

The background of the entire page is a blue-tinted image of the Kentucky State Capitol dome. The dome is the central focus, with its ornate architectural details and the statue on top. An American flag is visible on a pole in front of the dome. The sky is a deep blue, and there are several thin, parallel red lines radiating from the top right towards the bottom left, creating a sense of movement or focus.

**[GLI]**

**GREATER LOUISVILLE INC.**

The Metro Chamber of Commerce

2017

**FEDERAL  
AGENDA**

# TRANSPORTATION & INFRASTRUCTURE FUNDING

Continue to improve our multi-modal transportation and infrastructure networks to remain a world-class logistics hub.

## FUNDING FOR AVIATION SYSTEMS

Access to small and medium-sized airports stimulate regional economic growth. GLI strongly urges a 5-year minimum reauthorization of Federal Aviation Administration (FAA) funding to support regional airport infrastructure before the September 30, 2017 expiration. The appropriation for the FAA should return to the previous stipulated funding rate of \$3.5 billion.

## INLAND WATERWAY INFRASTRUCTURE

With increased pressure on highway infrastructure, GLI recognizes the importance inland waterways will continue to play in international trade. Full funding in fiscal year 2017 to support critical water infrastructure improvements is necessary to support increased inland waterway commerce.

## MODERNIZE THE FEDERAL FUELS USER FEE

Funding for transportation improvements via a modernization of the Federal Fuels User Fee can be applied toward building and maintaining critical surface transportation projects, creating jobs for Americans, and stimulating economic growth.

## SURFACE TRANSPORTATION

Adequate funding for transportation projects is necessary to support the foundation of Greater Louisville's economic growth. GLI supports removing barriers that prevent the leverage of private capital and urges further action to streamline surface projects that will help keep costs low, allow quicker planning to construction turnaround, and completion in a timely manner. Although sustainable surface transportation funding should be a top priority in Washington, GLI opposes adjusting the Federal Reserve dividend rate to be used as a random funding source, a bad precedent set to fund the FAST Act.

## FUNDING FOR LOCAL TRANSPORTATION AND DEVELOPMENT IN THE FEDERAL BUDGET

Greater Louisville relies upon tens of millions of dollars in federal funding, particularly the support of the Transit Authority of River City (TARC) and development block grants for parks and highway projects. With recent budget announcements calling for potential cuts, GLI urges Congress to support local governments with these vital resources needed to provide essential services, ensure safety and development.



# ACCESS TO HEALTH COVERAGE

Support reforms that would improve collaborative care and reduce undue regulatory and financial burdens on employers and providers. Ensure improved health care access for all populations through adequate reimbursement for services and community interventions that keep people healthier, lower overall health care costs, produce a healthier workforce, and improve community quality of life.

## DRUG ADDICTION, MENTAL HEALTH, AND REHABILITATION

GLI applauds Congress for its actions to fund comprehensive treatment and recovery from drug addiction, a vital step in ending the deadly epidemic of opioid addiction. We encourage regularly-scheduled appropriations of these resources. With over 1.2 million people in local, state, and federal custody who report some form of mental health challenge, GLI is supportive of programs that would provide a treatment alternative to incarceration for those with mental health and substance abuse issues. A focus on rehabilitation and workforce development will give employers access to qualified workers and also empower those suffering from addiction to turn their lives around.

## 30- VS. 40-HOUR WORKWEEK

GLI supports a return of the 40-hour workweek that defines who is covered under the employer health care mandate.

## CADILLAC TAX

GLI supports a repeal of the Cadillac Tax, a 40% tax on individual and family health care plans above a certain threshold. By the year 2020, it is predicted that nearly all large-employer and union plans will be taxed at this rate.

## MEDICARE

GLI applauds Congress for recent Centers for Medicare and Medicaid Services (CMS) appropriations to create innovative health care programs that incentivize value-based payment models that improve health outcomes. GLI urges Congress to continue empowering CMS to create more robust integrated health care programs to ensure sustainability as the baby boomer population ages.

## MEDICAID

GLI urges Congress to continue offering affordable and accessible care by giving states flexibility for serving Medicaid populations.

GLI opposes federal cuts to the Medicare and Medicaid programs due to the strain potential cuts would place on providers.



## **MEDICARE PAYMENT AUDIT PROGRAMS**

GLI supports the repeal or reform of the overly-complex Medicare claims and appeals review process, like Recovery Audit Contractors and Zone Program Integrity Contractors. Proposed replacements would include a flat retainer fee, similar to other Medicare contractors. Reforms or repeals would relieve a significant administrative burden, allowing hospitals to provide better, more affordable high-quality care.

## **THE MEDICAL DEVICE TAX**

GLI opposes the provision of the ACA that places a tax on bulk sales of medical devices. A tax on medical providers stunts innovation and job creation that ends up hurting patients.

## **THE HEALTH INSURANCE TAX (HIT)**

GLI supports the repeal of the ACA's HIT. This fixed-dollar amount tax levied on health insurance providers singles out policies purchased on the fully insured market and disproportionately affects small businesses.

## **THE STARK LAW**

The Stark Law prohibits physicians from referring Medicare and Medicaid patients for certain designated health services (DHS) to an entity (such as a hospital) with which the physician has a financial relationship, and it prohibits the DHS entity from submitting claims to Medicare or Medicaid for payment for those services. The penalties for violation of Stark are severe; they include the repayment by the providers of any improper payments received, significant civil monetary penalties, and possible exclusion of the physician and DHS entity from participation in Medicare and Medicaid. While the law includes exceptions to accommodate many common relationships among physicians and DHS entities, the exceptions and the law itself do not fully support the movement by the federal government and some states to incentivize health care providers by aligning their incentives to improve the quality of care and reduce costs without risking patient or program abuse. GLI supports repeal of the Stark Law and rely on other existing federal laws (including the Anti-Kickback Statute of the Social Security Act and the False Claims Act) and state laws to regulate the financial relationships among referring providers which are reimbursed under Medicare and Medicaid. If repeal is not an option, support revision of the Stark Law to: (i) allow federal and state governments to encourage innovation in provision of quality and cost-efficient health care; (ii) change the applicable penalties to be proportional to the nature of the violation, and (iii) amend the law to exclude compensation arrangements from its prohibitions.



# FUND EDUCATION & SUPPORT WORKFORCE TRAINING

Support increases in investment for our next generation of entrepreneurs, innovators, and employees.

## FOCUS FUNDING FOR STEAM

Preparing the next generation to enter a globalized workforce that has an increased focus on science, technology, engineering, and math, together with art is critical to connecting businesses with qualified workers. STEAM education and workforce programs are vital to filling open positions in the fastest growing portions of Greater Louisville's economy: health care and logistics.

## FUNDING FOR EARLY CHILDHOOD EDUCATION

More than 80% of a child's brain development occurs before age 5. GLI supports increasing investment in early childhood education and development programs that will prepare children to learn from birth to Kindergarten and beyond.

## INCREASE RECRUITMENT VISA PROGRAMS TO ATTRACT HIGHLY-EDUCATED WORKERS

While the U.S. works to educate the next generation of STEM employees, GLI supports policies that allow businesses to recruit highly-educated workers that will fill the need many businesses have in Greater Louisville for high-skilled, STEM positions.

## FUNDING FOR WORKFORCE EDUCATION

Resources are needed to prepare our region's youth and adults for career paths more aligned with the needs of our economy. GLI supports program funding focused on integrating work-based learning and prioritization of credentialing outcomes to keep Greater Louisville's workforce competitive on the international stage, such as the reauthorization of the Carl D. Perkins Career and Technical Education Act.

## FUNDING FOR POSTSECONDARY EDUCATION

GLI recognizes that a highly educated workforce is essential to competing in today's global economy. GLI supports postsecondary education funding tied to performance and supports funding for research and development grants to research universities. We also urge evaluations and reforms of financial aid programs to improve access and affordability while incentivizing outcomes.

## GAINFUL EMPLOYMENT RULE

Most students rely upon federal financial aid to pursue a variety of career paths, especially those in underserved populations, and options like proprietary or career colleges are vital stepping stones to providing life-changing opportunities. GLI supports the review of the gainful employment rule to balance increased access in higher education, while encouraging positive outcomes, to meet the country's workforce training needs.



# KEEP GREATER LOUISVILLE GLOBALLY COMPETITIVE

Support and ease increased investment in small businesses, while ensuring all businesses have the trade and labor environment necessary to compete in the world economy.

## COMPENSATORY PRACTICES

GLI supports allowing private-sector employers to have the flexibility to offer employees compensatory time off as an alternative to monetary compensation for overtime work. This change will free employees to choose the best way to alleviate the difficulties of juggling work, home, family, and community, just as governments have for decades.

## INCREASE ACCESS TO CAPITAL & TECHNICAL ASSISTANCE AND CAPACITY BUILDING FOR SMALL BUSINESSES

GLI is supportive of easing access to capital and increased funding for technical assistance and capacity building through Small Business Development Centers. We also urge Congress to review and repeal overly burdensome banking regulations that stifle lending to businesses.

## INVESTMENTS FOR HIGH-UNEMPLOYMENT AREAS

GLI supports reforms to current programs to better prioritize resources for qualifying areas of high unemployment that need investment capital the most, like West Louisville. These programs, such as EB-5, need to be reassessed to help link resources with need.

## FAIR LABOR PROPOSALS

GLI opposes the increased threshold for employee exemption for overtime pay. The ruling decreases flexibility for businesses and employees, redefines the salary level for “white collar” to \$47,476, and burdens businesses with an estimated total implementation cost of \$678 million. Although a district court put a preliminary injunction on the implementation and enforcement of the Overtime Final Rule and the case resides with the 5th U.S. Circuit Court of Appeals, GLI urges Congress to pass legislation to delay or modify the final rule.

## REFORM INDIVIDUAL, CORPORATE, AND SALES TAX CODES

In the fast-paced and continually globalizing economy, the United States Tax Code has not kept up. GLI supports a tax code that is simple, competitive, fair, broad-based, and does not impose a disproportionate burden on any specific sector, industry, or activity.



## **TRADE AGREEMENTS**

GLI is supportive of advancing international trade in and out of Greater Louisville through streamlined programs that promote open and free trade with other countries. To ensure fairness in free trade, GLI strongly encourages Congress to include provisions prohibiting currency manipulation.

## **E-COMMERCE SALES TAX**

A level playing field is needed in the retail marketplace to apply the same rules to local and online businesses. GLI supports legislation, like the Marketplace Fairness Act, to restore parity for local brick-and-mortar businesses by allowing states to collect existing sales and use taxes on remote transactions and require internet merchants to remit to the state where the purchase is delivered. GLI also supports measures to avoid unnecessary administrative burdens for online businesses and ameliorate privacy concerns for consumers.

# **EPA & GOVERNMENT REGULATION**

Ease the burden imposed by onerous or unnecessary regulations on Greater Louisville's top industries.

## **CLEAN POWER PLAN**

GLI is concerned with the proposed regulations to reduce carbon emissions from power plants. This rule places an undue financial hardship on commercial and residential power consumers. Kentucky has long held the strong competitive advantage of low cost energy and this plan threatens that distinction.

## **WATERS OF THE U.S.**

GLI is also concerned about the EPA's expansion of the definition of the Waters of the United States for regulatory purposes. GLI understands that the new administration is delaying the implementation of this Final Rule. GLI applauds the current administration's reevaluation of the impacts of expanding the definition of Waters of the U.S. which has far reaching implications on homebuilding, retail, farming, and energy sectors. GLI supports efforts to clarify this definition without expanding it to the detriment of signature American companies.

## **REGULATORY REFORMS**

GLI welcomes efforts to streamline the federal environmental bureaucracy and eliminate unnecessary and burdensome regulations while still protecting environmental quality. Any such regulatory reform efforts should ensure that federal and state regulatory agencies retain the necessary resources to perform their statutorily required functions in a timely manner, so that American businesses can obtain necessary permits, approvals, and other regulatory reviews in an efficient and expeditious manner. It is imperative that any such reforms foster, and not impede, economic growth in the United States.



In an increasingly globalized world, no single regional economy can exist in isolation. Today's businesses require the freedom, flexibility, security, and infrastructure to succeed. To this end, these priorities represent needs of the Greater Louisville region to continue as a vibrant economic competitor on the global stage.

Increased access to capital along with improved technical assistance and capacity building for small business will ensure that our entrepreneurs have a supportive environment in which to innovate. Funding for early childhood and STEAM education, increased recruitment of visa programs to attract highly-educated workers, and improved infrastructure provide the tools needed to compete. Health care reforms, along with funding for mental health and addiction, will ensure a healthy, productive workforce. A pro-growth tax code, reasonable environmental regulations, compensatory flexibility, and competitive labor regulations provide the freedom to succeed. Finally, advancing free and fair trade with other countries will ensure that Greater Louisville businesses have every opportunity to benefit from competitive and open world trade.

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# PUBLIC POLICY LEADERSHIP

GLI thanks the many individuals who volunteer their time and expertise to assist in business advocacy efforts. Special thanks are extended to those listed below who lead the Public Policy Council and its Issue Advisory Committees.

**PUBLIC POLICY COUNCIL CHAIRS:**

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