully implemented. We are also supporting a long-term federal highway solution.

## **Legislative Agenda of PA Chamber Adopted by the Chambersburg Chamber**

### **Affordable and Accessible Health Care**

Health care costs continue to rise at unsustainable levels. Businesses must be able to offer appropriate health care benefits to their employees either through traditional coverage or alternative options in the marketplace. Employers seek continued reforms to the medical liability climate and limits on the expansion of costly health care coverage mandates. The Chamber will continue to advocate for the repeal of harmful provisions contained in the Affordable Care Act that are directly leading to unaffordable rates. A high level of quality care and accessibility for employees must be made available at reasonable and affordable prices without undue regulatory burden and bureaucracy.

### **Balanced labor and employment laws and regulations**

State policy that governs labor relations and employment rules in Pennsylvania often fails to consider adverse impacts on the business community or are detrimental to employers. The Chamber supports public policy that helps facilitate a fair work environment without triggering unintended consequences that hurt employers. The business community supports eliminating misuse and improving the financial condition of the unemployment compensation and workers' compensation systems. Employers oppose excessive mandates and artificial wage inflators that unnecessarily increase the cost of doing business. In addition, Pennsylvania law still forces individuals to pay dues to a union as a condition of employment and allows public resources to be used for collecting union dues and political contributions. The Chamber supports the prohibition of both practices.

### **Creating an equitable civil justice system**

Pennsylvania's legal climate is conducive to frivolous lawsuits and lacks protections that create a fair, balanced and common sense system. The business community supports legal reforms that help prevent lawsuit abuse while protecting the right of legitimate plaintiffs to seek justice. The Chamber supports lawsuit abuse reform proposals that provide for full and timely compensation of parties legitimately injured; give employers predictability and certainty; change the judicial system to achieve greater efficiencies and unbiased justice; and contribute to greater productivity and economic prosperity.

### **Flexibility in energy markets and science-based environmental requirements**

Numerous state and federal environmental regulations and energy mandates are hindering the state's economic positions. The Chamber opposes the imposition of new, and the expansion of existing, mandates and will continue to advocate for thoughtful, science-based development and flexible implementation of environmental law.

### **Improve the business tax structure**

Pennsylvania's corporate net income tax rate and punitive proposals targeting various industries continue to put the Commonwealth at a competitive disadvantage. Recent changes including improving the tax appeals process, increasing the cap on the use of Net Operating Losses and finally eliminating

the Capital Stock and Franchise Tax were steps in the right direction; however, comprehensive reforms are still necessary to help stimulate economic development.

### **Modern, safe, efficient and reliable infrastructure systems**

Pennsylvania must construct and maintain adequately funded and reliable transportation and utility systems and other infrastructure. The Chamber will continue to advocate for greater efficiencies in their construction, maintenance and delivery, including streamlined permit and regulatory processes. The business community supports expanded reliance on public-private partnerships to help the Commonwealth meet its infrastructure needs in a manner consistent with the imperative for fiscal restraints.

### **Quality Educational Opportunities**

Pennsylvania's prosperity depends upon a well-educated workforce. The Chamber supports an education system that establishes clear accountability and adequately prepares students for career opportunities or further education. The Chamber supports initiatives that help provide families with options to best fit the specific education needs of students. Lifelong learning is increasingly vital for workers in a consistently evolving economy and the Chamber supports workforce development programs that have clear performance criteria and are targeted to the employment needs of the business community.

### **Responsible State Spending and Smart Government**

The Chamber urges the legislature and Governor to work collaboratively toward enactment of a responsible, on-time state budget. While significant financial pressures continue to complicate state finances and budget deliberations, we strongly believe that all opportunities for cost-savings and more efficient spending should be exhausted before new or higher taxes are considered. While the Chamber applauded passage of Act 5 of 2017 to begin reforming the state pension systems, it is clear more must be done to fairly address their unfunded liabilities and provide for long-term solvency. The Chamber also supports efforts to identify opportunities to utilize public-private partnerships and consider privatizing government services that could be more efficiently conducted by the private sector.