

# 2015 PUBLIC POLICY PLATFORM

## THE VOICE OF THE REGIONAL BUSINESS COMMUNITY

### **Greater Louisville Inc. – the Metro Chamber of Commerce,**

works to strengthen relationships with elected officials and keep members informed on issues that impact our business climate – and the economic growth of Greater Louisville. As the voice of the regional business community, GLI serves as an advocate for policies and legislation that will keep our region and state economically competitive. These policy statements serve as the framework for GLI positions during the 2015 Kentucky General Assembly session.

### **\*Our 2015 Legislative Priorities are:**

- › JCPS Principal Selection
- › LIFT (Local Investments for Transformation)
- › Prevention and Treatment of Heroin Abuse
  - › Public Private Partnerships
  - › Road Aid Modernization
  - › Smoke Free Kentucky
- › Stabilize the Road Fund by Establishing a Gas Tax Floor
- › Telecommunications Reform

\*Priorities arranged in alphabetical order

**Greater Louisville Inc. – the Metro Chamber of Commerce** is where regional business leaders come together to drive economic growth. GLI is the region's largest business leadership organization dedicated to connecting and strengthening businesses. The organization serves as the voice of the regional business community, driving job creation and entrepreneurship; supporting development of the community's workforce and talent base; and advocating on issues that impact the competitiveness of the region.



### **SARAH DAVASHER-WISDOM**

Vice President, Government Affairs & Public Policy

[SDavasher@GreaterLouisville.com](mailto:SDavasher@GreaterLouisville.com) | 502.625.0073

# ECONOMIC DEVELOPMENT & WORKPLACE

In an increasingly global economy, companies can make their “home” anywhere. To ensure Kentucky is a top choice for business, our regulations and policies should be fair and competitive, and support, not impede, economic development. GLI’s economic development positions support legislative initiatives that foster innovation, entrepreneurship and commercialization, allowing Kentucky to recruit, retain and expand business investment and jobs, particularly in its priority sectors of economic development strength – Advanced Manufacturing, Lifelong Wellness & Aging Care, Logistics & Distribution; and Food & Beverage Innovation:

- › 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 term and approved by a local referendum.
- › **Support efforts to allow expanded gaming.**
- › **Support legislation to allow competitive, widespread access to wireless and broadband services by eliminating unnecessary, outdated retail-based regulatory burdens.**
- › Support legislation that expands specific economic development incentives, including:
  - Incentives to increase investment in depressed and underutilized properties.
  - Incentives for entrepreneurial investment in start-up companies.
  - The creation of a headquarters relocation incentive fund.
- › Seek changes to Kentucky’s pharmacy regulations that would encourage growth in the health-related logistics economic development sector.
- › Support legislative and regulatory changes to Kentucky’s spirits laws to create a more favorable environment for growth of the bourbon and craft distilling industries.
- › Oppose an increase in the minimum wage at the state level.
- › Support funding for university-based research programs, such as the Research Challenge Trust Fund (Bucks for Brains).
- › Support increased funding for the Office of Commercialization and Innovation and other initiatives that encourage innovation, technology and entrepreneurial investment.

- › Support legislation to continue funding the state’s Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) match programs.
- › Support legislation that increases access to capital for small businesses.

GLI likewise supports adopting policies that encourage choice and promote equity to all workers and employers help make Kentucky an attractive place to expand or locate a business - especially as we compete with peer and border states. A more competitive workplace environment encourages business investment and quality job opportunities. GLI supports workplace policies that provide businesses and their employees flexibility, equity, accountability and choice.

- › **Support legislation that gives employees the freedom to choose whether or not they join and/or support a union at their place of employment.**
- › Support legislation to align Kentucky’s Civil Rights Act with federal law, thereby reducing onerous compliance requirements for businesses and putting Kentucky more in line with neighboring states, including:
  - Eliminating the ability to bring retaliation claims against managers and other company personnel.
  - Decreasing the statute of limitations on wrongful termination and employment discrimination actions.
- › Support legislation that clarifies the definition of independent contractors, creating a fair, straightforward procedure that streamlines compliance and creates a level playing field for employers. Definitions should be uniform between various state agencies and departments.
- › Support legislation to modify the current workers’ compensation statutes, taking into account increased life expectancy, while still providing fair coverage to the employee.
- › Support immigration legislation that ensures:
  - Ease of compliance with immigration regulations for Kentucky businesses.
  - The burden of immigration compliance laws is not placed solely on businesses.
  - Kentucky remains a welcoming place for a diverse workforce.
- › Support legislation to repeal Kentucky’s prevailing wage laws or makes significant amendments to the statutes to raise the threshold or manner of calculating the rates.

# EDUCATION & WORKFORCE DEVELOPMENT

The business community is committed to supporting the development of a skilled workforce needed for regional economic growth. Kentucky needs continued increases in degree attainment and student achievement to ensure citizens can access the jobs of tomorrow. GLI is committed to quality schools – be they public or private – that provide educational excellence for all students, and that ensure progress in closing achievement gaps.

GLI's education positions support policies that bolster a system of high expectations and measurable results, increasing degree attainment and workforce readiness.

› **Support legislation that improves quality and provides investment in early childhood education and school preparedness programs, including:**

- Requiring preschool teachers to meet minimum qualification standards.
- Providing early learning assessment and intervention for the learning disabled
- Supporting family education and resources for parents

› **Support 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.**

› Support initiatives to create urban charter schools that allow school choice where chronic underperforming schools have existed, in a manner which creates innovation without unduly harming or disadvantaging public schools.

› Support legislation that promotes world languages and global competencies, including universal access to English as a Second Language (ESL) courses.

› Support initiatives that align education with workforce needs, including both college degree attainment and technical education programs that help close the skills gap.

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

› Support legislation that includes adequate funding for public libraries.

› Support legislation that holds individuals and institutions accountable for student achievement through a series of performance measures that help gauge teacher, student and administration performance, including:

- Legislation that allows differentiated compensation for teachers and administrators based on responsibilities, performance and school location.
- Legislation that improves teacher quality and preparation.

› Support legislation that ensures all students graduate from high school are college- and career-ready, including:

- Implementation and funding of programs that provide high school students with individualized learning plans, including college and career pathway counseling.
- Implementation of legislation that creates a seamless P-20 education system and aligns high school curriculum with post-secondary requirements.
- Programs that reduce high school dropout rates and increases the percentage of Kentuckians with a high school diploma or equivalent.
- Allowing for local control over employee compensation; school calendars; and teacher and student school assignments.
- Allowing more flexibility in the use of KEES scholarships and that the money awarded keeps pace with the cost of tuition.

› Support legislation that increases the number of Kentuckians with post-secondary degrees and career education including:

- Efforts that improve the affordability of post-secondary education, including expansion and funding of student financial aid programs.
- Support for a variety of educational institution alternatives which provide flexible options for all types of students.

› Support legislation that ensures adult education and workforce retraining are a priority, including:

- Incentives that encourages businesses to invest in employee educational completion and advancement
- Subsidies for GED testing
- Programs reducing the time to degree completion, including career and competency credits

**\*Bold positions indicate that they are a priority for 2015.**

# ENERGY & ENVIRONMENT

GLI believes that with forward-thinking investment and incentives, Kentucky is poised to be a leader in the move toward energy independence. To reap the financial, environmental and economic benefits of new energy developments, our state must be committed to investing in energy research and commercialization. GLI supports energy policies that grow renewable, domestically-produced and alternative energy resources in Kentucky, while maintaining Kentucky's low energy costs, to protect the vital role energy plays in economic development and business success.

- › Support legislation that encourages the research and development of renewable, domestically-produced and alternative energy sources by:
  - Funding research and development programs at Kentucky universities.
  - Assisting in bringing new energy technologies into the mainstream marketplace without significant disruption to the current energy marketplace or at a higher cost than existing technologies.
  - Offering incentives for companies to build new energy plants and research facilities in Kentucky.
- › Support legislation that provides incentives and funding for research and development in clean coal technologies.
- › Support legislation that increases transparency in energy pricing and usage.
- › Support legislation that provides incentives to residential, commercial and industrial users who adopt technologies and practices that conserve energy and reduce consumption.
- › Support legislation that provides funding for capital investments in Kentucky's energy infrastructure, including modernizing and expanding energy delivery and resources.
- › Support legislation that provides workforce development investment in key areas critical to energy breakthroughs, including science, technology, engineering and math.
- › Support legislation that expands access to, and affordability of, new and alternative transportation and fuel choices.
- › Support legislation and regulatory direction toward development of greenhouse gas reductions that are effective but fair to Kentucky's efforts at maintaining efficient and affordable energy.

GLI believes it's entirely possible and absolutely necessary to create a regulatory structure that strikes a balance between environmental sustainability and realistic business responsibility and accountability. Sound and reasonable environmental regulations enhance quality of life and contribute to economic competitiveness.

GLI's environmental positions encourage legislation that promotes scientifically-valid and technically-sound environmental policies and employs the use of a stakeholder process in the development of any new regulations.

- › Support funding for assessment, remediation and redevelopment of Brownfields to get underutilized and unused property back on the tax rolls.
- › Support legislative or regulatory changes to the Notice of Violation procedures to allow the state to issue a Letter of Warning in certain circumstances.
- › Support legislative or regulatory action to encourage local and state governments to commission a regional sewer capacity study and implementation plan for long-term growth in residential, commercial, and industrial economic development.
- › Support the Louisville Water Company's regional water expansion projects.
- › Support incentives for "green" infrastructure, including green building construction and rehabilitation, storm water conservation efforts such as pervious pavement and green roofs, and the expansion of tree cover in urban areas.
- › Support legislative and regulatory changes that reduce the number of permitting backlogs.
- › Support adequate funding of environmental programs through the general fund, and limit the use of permitting fees to the programs for which the fees are intended.
- › Support public access and meaningful input to the process for developing Water Quality Standards and TMDLs. Support a narrative standard for nutrients.

**\*Bold positons indicate that they are a priority for 2015.**

# HEALTHCARE

The accessibility of quality, affordable health care coverage for employers and employees remains a top priority for Kentucky businesses. Recognizing the changes made at the federal level, the business community favors health care policies that support and incentivize healthy lifestyles, access to information in order to provide informed choices and affordable workable solutions for health care coverage. It also supports continued investment in Louisville's health-related facilities and enterprises.

GLI's health care positions support legislative initiatives that provide for flexible, affordable, consumer-driven health care, insurance plans and options that ultimately lead to the improved health of our citizens.

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## These positions include the following:

- › **Support legislation that would prohibit smoking in indoor public venues and workplaces statewide and encourage an increase in the cigarette tax that will raise revenue while serving as a disincentive to smoking.**
- › **Support legislation that addresses the drug abuse epidemic in Kentucky, including expanding prevention and treatment for the abuse of heroin and other opiates.**
- › **Support initiatives that ensure financial health of the Commonwealth's health care system, specifically due to the expansion of Medicaid. Because the Commonwealth has assumed more funding responsibility due to Medicaid expansion, it is imperative that sufficient funds are budgeted and allocated to address commitments to individuals qualifying under the new guidelines.**
- › **Support Medical Liability Reform legislation, including medical review panels or tort reform.**
- › Support legislation that incentivizes increases in the number of health care professionals in Kentucky and workforce development in critical health care areas.
- › Support legislation and regulation that provides a favorable environment for the growth and expansion of Louisville's Lifelong Wellness & Aging Care economic development sector.
- › Seek changes to Kentucky's pharmacy regulations that would encourage growth in the health-related logistics economic development sector.
- › Ensure the continuation of an Advisory Board to the Kentucky Health Benefit Exchange, for oversight, monitoring and funding. The Kentucky Health Benefit Exchange should include the following principles:
  - Operate in such a way that facilitates free market competition within the exchange and integrates with the private insurance market.
  - Be intuitive, transparent and easy-to navigate for employers, consumers and providers.
  - Ensure a continued and defined role for business and employee group representation in the development and operation of the exchange.
  - Ensure the exchange does not place excessive regulations and penalties on businesses to comply.
  - Allow for the creation of supplemental private and non-profit exchanges.
  - Offer a wide range of affordable benefit plan options.
  - Oppose arbitrary provider reimbursement and coverage mandates that do not demonstrate offsetting long-term benefits and restrict the freedom of independent contracting by insurers.
- › Support legislation that provides incentives for businesses encouraging wellness and healthy lifestyle choices.
- › Support legislation that encourages and enforces health information transparency for providers, employers and consumers.
- › Support legislation that incentivizes the use of evidence-based practices by health care providers, including those that encourage effective, lower cost treatments and interventions, reducing the need for more expensive facility-based care.
- › Provide health care for the region's most vulnerable population through continued funding of the contractual obligations of the Quality and Charity Care Trust Fund ("QCCT").
- › Support legislation that encourages investment in health care research, development and commercialization, including aggressively pursuing all available federal funding.

**\*Bold positions indicate that they are a priority for 2015.**



# TAX & FISCAL POLICY

Kentucky's revenue and expenditure policies should be aligned to promote growth and business investment while providing resources to meet the state's necessary obligations. Spending at the state level should be prioritized to reflect investment in Kentucky's future competitiveness.

Revenue generation should encourage growth and prosperity, not place a disproportionate burden on businesses – as a whole or by size or sector – and must be coupled with spending reforms.

- › **Support an amendment to the Kentucky Constitution that would allow cities and counties the choice, with voter approval, to enact a local sales tax dedicated for the funding of transformational local projects, with a sunset.**
- › **Support efforts to allow expanded gaming.**
- › **Support legislation that significantly increases Kentucky's cigarette tax.**
- › **Support comprehensive tax reform. Kentucky's state and local tax code should:**
  - Provide a competitive advantage for Kentucky when it comes to attracting and retaining business investment and talent, thereby increasing economic activity, creating new jobs, and expanding the tax base.
  - Be fair, broad-based and not impose a disproportionate burden on any specific sector, industry, or activity.
  - Move to a more consumption-based tax code that decreases government's over-reliance on income taxes as a source of revenue at both the state and local level.
  - Be simplified for ease of compliance and to reduce the cost of tax administration and compliance.

## Government Spending:

- › GLI supports the following spending reforms:
  - **Developing a long-term solution for state and local government employee health benefits and pensions.**
  - Streamlining government services, including consideration of consolidation and privatization where appropriate.
  - Aligning and redeploying current state resources to priority investment areas.
  - Controlling the costs of government programs.

*These Tax & Fiscal Policy positions represent the general principles and philosophies of GLI and its member businesses. These positions may be amended upon review of any comprehensive tax reform legislation filed during the 2015 General Assembly Session.*

**\*Bold positons indicate that they are a priority for 2015.**

# TRANSPORTATION

Substantial and sustained investment in Kentucky's transportation infrastructure — all aspects of our logistical support system including highways, bridges, waterways, transit, railways and runways — is crucial to our economic vitality. Thriving communities depend on the ability to move workers to jobs and products to market quickly and safely. GLI's transportation positions support significant infrastructure investment to promote commerce and ensure safe and reliable transportation access in our region and throughout the state.

- › **Support restructuring road funding formulas promoting a fair allocation to local governments with higher traffic areas by including elements of road usage in calculations.**
- › **Support initiatives to stabilize the road fund and protect against a catastrophic drop in the gas tax.**
- › **Support legislation to allow for innovative delivery mechanisms such as but not limited to Public Private Partnerships (P3s) for transportation projects to be used in the Commonwealth.**
- › Support legislation to ensure that the final tolling for the Ohio River Bridges Project does not discourage interstate commerce or do undo harm to local business.
- › Ensure that Jefferson County continues to receive a full share of 6 Year Road Plan funding, in addition to continuation of the full appropriated funding for the Ohio River Bridges Project.
- › Support legislation to provide sustainable funding for the five major modes of transportation (highway, public transit, rail, waterway, and air) in both the short and long terms.
  - Encourage the legislature to protect the integrity of the dedicated road fund by refusing to divert road funds to pay for General Fund obligations.
  - Support legislation to create a dedicated revenue source to adequately fund and maintain public transportation systems in Kentucky.
  - Support legislation that encourages an interim study of how other states provide economic incentives to Class I, II and III railroads, which would improve track safety and speed.
  - Support legislation to reestablish – and protect the integrity of – a dedicated revenue source for general aviation airports in Kentucky.

- Support legislation that creates an interim study on roadway reconfiguration in Kentucky's urban and suburban areas.

- › **Support legislation to ensure more equitable distribution of transportation funds, considering population, job centers and vehicle miles traveled.**
- › Support legislation that promotes safe transportation options beneficial to bike and pedestrian mobility and public health.
- › Support legislation to allow public transit agencies to receive 100% rebate of the state fuel taxes paid and on toll charges for use of federal, state, and local roadways.
- › Oppose efforts that hinder the movement of goods and services throughout Louisville or the transportation of people to and from job centers.

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Greater Louisville Inc.

The Metro Chamber of Commerce

# 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](http://GLIAdvocacy.com).

## SPECIAL THANKS TO OUR 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

**Economic Development & Workplace Committee Chairs:**

Jim Dahlem, Dahlem Company  
Craig Siegenthaler, Fisher & Phillips

**Environment & Energy Committee Chair:**

Tim Hagerty, Frost Brown Todd

**Health Care Committee Chair:**

Vickie Yates Brown, Nucleus

**Tax & Fiscal Policy Committee Chairs:**

John Chilton, Mountjoy Chilton Medley  
Tom Lubber, Wyatt Tarrant & Combs

**Transportation Committee Chair:**

Rich Gimmel, Atlas Machine & Supply, Inc.