

2007-08 Legislative Agenda

Mission Statement

The mission of the Government Affairs Committee is to identify, analyze, understand and affect legislation impacting business at the local, state and federal levels. The Committee will also work to educate and in turn seek the input of the Chamber Board, Membership and Legislative Delegation. The committee (or Chamber) will also work to advocate for legislation and initiatives supporting the goals of the Chamber.

In order to reach these Goals, the Chamber has listed a 2007-08 Legislative Agenda in an effort to both educate the full Chamber Membership as well as the Legislative Delegation of issues of importance.

Improved Infrastructure

Mass transit, as well as Pennsylvania's state highway and bridge systems are in a financial crisis, which if not solved will have a negative effect on the economy of Pennsylvania. Thus, the Chamber supports a transportation and infrastructure system that is modern, safe and efficient in order to facilitate the free flow of goods and commerce and the mobility of its citizens for business and recreational activities.

This include, the return of passenger rail from Reading to Philadelphia by supporting the R6 Extension (formerly know as the Schuylkill Valley Metro) project.

Supports a Change in the Business Taxing Structure, ending Unfair Business Practices and enacting reform to Worker and Unemployment Compensation

Pennsylvania's tax structure contains some of the highest rates and most restrictive provisions in the country and our corporate tax laws are uncompetitive when compared to the rest of the nation. Across-the-board reforms and reductions in business taxes are necessary in order to stimulate economic development. Businesses oppose the adoption of unfair and random regulation enforcement, burdensome reporting requirements, exorbitant fees and impossible regulations.

With that in mind, the *TCACC has and still supports the elimination of the school property tax with a fair and equitable replacement of that revenue through a reduced sales tax with an expanded scope.* In order to implement this plan the legislature should look at a reduction of the sales tax with an expansion of its scope. This would serve to make Pennsylvania more competitive with neighboring states and ensure that property owners are not penalized unfairly with the burden of funding public schools.

Next, the Chamber advocates the elimination of the death tax , the reduction of the corporate net income tax (CNIT) rate and the phase out of the capital stock and franchise tax (CSFT), both of which are the second highest in the 50 states.

The Chamber supports reforms to the workers' compensation system and unemployment compensation program that would lower costs and lessen the burden on employers.

TCACC also opposes prevailing wage, because it hinders economic development and job creation efforts by randomly raising the cost of construction for projects and increases the cost borne by taxpayers.

Finally, the Chamber is opposed to environmental and energy laws and regulations that are not based on sound science. Regulations and laws should be cost-effective, technologically feasible and flexible and specifically the TCACC is encouraging the State Legislature to oppose the Department of Environmental

Protection's overreaching regulations on mercury emissions. DEP's action are a clear example of the unfriendly business practices within the state of Pennsylvania. Supporting a comprehensive national program instead of state specific rules is a more rationale approach since mercury is a global issue. If Pennsylvania enacts its own more stringent regulations than those required nationally, it would likely place Pennsylvania jobs at risk. Because Pennsylvania's energy producers now compete on the open market regionally and nationally, any proposal that makes our electricity more expensive than other states threatens our competitiveness and consequently jobs at Pennsylvania plants.

Health Care Reform

Making insurance more affordable and accessible to small businesses will encourage entrepreneurs to expand their workforce and benefits packages. The Chamber supports small business group reform, small business health plans, Health Savings Accounts and encourages any legislation that creates competition among health insurance companies and health care providers.

However, the Chamber insists that health plans must not shift a disproportionate share of the funding for the cost of healthcare to the business community and in an effort to cut budgetary costs, the state must not unfairly target health care providers by cutting Medicaid funding. These cuts will have a negative impact on our citizens, hospitals, businesses and the overall economy of the region. This is due to the fact the state's Medicaid budget impacts our community because Medicaid payments reimburse hospitals for care to our most vulnerable citizens and help the hospitals employ staff, and purchase goods and services, which generate state and local taxes, and stimulate the economy. The cuts do not provide savings, rather they represent a shift in cost burdens.

The organization also opposes universal health care, unless sufficient evidence exists demonstrating that the benefits of the mandate clearly outweigh its costs.

Supports Tort Reform Legislation and Lawsuit Abuse Restrictions

The high legal costs paid by Pennsylvania employers stunt the Commonwealth's economic growth. Fairness, common sense and personal responsibility need to be returned as an integral part of our courts by continuing to reform our antiquated legal system.

Thus, the Chamber supports Tort Reform Legislation that would put caps on non economic damages, would limit the recovery of punitive damages, would reform Joint and Several Liability, would prevent frivolous lawsuits and reduce the cost of medical malpractice insurance for our doctors. *Enacting meaningful tort reform would greatly reduce the costs that businesses incur in the State of Pennsylvania and help ensure a better quality of life for all residents*, due to the fact that our small business owners and doctors are leaving the Commonwealth due to frivolous lawsuits, particularly in Southeastern Pennsylvania.