

# LEGISLATIVE PRIORITIES

## THE VOICE OF THE REGIONAL BUSINESS COMMUNITY



GLIAdvocacy.com

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## ECONOMIC DEVELOPMENT

**LIFT (Local Investments for Transformation)** – Support legislation that provides local governments with flexibility and more options in raising dedicated revenue for specific community development projects, which are limited in scope and approved through local referendum.

In a slow economic recovery, Kentucky's cities continue to struggle to invest and maintain infrastructure and fund important community projects. The Kentucky Constitution severely limits cities' ability to raise new revenue. GLI will support an amendment to the Kentucky Constitution that would permit cities to ask voters to decide on a temporary local option sales tax. Thirty-eight states allow one or more local governments to levy a local option sales tax. GLI advocates for LIFT because voters deserve the opportunity to decide if they want to raise revenue for specific projects in their communities.

**Telecommunications Reform** - Allow competitive, widespread access to wireless and broadband services by eliminating unnecessary, outdated retail-based regulatory burdens.

In order to continue broadband development and stay competitive, Kentucky must update its laws and regulations to reflect modern demands and unleash capital for investments in our economy's future.

Kentucky law requires communications companies to continue investing in outdated telecommunications infrastructure, which limits capital that can be invested in a new network. A recent report by Deloitte projects that every \$1 billion invested in mobile wireless broadband creates 15,000 jobs. If Kentucky fails to act, we will risk losing jobs to areas that have reformed their regulations to match marketplace demands. Access to phone service has not diminished in the other 17 states that have passed similar legislation. Therefore, GLI urges the Kentucky General Assembly to pass telecommunications reform.

## EDUCATION

**School Leadership** - Support efforts to give superintendents more flexibility in selection of principals within school districts in Tier 1 cities.

GLI supports legislation to give the superintendent of a county school district in a county containing a City of the First Class the authority to select a principal when a vacancy occurs in a school that is in the lowest quartile on statewide assessments, or is otherwise in precipitate decline, or when a school-based decision making council and superintendent agree. The selection would be informed by input received from teachers, parents, staff, and community members regarding selection criteria and made in consultation with the school-based decision making council. GLI encourages the General Assembly to allow superintendents more flexibility to match principals' strengths with schools' needs.

## HEALTH CARE

**Prevention and Treatment of Heroin Abuse** - Support legislation that addresses the drug abuse epidemic in Kentucky, including expanding prevention and treatment for the abuse of heroin and other opiates.

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An alarming number of Kentucky businesses are impacted by drug abuse; its negative impact on the workforce warrants action. GLI encourages efforts to address the heroin epidemic during the 2015 regular session of the General Assembly.

**Smoke Free Kentucky** – Support legislation that would prohibit smoking in indoor public venues and workplaces statewide. GLI encourages an increase in the cigarette tax that will raise revenue while serving as a disincentive to smoking.

Kentucky ranks second in the nation in the number of adult smokers and ranks first among middle and high school-aged smokers. Smoking is attributable to \$1.5 billion in health expenditures and \$2.3 billion in economic productivity loss annually.

Kentucky has one of the lowest tax rates on cigarettes compared to other states. Because studies show an increase in the cigarette tax leads to a decrease in smoking rates, GLI supports efforts to curb smoking and improve health among Kentuckians.

### TRANSPORTATION

**Public Private Partnerships (P3s)** – Support efforts to allow for innovative delivery mechanisms such as but not limited to Public Private Partnerships (P3s) for infrastructure projects to be used in the Commonwealth.

Kentucky is the only state among all bordering states that does not allow the use of P3s for transportation, putting it at an economic disadvantage. The use of P3s in other states has led to savings for taxpayers and improved expertise and efficiency in executing infrastructure projects. GLI advocates for passage of P3 legislation.

**Road Aid Modernization** – Support the restructuring of the road aid formulas for a fair allocation to local governments with higher traffic areas by including elements of road usage in road aid allocations. Oppose any transfer of road fund revenues to the General Fund.

Kentucky's urban areas spend more than \$200 million a year constructing and maintaining around 10,000 miles of city streets, only a third of which comes from state or federal funds. GLI seeks to modernize the 66-year-old formula to adequately account for lane mileage and usage when calculating fund allocations.

#### Stabilize the Road Fund by Establishing a Gas Tax Floor -

Support initiatives to stabilize the road fund and protect against a catastrophic drop in the gas tax.

The gas tax is one of the major mechanisms by which the Commonwealth funds transportation projects. A portion of the gas tax is indexed to the average wholesale price of gas. The statute provides for the index rate to increase no more than 10% in any 12 month period, but has no limit on a decrease if the average wholesale price of gas were to drop substantially. Because businesses will benefit from a stabilized road fund, GLI will advocate for legislation to cap any decrease to 10%.

## LONG-TERM PRIORITIES

GLI views the following issues as critical to the fiscal health of our Commonwealth. As the voice of the business community, GLI seeks to nurture a healthy business climate and will actively work to advance these initiatives.

- Comprehensive Tax Reform
- Early Childhood Education
- Expanded Gaming
- Financial Health During Medicaid Expansion
- Medical Liability Reform/Medical Review Panels
- Public Pension Reform
- Right to Work

GLI's entire Public Policy Platform, an outline of values and actions supported by the business community, may be found online at **GLIAdvocacy.com**.

## PUBLIC POLICY LEADERSHIP

GLI thanks the many individuals who volunteer their time and expertise to assist in business advocacy efforts. The 2015 agenda is the result of several hundred members participating in the policy process. A special thanks is extended to those listed below who lead the Public Policy Council and its Issue Committees.

#### Public Policy Council Chair:

Tierra Kavanaugh Turner, TKT & Associates

#### **Bi-State Committee Chair:**

Doug York, Rodefer Moss

Business Leaders for Education: Dave Calzi, EY

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