

## 2012 LEGISLATIVE PRIORITIES



Pennsylvania's job creators face numerous obstacles as they compete in today's global economy: an overly burdensome tax structure; onerous mandates and excessive regulations; unbalanced labor laws; rapidly rising health-care costs; and a costly legal environment are just some of the challenges. When these factors are compounded by both an aging population and fewer residents, an under-performing education system, and state government spending that for years expanded faster than the rate of economic growth, Pennsylvania's long-term economic vitality is jeopardized.

In order to substantially improve the Commonwealth's economic outlook, a competitive business climate must be established that encourages companies to do business in Pennsylvania and create jobs. The following are Pennsylvania Chamber members' legislative priorities to achieve this goal:

### **Real, effective changes to improve the business tax structure**

Pennsylvania's corporate tax rate makes the state significantly uncompetitive when compared to other states. Cross-the-board reforms and reductions in business taxes are necessary in order to stimulate economic development. In particular, businesses support eliminating the cap on Net Operating Losses, moving towards a Single Sales Factor and reducing the Corporate Net Income tax rate. The PA Chamber opposes the adoption of burdensome tax reporting requirements, fees and regulations.

### **Affordable and accessible health care**

Health-care costs continue to rise at unsustainable levels. Businesses need to be able to offer necessary, appropriate and effective health-care benefits to their employees either through traditional coverage or alternative options in the marketplace. Business seeks continued reforms to the medical liability climate; limits on the expansion of costly health-care coverage mandates, and a review and rejection of harmful provisions of the 2010 federal Patient Protection and Affordable Care Act that will ultimately increase costs, threaten access to quality care and create unnecessary, burdensome red tape for job creators.

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

The impact of increasingly restrictive environmental regulations and, particularly, the impact of government actions on energy prices, are a point of growing concern for Pennsylvania businesses. Business opposes the imposition of new mandates and requirements on energy as they bring less flexibility to the system, ultimately leading to higher costs.

### **Effective public and private economic development programs that meet businesses' needs**

Pennsylvania's economic growth has lagged the national average for some time. Pennsylvania can close this gap through true economic growth by addressing the priorities on this list, which complement businesses' job creation and retention efforts. The PA Chamber further supports measures to promote accountability and transparency in existing state-run economic development programs.

### **Reforms to Pennsylvania's costly legal system**

The high legal costs paid by Pennsylvania employers stunt the Commonwealth's economic growth. Fairness, common sense and personal responsibility need to be restored to our courts through continued reform of the state's unbalanced legal system. Business supports measures that will improve Pennsylvania's well-documented dismal legal climate. This includes "venue shopping" reform, certificate of merit and statute of repose legislation.

### **Modern, safe and efficient transportation and infrastructure system**

In order to meet the strong need for a system that facilitates the free flow of goods and commerce and the mobility of its citizens for business and recreational activities, Pennsylvania needs to invest in transportation infrastructure. Significant additional dollars are needed for Pennsylvania's infrastructure in order to address clearly identified needs in all sectors, which include efficiency improvements such as streamlining the regulatory process.

### **Labor laws and regulations that are more cost-effective**

Pennsylvania's labor laws are more burdensome and costly than many other states' labor laws. Business supports reforms to the workers' compensation and unemployment compensation programs that lower costs and roots out waste and abuse while maintaining essential services for those truly eligible. The PA Chamber further supports the establishment of Pennsylvania as a Right-To-Work state. Business opposes artificial inflations to the cost of maintaining and/or creating a job in Pennsylvania, such as minimum wage increases at the state level, prevailing wage and other mandated wage laws. Business also opposes attempts to unilaterally change the collective bargaining process by rulemaking or policy.

### **Effective, quality educational opportunities**

A public education system that establishes clear accountability and provides every child with the opportunity to receive a quality education at reasonable taxpayer cost, and workforce development programs that have clear performance criteria and are targeted to the needs of the community.