



2012 STATE LEGISLATIVE PRIORITIES

The Chamber is an advocate for its broad and diverse member businesses, working to create a climate for regional economic prosperity. The 2012 state legislative priorities outline the issues of interest to The Chamber and business community. The Chamber's public policy program monitors issues which could potentially affect business, the economy and quality of life in our county and our region. We provide representation at the Indiana Statehouse and will testify at legislative committee hearings when called upon.

We believe that most legislation needs to be consistent throughout the state of Indiana and careful deliberation should

be taken when consideration is being given to treating economic regions differently.

The Chamber will be monitoring the following issues throughout the 2012 Indiana Legislative Session. The legislative topics listed in this document, the summaries given and the action items listed represent The Chamber's priorities and positions prior to the start of the Indiana General Assembly and will be updated as necessary during the Session. The items listed below carry equal weight and relevance, and therefore, the order of the items should not be interpreted as higher or lower in priority.

LOCAL GOVERNMENT MODERNIZATION

For the last three Sessions, increasing the efficiency and effectiveness of the delivery of governmental services is essential to providing a system that benefits taxpayers, communities, business growth and job creation. The Chamber believes that restructuring government and its delivery of services will simplify government and best serve the taxpayers of Indiana and deserves full and adequate legislative consideration. The spirit and focus of local government reform should be heeded and made part of the discussion as local governments struggle to find ways to operate in difficult times.

THE CHAMBER SUPPORTS:

- An efficient, effective government that can focus on best practices and/or create a vision for economic growth, educational opportunities, sound infrastructure and outstanding public safety, while maintaining fiscal responsibility.

- A streamlined, simpler, more efficient and solvent government which will prohibit nepotism and will enhance greater transparency, accountability and citizen participation.
- The encouragement of the business community to be a proactive facilitator of local discussions and actions to modernize Indiana's local government structure.
- A single county executive.

TAXATION/LOCAL GOVERNMENT FISCAL FLEXIBILITY AND ACCOUNTABILITY

THE CHAMBER SUPPORTS:

- Fair and equitable sales tax for brick-and-mortar businesses, as well as online businesses.
- Changing the inheritance tax law so that it will be more equitable to other states, rather than Indiana continuing its ranking as the 48th worst state in which to die.

THE CHAMBER OPPOSES:

- Sales tax on services.

ECONOMIC DEVELOPMENT

Indiana must take the steps necessary to position itself as a top competitor in economic development. This involves being prepared to attract and retain jobs, creating a friendly business climate, having clear, simple and efficient laws that make Indiana competitive in the ever-increasing global community.

THE CHAMBER SUPPORTS:

- Flexibility in the use of tax abatements, including:
 - Allowing economic development-based tax credits to be monetized, sold or transferred when it is in the best interest of the business and the state.
 - Allowing short-term, creative use of tax abatements for small businesses.
- Local government funding for job creation and economic development efforts from locally collected Economic Development Income Tax (EDIT) and ensuring EDIT funds are used specifically for economic development.
- Keeping Tax Increment Financing (TIF) programs intact and available for community projects.



SCHOOL FUNDING AND ADMINISTRATION

Indiana must further raise the bar with regard to education. In order to remain competitive in our global environment, changes must be made to our K-12 education system and access to higher education must be affordable and without barriers. Good schools are vital to the growth and prosperity of our communities.

THE CHAMBER SUPPORTS:

- Multiple enrollment “count days” for K-12 schools, allowing student funding to follow students upon transfers.
- Flexible authority of K-12 school districts to adjust their budgets; giving local administrators the ability to make decisions on promotion, retention and reduction of staff.
- The expansion of charter schools.
- The continuation of school choice and pay-for-performance incentives.
- Equitable per-student funding for public higher education institutions throughout Indiana.

HEALTH CARE

As the federal government continues to debate legislation that greatly impacts the delivery, cost and funding of services of health care,

THE CHAMBER SUPPORTS:

- Allowing the development of a basic “essential benefits” health care plan that may not include all of the legislatively imposed health insurance mandates, either as part of a larger statewide plan to make health benefits available to more uninsured Hoosiers or merely as a simple reform to the Indiana small group health insurance market.

LONG-TERM FUNDING FOR TRANSPORTATION INFRASTRUCTURE

Major Moves created an opportunity in our state to capitalize on the critical need to enhance our road system. To that end, all Major Moves’ dollars at the state or local level generated from the lease of the Indiana Toll Road, or other roadways in the future, should be used exclusively for road construction projects, including rehabilitation and maintenance. Indiana’s arteries must be overhauled and improved to maintain and expand our logistical appeal.

THE CHAMBER SUPPORTS:

- AND is very concerned about continued and full funding for the completion of the U.S. 31 project,
- The completion of Indiana’s federal highway network and the upgrading of existing major transportation arteries and the development of new networks to improve commerce, logistics and safety, specifically as it relates to U.S. 31 and Interstate 80.
- The reallocation of approximately \$121 million annually that is diverted from the state gas tax to other state agencies and should be redirected to road funding exclusively are items that must be addressed.
- Continued study and appropriate implementation of alternative funding mechanisms including toll roads, leasing of state property and state gas sales in excess of forecasted state budget needs.

STABLE AND ALTERNATIVE ENERGY SOURCES

Historically, Indiana has provided an adequate, reliable and cost-effective supply of energy.

THE CHAMBER SUPPORTS:

- An energy policy which promotes additional energy capacity that

includes the effective use of clean coal technologies, natural gas, nuclear, renewables and incorporates alternative energy sources including ethanol, biodiesel, methane recovery and waste tires.

- Carefully examining energy rates that adversely affect business, making sure that the best possible energy solution is reached.

WORKFORCE TRAINING TAX CREDITS

Qualified and skilled workers that reflect the needs of the business community are essential to economic growth and community development.

THE CHAMBER SUPPORTS:

- Maintaining existing workforce tax credits.

UNEMPLOYMENT COMPENSATION

In 2009, the legislature made changes to Indiana’s unemployment insurance system that increased employers’ contributions to the totally depleted state Unemployment Trust Fund to take it back to solvency. We believe the idea of reducing the unemployment benefits should be considered to help avoid the possibility of returning to a Fund deficit. Reducing benefits could also have the effect of diminishing the growing problem of unemployed workers deciding to continue receiving unemployment benefits when they are otherwise offered employment.

THE CHAMBER SUPPORTS:

- New initiatives that allow communities and/or the state to develop “unemployed-to-work” programs.
- A clear definition on the eligibility of workers who qualify for unemployment benefits. Workers who have known seasonal or known non-consecutive 12-month employment should have different eligibility requirements than other workers. ■