



2016 LEGISLATIVE BUSINESS ISSUES

This publication summarizes the public policy positions of the Indiana Chamber of Commerce for the 2016 General Assembly and congressional sessions and beyond, as well as those for state and federal agencies.

It reflects extensive research, work and refinement by the Indiana Chamber's volunteer policy committees (comprised of employees of member companies) and Chamber staff.

Legislative Business Issues 2016 has been reviewed and approved by the Chamber's board of directors and is distributed to its membership, legislators, media, local chambers and other interested parties.

The Chamber's lobbying team uses these policy positions to initiate and evaluate legislation at the Statehouse and in Congress. If you have any questions, or wish to express your views, please contact the appropriate Chamber lobbyist.

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STATE BUSINESS ISSUES

CIVIL JUSTICE

Civil Justice

The Indiana Chamber Position:

The Indiana Chamber supports legislation and other reform efforts designed to facilitate a fair and reasonable civil justice system in our state. Preserving the integrity and credibility of our court system by preventing law suit abuse is critical to maintaining a positive climate for the creation of jobs and increased economic development within our region.

The Indiana Chamber supports:

- fair determination of actual damages based on fault and economic loss;
- timely and predictable process for resolution of disputes;
- examination and reform of the contingency fee system;
- implementation by the courts of current statutory sanctions against parties bringing frivolous lawsuits;
- establishment and implementation of procedural measures for use by the courts in preventing frivolous lawsuits and in turn, expediting the resolution of legitimate, good faith claims;
- limitations on non-economic and punitive damages;
- retention of Indiana’s medical malpractice statutes;
- instituting a qualified settlement system to help curb frivolous lawsuits (scenario: a qualified settlement is offered but refused; a judgment is later ordered that is less than the qualified settlement offer so then the plaintiff would be required to pay all court costs up to the difference in the two settlements);
- providing timely summary judgments and dismissals;
- limiting “vertical liability” (common in the construction industry);
- a loser-pays-all discovery costs position;
- moderate sanctions for inadvertent destruction of electronic evidence, to reduce intimidation of Indiana businesses;
- a legislative study committee to review the state’s mandatory sentencing guidelines;
- the prohibition of the funding of lawsuits by non-parties to the lawsuit;
- no further erosion of or modification to Indiana’s statute concerning collateral source payments (IC 34-44-1-2);
- no further erosion of the limitation on recovery under Indiana’s wrongful death statute (IC 34-23-1-2);
- no erosion of or modification to Indiana’s statute of repose and limitation concerning asbestos (IC 34-20-3-1); and
- proactive strategies to influence judicial selection.

Eliminate or Regulate Lawsuit Lending

The Indiana Chamber Position:

The Indiana Chamber supports prohibiting or, at a minimum, reforming the practice called lawsuit lending. These loans allow plaintiffs in difficult financial circumstances to get their hoped-for lawsuit proceeds in advance, while providing lenders the opportunity to speculate on payoffs of big legal judgments. One way to curb the negative impact of this practice would be to create an exception to the “collateral source rule” where such contracts would be disclosed in court. Another reform would be to regulate these now unregulated loans under Indiana’s usury laws.

Occupation License Reform

The Indiana Chamber Position:

The Indiana Chamber supports the downsizing and reform of Indiana's occupational license system.

Protecting Electronic Advertising in Indiana

The Indiana Chamber Position:

The Indiana Chamber opposes costs and rules that are unfairly enforced against Hoosier companies when unenforceable against non-Indiana entities or where penalties and fees are excessive (they must not be excessive). Databases commonly used to screen unsolicited electronic contacts must be absolutely safe from hacking.

Protecting Indiana Businesses From Defamation

The Indiana Chamber Position:

The Indiana Chamber supports legislation to prevent, by establishing criminal penalties, persons from entering business property under false pretenses to record video to be used for the purpose of industrial espionage, theft of trade secrets and disclosure of proprietary manufacturing processes or to harm the business reputation with their customers using the Internet or other means.

ECONOMIC DEVELOPMENT AND SMALL BUSINESS

Amenity-Based Economic Development

The Indiana Chamber Position:

The Indiana Chamber supports a strategy and attendant policies to enable community-driven, amenity-based economic development that aims to enhance the quality of life in the state's diverse urban and rural communities and regions. In addition to offering companies a compelling business climate, the state of Indiana should partner with regions and communities to help make them more attractive places to invest, live and raise families. Specific policies and initiatives include the Indiana Economic Development Corporation's Regional Cities program, as well as more flexibility for local communities to develop local revenue streams and use philanthropic dollars and public/private partnerships to fund projects supported by community consensus.

Daylight Saving Time

The Indiana Chamber Position:

The Indiana Chamber supports the observance of daylight saving time as authorized by the Uniform Time Act of 1966 for all 92 counties in Indiana. The Chamber opposes any attempt to reverse or modify the state's adoption of daylight saving time while recognizing the authority of individual counties to petition the federal government with respect to time zone placement.

– *Direct Small Business Impact* –

Expanding Venture and Investment Capital

The Indiana Chamber Position:

The Indiana Chamber supports expanding the availability of early-stage, seed and venture capital in Indiana. Specifically, the Venture Capital Tax Credit expires December 31, 2016, and the Chamber supports the permanency of this credit while expanding the annual cap of available credits from the current \$12.5 million

annual cap. The Chamber further supports increasing the tax credit from its current 20% to a level that would be “best in class” and competitive with the tax treatment by other states of venture investments.

The Chamber further applauds the enhanced voluntary use of state pension funds for venture capital investments in Indiana life sciences and other prudent business opportunities through the Indiana Future Fund, as well as encourages the establishment of additional funds to support other segments of Indiana’s economy in addition to the life sciences.

– *Direct Small Business Impact* –

Increasing Entrepreneurship Through Strategic Investments and Small Business Innovation Research (SBIR) Grants/Small Business Technology Transfer (STTR) Programs

The Indiana Chamber Position:

The Indiana Chamber supports initiatives to increase the formation of new Hoosier businesses through the leveraging of private capital and use of federal research and development funds, especially Small Business Innovation Research (SBIR’s) Phase I and Phase II grants, in addition to Small Business Technology Transfer (STTR) Programs. The Chamber urges the restoration of full funding for the state’s 21st Century Research and Technology Fund (the “21st Century Fund”) in the 2015 budget cycle. The Chamber is disturbed by the unpublicized decision in 2011 to unilaterally suspend this matching program and urges its reinstatement.

Indiana Product Trademark Program

The Indiana Chamber Position:

Indiana is a brand. As a state and business community, we should utilize Hoosier pride to strengthen Indiana’s brand and promote its favorable business climate nationally and globally. The Indiana Chamber supports implementation of an Indiana brand and trademark campaign, marketing effort or similar plan that sells and markets Indiana’s strengths and economic advantages. The “Indiana: A State That Works” campaign is a good start.

– *Direct Small Business Impact* –

Reauthorization of the Hoosier Business Investment Tax Credit

The Indiana Chamber Position:

The Indiana Chamber urges permanency (and long-range use) of the Hoosier Business Investment Tax Credit, which expires for projects made after December 2016.

– *Direct Small Business Impact* –

Recruiting and Respecting Human Talent

The Indiana Chamber Position:

The Indiana Chamber believes that the recruitment, attraction and retention of talented individuals to businesses in our state and the ability of Indiana businesses to compete in a global economy are enhanced by our state’s reputation for hospitality, diversity and freedom from discrimination. Therefore, the Indiana Chamber supports the expansion of equal protection under our state civil rights laws to individuals regardless of sexual orientation or gender identity.

Right-to-Work

The Indiana Chamber Position:

Opponents have promised continuing action to repeal or strike down right-to-work (RTW) in the courts, in an attempt to resume the practice of requiring union membership or financial support as a condition of employment. The Indiana Chamber will support and defend Indiana's RTW statute.

– *Direct Small Business Impact* –

Small Business Export Finance Assistance

The Indiana Chamber Position:

The Indiana Chamber believes a gap exists in the ability of small businesses to be engaged in global exportation. To that end, the Chamber encourages the utilization of the sponsored (working with private sector state financial institutions) low-interest export finance loans or a grant program to assist in covering the cost for working capital or accounts receivable financing. A program – similar to the federal government's SBA 7(a) Export Working Capital Loan program – to provide \$350,000 or up to 50% of project costs in the areas of direct or indirect costs in the production of those goods or the provision of services would provide an economical means to engage Indiana's businesses in the global marketplace.

– *Direct Small Business Impact* –

Small Business Legislative Impact Oversight and Review

The Indiana Chamber Position:

The Indiana Chamber believes the Indiana business community must be a good partner in regulatory compliance – striving to ensure a proper and safe work environment for the well-being of all Hoosiers. The Chamber further believes the state must take action to provide enhanced oversight and continuity to a program enacted in 2005 and 2006 to monitor the impact of state actions on small businesses. At a minimum, this should involve the creation of one clear point of contact per agency responsible for providing updates to the public on the impact on small businesses of pending rules and prospective laws, as well as actively assisting small business through the regulatory process.

– *Direct Small Business Impact* –

Small Business/Mid-market Investment for Indiana's Future

The Indiana Chamber Position:

The Indiana Chamber supports the enactment of legislation to allow tax credits and incentives for entrepreneurial small businesses and mid-market company development and expansions in the following manner, but not limited to:

- The initiation of a small/mid-market business growth tax credit program that would be available to small businesses (those having at least five employees);
- Restoration of historic (\$70 million-plus per biennium) funding levels for the state's 21st Century Research & Technology Fund;
- Restoration of the 21st Century Fund's SBIR/STTR matching program;
- Permanent extension of the state's venture capital tax credit;
- Preservation of the state's patent-derived income tax exemption;
- Support for university-based entrepreneurship programs;
- Support/expansion of the 21st Century Fund's entrepreneur-in-residence model.

– *Direct Small Business Impact* –

Tax Abatement (Tax Phase-In)

The Indiana Chamber Position:

The Indiana Chamber supports the continuation of property tax abatement (tax phase-in) as an economic development incentive. Tax abatement is one of the best and most successful incentives available for business and industry expansion and relocation in this state. Indiana must remain competitive with other states regarding total economic development tools available. Certainly, tax abatements and local incentives are utilized in every state, and hence should remain in place in Indiana. Alterations or modifications to such tools should be linked and closely measured to Indiana's overall economic competitiveness and ability to provide a healthy economic climate for the attraction and retention of jobs. Backsliding and clawback provisions should not be required under state law, but should continue to be a local requirement if deemed appropriate by the granting authority.

– *Direct Small Business Impact* –

Tax Increment Financing

The Indiana Chamber Position:

The Indiana Chamber supports the continuation of tax increment financing (TIF) as an economic development tool. Use of TIF should be limited to the attraction of primary investment (that is, a calculated determination by local officials that should be linked intrinsically to the original purpose of generating the TIF district). TIF funds should not be diverted from their original purpose or diluted.

– *Direct Small Business Impact* –

Technology Parks

The Indiana Chamber Position:

The Indiana Chamber supports a vigorous review of the state's existing certified technology parks (CTPs) by the Indiana Economic Development Corporation as empowered and required by state law. Those CTPs found to be excelling should be held up as models for the future; those CTPs found lacking in performance measures should be allowed to address deficiencies and, if addressed, be re-certified. Those that cannot address their deficiencies after they have been identified and given time to do so should be held accountable and decertified.

Technology Transfer

The Indiana Chamber Position:

The Indiana Chamber supports programs to increase the conversion of research that occurs in Indiana – whether at universities, by private enterprises or by the federal government and/or its contractors – into marketable products and more efficient processes for Indiana companies. This increase in the transfer of technology from academia and business to the marketplace is necessary for the success of existing businesses and to increase the number of new business start-ups.

The availability of research and development services, commercialization initiatives and technology transfer mechanisms throughout the state is particularly urgent. The Chamber further supports the creation of a centralized clearinghouse, serving as a concierge/triage entity to connect businesses with available technology in Indiana's universities. We also support a more proactive system to seek latent intellectual property, orphaned technology and other ideas that have potential for commercialization into Indiana business activity.

The Chamber also supports the creation of an enhanced support structure to provide needed business expertise to promising technology ideas and their entrepreneurs. Indiana must do more to orient research and technology activities in the state toward helping Indiana entrepreneurs commercialize products.

– *Direct Small Business Impact* –

Telecommunications Growth

The Indiana Chamber Position:

The Indiana Chamber of Commerce supports free-market competition in the delivery of advanced telecommunications services. The competitive development in a free-market environment among telecommunications industry service providers is consistent with providing choice to consumers and an adequate service of last resort in those extended service areas, while encouraging future development and deployment of high-speed data technologies.

Top telecom priorities include: achieving a higher level of broadband penetration in under-served portions of the state; promoting further deployment of broadband facilities such as fiber optics and broadband capacity-improving technologies; and adding Internet backbone hubs and other methods of facilitating state-of-the-art communication. To achieve this vision, we will need private-sector technology companies to continue to make strategic investments in the deployment of advanced broadband technologies across the state.

The Indiana Chamber believes that government policy in this area should: 1) be minimal and build upon successful deregulation of voice, video and broadband services in 2006; and 2) treat all industry players and competing technologies on a level playing field, removing any legacy policies that lead to disparities in the marketplace or that have become superfluous. These include addressing legacy bureaucratic structures and fees, as well as equalizing the tax burden among multichannel video providers so that cable and video service providers are not at a disadvantage with respect to direct broadcast satellite providers.

– *Direct Small Business Impact* –

EDUCATION/Higher Ed.

Economic Development

The Indiana Chamber Position:

The Indiana Chamber supports the further development of initiatives and incentives to encourage business and higher education to collaborate on issues of mutual interest for the benefit of students and the Indiana economy. This includes higher education and business partnering in discussions and shared efforts around the development and direction of post-secondary curricula and coursework, including experiential learning opportunities. The Indiana Chamber supports continued investments in university-based research that will help expand economic opportunities and job growth. The Indiana Chamber also supports policies that ease and encourage commercialization of technology and policies that effectively utilize resources on STEM (Science, Technology, Engineering and Math) and other fields with high demand and/or high economic returns.

Financial Efficiency and Flexibility

The Indiana Chamber Position:

The Indiana Chamber supports policies and programs that aid and/or incentivize state institutions to share and maximize the use of resources, including facilities, and to expand statewide and interstate compacts in joint purchasing and shared services. The Indiana Chamber also supports continuous review of program offerings, facilities management, compensation, health care and retirement plans to ensure optimal efficiency and effectiveness. The Indiana Chamber encourages the state's institutions to strive towards affordability and to limit tuition increases; however, we oppose the establishment of tuition caps through legislation. The Indiana Chamber further encourages collaboration among institutions and across campuses where demand and opportunities warrant so that programs unique to each institution may be offered on another's regional or local campus so that such programs are offered where they may be most effective in addressing the objectives of the state.

Mission Differentiation, Coordination and Program Selection

The Indiana Chamber Position:

The Indiana Chamber supports the continued development of a tiered delivery system in which the state's education institutions focus primarily on their respective core competencies and in which program offerings are designed to meet the state's economic and employment needs. This includes, but is not limited to: elimination of remedial courses at the state's four-year institutions; reliance on Adult Education and other organizations to address deficiencies in basic skills and to help limit remedial coursework at the community college level; cooperative admissions, counseling and program delivery at the regional level; and increased emphasis on associates degrees and industry-based certificates at Indiana's community colleges. The Chamber supports the continued development of a regional campus system that maintains the academic integrity of its parent institutions and which serves as host for other Indiana Higher Education Institutions' unique offerings in response to local demand, and which is responsive to regional economic needs and advances the efficiencies of a statewide system.

Preparation for College

The Indiana Chamber Position:

The Indiana Chamber supports the continuing implementation of K-12 academic standards that are aligned to college and career readiness expectations, and affirmed by Indiana's institutions of higher education. Such standards should be accompanied by a statewide assessment system that reflects the standards' complexity, includes rigorous cut scores and provides comparability of results across states. The Indiana Chamber also supports high school course completion requirements that will assure college entry without the need for remediation, regular review of those course requirements, phase out of the general diploma, opportunities for dual credit courses that are genuinely equivalent to college-delivered coursework, and focus on objective measures of college preparation (such as Advanced Placement, ACT and SAT).

Productivity and Accountability

The Indiana Chamber Position:

The Indiana Chamber supports policies to improve the productivity of our state's higher education institutions. This includes, but is not limited to: state funding based on enrollment and performance measures; public reporting of performance results (including job placement and salary data for graduates); increased emphasis on student learning outcomes through the use of student-performance assessments, post-graduate employer feedback and public reporting of results; and participation in national reporting and accountability programs.

Student Access and Incentives

The Indiana Chamber Position:

The Indiana Chamber supports financial aid and other policies that will assist and incentivize students to complete their degrees on time (four years for BA degrees, two years for AA degrees and one year for certificates), to select degree programs with the greatest needs in the workforce and to remain in Indiana following graduation. This includes the awarding of credit for prior learning experiences, ease of credit transfers, limits on total credit requirements (120 for BA and 60 for AA), accelerated degree programs, flexibility for part-time aid (with demonstrable and continuing advancement) and alternative delivery models (online, competency-based, etc.) – so long as these and other such policies do not diminish the quality and competitiveness of their respective programs. The Chamber also supports the development of a coordinated assessment system – from high school through college placement and career readiness – to better inform students and/or their families, and to help ease respective transitions.

EDUCATION/K-12

Academic Standards, Assessments and Accountability

The Indiana Chamber Position:

The Indiana Chamber supports:

- Implementation of rigorous academic performance standards for each academic subject in each grade level.
- Keeping a consistent set of standards, with review from educators from time to time to help students, parents, and educators have stability and provide accountability.
- Implementation of a statewide student assessment system that, as state financial resources permit, is designed to measure student performance and growth directly against the prescribed academic performance standards, includes tools for both formative (diagnostic) and summative (accountability) components, measures both knowledge levels and problem-solving skills, is benchmarked against international performance standards and produces performance data in an easy-to-read format allowing comparisons with other states and countries.
- Providing effective remedial opportunities for students who fall short of established standards. This should include, especially, an aggressive set of remedial strategies for reading instruction in grades K-3 and, when necessary, retention of third graders who have not yet mastered third grade reading proficiencies via the I-READ 3 high-stakes exam.
- An age-appropriate length of rigorous high-stakes testing, where the focus is on quality instead of quantity.
- Providing clear and understandable measures for parents and the general public, including data on student performance.
- Focusing on continuous improvement and student academic growth for holding schools, principals and teachers, accountable for their performance;
- Including rewards for school and classroom improvement;
- Implementing a broad range of options for intervention, including school or district takeovers and other aggressive interventions for schools and school districts that have an established pattern of poor student academic performance; and
- Offering additional choices for parents in schools and districts that are persistently poor performing.

Dropout Prevention and Recovery

The Indiana Chamber Position:

The Indiana Chamber supports policies and other strategies to reduce the state's dropout rate and increase graduation rates, including:

- Continued attention to the accuracy of Indiana's graduation and drop out data;
- Inclusion of accurate graduation data in school reporting and accountability measures;
- Regular and public reporting of the results and consequences of the audit provision contained in Indiana's graduation rate law;
- Establishment of a standard high school diploma, without waivers, as the goal for all students under the age of 18, with GED programs reserved for adults beyond high school age and students under the age of 18 only in extreme circumstances;
- The maintenance of age 18 as the default compulsory attendance age, with incentives for students under age 18 to remain in school until graduation;
- Continued development of Ivy Tech Community College as a dual-credit granting institution, with attention to increased matriculation of such students to degree and high-need or targeted workforce-related certificate programs; and
- Development of alternative learning tracks and learning environments that will assist students who are struggling in the standard high school setting to complete a high school degree and to matriculate

towards workforce-related certificate and post-secondary degree programs, including adult dropout recovery programs.

- Ongoing and consistent funding stream for adult programs.

Parent and Educator Choice That Generates and Innovation in Indiana's Schools

The Indiana Chamber Position:

The Indiana Chamber supports the enactment of programs and policies that will incentivize public schools to accelerate improvements in academic performance and to improve their responsiveness to consumer needs, and will increase options for parents for selecting the educational environment that best fits the individual needs of their children. The programs and policies supported by the Chamber include, but are not limited to:

- Practical methods to allow parental choice of the schools their children attend, both public and private.
- State and local school funding mechanisms that provide equitable, student-based support for a broad range of educational options, including equal funding for new and current charter schools.
- Tax incentives/tax credits that encourage parents to invest in their children's education by providing tutoring, remediation, instructional supplies, home technology and/or private school tuition.
- Tax incentives/tax credits for businesses and other third-party entities to contribute to educational scholarships and educational foundations that assist parents with the cost of private school tuition and other educational services.
- Tax Incentives/tax credits for donations to public and private schools.
- Continued expansion of high quality charter schools that will foster competition and innovation within the public school system.
- Authority for new charter school authorizers and engagement of current authorizers.
- A requirement that a list of school buildings that are managed/owned by school corporations or any subsidiary thereof that are unused and have no specific and timely plans for future use shall be made available to charter schools on a quarterly basis.
- Ensuring that innovative educators have access to public assets through existing and new state laws to better serve children, particularly those in D and F schools.
- Provisions for sharing proportional shares of local capital funds with charter schools and/or state support for capital funds, as state financial resources permit.
- Contracting or public/private partnership alternatives to allow for alternative school management and other similar arrangements.
- Exploring proposals that encourage district innovation and consolidation.

Postsecondary Preparation and High School Graduation

The Indiana Chamber Position:

The Indiana Chamber supports:

- The continuing requirement that students complete a rigorous high school curriculum (Core 40 as a minimum) to qualify for a high school diploma.
- Ongoing reviews of Core 40 (and other curriculum requirements) to ensure sufficient levels of rigor including, for example, end-of-course exams in key subject areas and an extension of Core 40 to require four years of rigorous mathematics.

Preschool

The Indiana Chamber Position:

The Indiana Chamber supports the development of publicly-funded quality preschool initiatives that:

- Include clear and measurable standards for childhood development and academic preparation, including appropriate student assessments to measure progress against those standards;
- Provide public reporting of performance and financial incentives for providers that meet and exceed the program's standards for childhood development and academic preparation;
- Maximize the efficiency of all available resources, including federal Head Start funds, through collaboration of programs;
- Provide parents with a broad set of choices, including Paths to Quality providers, private providers, non-private providers, for-profit providers and faith-based institutions, and help parents to be aware of and gain access to those choices; and

Focus on low-income families and other at-risk children.

School Finance Transparency

The Indiana Chamber Position:

The Indiana Chamber supports increases in the school funding formula that equal inflationary levels and adjustments for student population change. The Chamber urges that funding increases beyond these levels should be made only through performance incentives that reward individual teachers, schools and school corporations that demonstrate improvement in their students' academic performance. To promote accountability in the school funding formula, the Indiana Chamber also supports multiple count days and other funding mechanisms that require all dollars – including tuition, categorical programs and federal funds – to "follow the student."

In addition, the Indiana Chamber supports policies and other strategies allowing schools to shift funds from administrative and overhead costs to provide greater funding directly to the classroom and for teachers

The Indiana Chamber also supports changes to accounting and financial management practices that will increase flexibility for local spending decisions, increase transparency, enhance local and school-based management decisions, and create greater accountability for reducing overhead and driving more educational dollars to the classroom. Specifically, the Chamber supports a transition from current fund-based accounting to Generally Accepted Accounting Practices (GAAP), with additional indices that will delineate expenditures for instruction (teachers, teacher aides, textbooks, teaching supplies and other classroom-level expenses), instructional support (librarians, counselors, etc.), administration (principals, superintendents, secretaries and other central office staff, food services, insurance, legal services, etc.), and facilities and transportation (construction, debt service, maintenance, utilities, etc.).

Therefore, the Indiana Chamber encourages a thorough review of school financing to ensure that the options made available to and selected by Hoosier families are receiving fair, equitable and timely support for all aspects of their operations, including general support, special needs, facilities and transportation. The Indiana Chamber further supports implementation of a comprehensive transparent school financial accountability system that:

- provides budget information (expenditures on direct classroom expenditures, administration costs, extracurricular costs and other broad categories of spending broken down) at the school building level. This would also include information on teacher salaries (including years of service, salary bands, performance and retention bonuses) at the school building level; and
- would also include a study of current audit process and consideration of external audits (similar to the requirements for charter schools currently); and would also include a study of GAAP accounting practices.

School Governance and School Leadership

The Indiana Chamber Position:

The Indiana Chamber supports school governance structures and school leadership that foster efficiency, responsiveness and effectiveness, including (but not limited to):

- A Superintendent of Public Instruction that is appointed by the governor;
- Consolidation of districts with less than 1,500 students whose ISTEP and SAT scores are below statewide averages;
- School boards that are elected in the fall as part of the general elections or are appointed by an elected city or county executive who is directly responsible to that area's voters;
- Voter approval of school construction and debt issuance;
- Consolidation and/or reduction of central office and district-level administrations;
- State support and additional incentives for consolidated purchasing and other shared operational functions;
- Incentives for school and district management to be trained in the fields most directly related to their roles, including financial management, human resources and facilities management; and
- Flexibility for school districts to hire superintendents, principals and other school leaders from a wide range of relevant disciplines and experiences, not just those with narrow licensing credentials in education and education administration.
- Recruiting, developing, educating, retaining and incentivizing a greater number of leaders in K-12 education.

To address these and other related issues, the Indiana Chamber also encourages the Indiana General Assembly and other state policy leaders to conduct a comprehensive review of school governance and to consider these and other changes to modernize our oversight of K-12 education.

Student Counseling

The Indiana Chamber Position:

The Indiana Chamber supports policies and strategies to improve quality, access and availability of quality college and career counseling services for all students. Among those steps are to:

- provide counselors with the online tools and training necessary to perform their duties;
- offer an online student career counseling portal for students and their parents to access information and conduct high-quality interest and aptitude assessments identifying careers which the individual student might find most fulfilling along with educational paths to each career and insights including demand and compensation; and
- address the additional non-counseling duties being placed on school counselors which detract from time for student engagement.

Student Instructional Time

The Indiana Chamber Position:

The Indiana Chamber supports:

- Increases in the minimum length of the school day.
- The make-up of snow days or other instructional time canceled for other reasons.
- The elimination of state-imposed time requirements for non-core subject areas.
- Increases in the time schools spend on core academic subjects.
- Increases in the length of the school year.

Teacher Collective Bargaining and Tenure

The Indiana Chamber Position:

The Indiana Chamber supports the repeal of Public Law #217, collective bargaining and exclusive representation for teachers. Short of repeal, the Indiana Chamber supports substantial revisions to the law, such as those passed in 2011, that: 1) limit collective bargaining to wages and benefits only, 2) prohibit restrictions on performance-based pay and 3) eliminate salary schedules based exclusively on years-of-service. Additionally, the collective bargaining law should require an annual check-off by each member of the bargaining unit and dues should be collected by the union, directly from its members, rather having dues collections administered by the school district through payroll withholding.

The Indiana Chamber will also support policies and other strategies allowing schools to increase starting salaries for teachers – with an emphasis on in-demand teachers – and to financially reward teachers who demonstrate outstanding performance and results in the classroom.

Teacher Training and Teacher Licensing

The Indiana Chamber Position:

The Indiana Chamber supports:

- Rigorous admissions standards, especially with regard to content knowledge, for schools of education.
- Requirements for rigorous content knowledge including: for elementary teachers, demonstrable knowledge of the science of reading instruction (including phonics-based instruction); and for middle and high school teachers, demonstrable content knowledge, preferably through the attainment of a major, in the field that they plan teach. Content knowledge should be demonstrated at the start of each teacher's career and on an ongoing basis, such as every two years, through a rigorous assessment (i.e., scoring "4" or better on the relevant AP exam).
- The implementation and effective use of alternative teacher licensing for experienced professionals with various areas of specialty (e.g. chemists, lawyers, doctors, accountants).
- Accountability for schools of education that are based on the academic progress of students taught by their graduates.

Technology in Schools

The Indiana Chamber Position:

The Indiana Chamber supports greater use of technology for school and classroom management and for the delivery of educational content. The Chamber recognizes that technology acquisition and implementation may require new financial investments but believes that any such investment can and must be shown to produce greater academic achievement and, in the long-term, greater financial savings. The Chamber also encourages state leadership in the development of joint purchasing and other programs that will increase the efficiency of technology acquisition and implementation.

ENERGY

Energy Policy Principles for a Competitive Business Climate

The Indiana Chamber Position:

Indiana should develop and maintain an energy leadership policy that ensures the state's continued access to adequate, reliable, affordable and cost-effective energy. That policy position should contain an assessment of our energy infrastructure and should support:

- A diversified, cost-effective fuel mix including clean coal, natural gas, nuclear, renewables, biomass and North American petroleum;
- Investment in new energy technologies, including the expansion of customer-owned generation such as micro grids and other distributed generation;
- A balanced regulatory framework that aligns the interests of energy users and the energy industry, promotes a diverse, reliable and cost-effective energy supply and fairly allocates the costs of energy among energy users;
- Cost-effective energy efficiency and conservation; and
- Federal and state environmental legislation and regulations that do not impair Indiana's energy advantages both in the United States, as well as internationally.

ENVIRONMENT/General

Compliance Assistance

The Indiana Chamber Position:

The Chamber supports the expansion of an effective environmental compliance assistance functions in state agencies with specified performance standards and accountability.

Definition of Adjacent Facilities

The Indiana Chamber Position:

IDEM should interpret "adjacent" so that only plant facilities, which are under common ownership or control (contractual or otherwise), that are also contiguous or that would be contiguous except for being divided by a roadway or railroad are considered the same source.

Emission Factors

The Indiana Chamber Position:

The Indiana Chamber supports withdrawal of the IDEM non-rule policy document on emission factors. No emission factors should be considered presumptively superior to other means of estimating emissions. Stack testing should not be mandatory for demonstrating the accuracy of an alternative emission factor.

Permit Fees

The Indiana Chamber Position:

The Chamber is opposed to any environmental permit fee increases unless the fee is required by law and dedicated to improving the ease, speed and performance of the state in administering its environmental permitting duties.

State Standards More Restrictive Than Federal Standards

The Indiana Chamber Position:

If the state sets a standard more restrictive than the federal limit, it must:

- present a scientific rationale;
- perform a timely credible cost/benefit analysis of the impact on state government, Indiana business and its citizens;
- present the rationale and analysis to the respective board;
- annually report same to the Environmental Quality Service Council; and

- develop and regularly update a federal/state side-by-side comparison at or before the first notice of proposed rulemaking in the Indiana Register.

Transition to Administrative General NPDES Permits

The Indiana Chamber Position:

An administrative general NPDES permit must be prepared carefully with active stakeholder engagement and be effective prior to adoption of a state regulation eliminating the corresponding NPDES general permit-by-rule.

ENVIRONMENT/Air Quality

Air Emission Banking

The Indiana Chamber Position:

The Chamber encourages IDEM to develop an effective banking program, consistent with the federal banking/trading program, which would formalize the current emissions netting and offset certification process in state regulation through the creation of emissions reduction credits represented by real emissions reductions from all significant sources. Such a program should also feature a notice and tracking system through which new and expanding industry, in addition to the public, would be able to identify available sources of netting or offset emissions for air permit requirements.

Market Based Trading Programs – Air

The Indiana Chamber Position:

The Chamber supports IDEM's development of a flexible, cost-effective state/federal market-based emissions trading program that integrates with federal allowance trading programs. The trading program should seek to reduce the overall cost of compliance and maintain local fuel diversity and not impose any new emission reduction requirements.

Ozone- 8-Hour/Particulate Matter (PM_{2.5})

The Indiana Chamber Position:

The Chamber recommends the governor and IDEM include in nonattainment designation submittals to the U.S. EPA information that make 8-hour ozone or PM_{2.5} nonattainment area recommendations consistent with sound science.

– *Direct Small Business Impact* –

SO₂ Nonattainment

The Indiana Chamber Position:

The Indiana Chamber recommends that IDEM base its SO₂ nonattainment area recommendations on the most current information available and actual SO₂ ambient monitoring data. If additional monitors are needed to provide more accurate and representative data, IDEM should first consider moving existing monitors to new locations if moving the monitor will provide more representative data overall. Any new monitoring requirements for individual sources should be based on EPA regulations. Dispersion modeling results should not be used for nonattainment designations, and should only be used as a screening and prioritization tool for development of state implementation plans. IDEM should actively involve key stakeholders in the development of accurate and sound modeling and monitoring tools as they develop reasonable emissions reduction plans.

ENVIRONMENT/Land Quality

Beneficial Use of Waste or Byproducts

The Indiana Chamber Position:

Impediments to the effective recovery of materials and energy from waste materials need to be identified and minimized or removed. Meaningful programs to evaluate waste recovery and reuse options need to be expeditiously embraced and marketed. Priority should be given to beneficial use of generated waste products and creation of incentive programs.

Good Character for Solid and Hazardous Waste Permits

The Indiana Chamber Position:

The Indiana Chamber supports repeal of the “Good Character” law that applies to commercial entities seeking solid and hazardous waste permits. If not repealed the law should be revised to apply only to entities seeking their first permit in the state of Indiana. The law should not apply to renewals, major modifications or persons who have a known operating history in the state of Indiana.

Solid Waste Management Districts

The Indiana Chamber Position:

The Chamber supports the prudent handling of our state's solid waste and the development of plans to ensure continued environmentally sound and economically sensible disposal options. The solid waste management districts (SWMDs) should focus on education and coordination in achieving this goal. If they are not able to demonstrate this focus, their funds and activities should be turned over to existing government bodies.

Viability of Local Emergency Planning Committees

The Indiana Chamber Position:

The local emergency planning committee (LEPC) system in Indiana needs to be strengthened and supported by both IDEM and the Indiana State Department of Health (ISDH).

ENVIRONMENT/Water Quality

Antidegradation Policy and Implementation Procedures

The Indiana Chamber Position:

The Chamber supports the protection of our valuable water resources while maintaining a strong, vibrant economy. Federal law requires states to develop antidegradation policies to preserve water quality. Depending upon the details of state implementation procedures, antidegradation policies can impose severe constraints on economic development with virtually no corresponding public health benefit. The former Water Pollution Control Board adopted a new statewide antidegradation rule in 2012 that contains numerous vague provisions that raise concerns for unpredictable and overly stringent implementation. IDEM has indicated it will develop guidance to help clarify vague or ambiguous provisions of the new rule. The Chamber urges that needed guidance be developed with input from a broad spectrum of stakeholders after a thorough review of the new rule is conducted to identify topics in which guidance is critical. Moreover, the possibility exists that guidance alone will not be adequate to resolve all vagueness or ambiguity in the new antidegradation rule and, in such an event, the Chamber suggests that the newly constituted Environmental Rules Board should be asked to develop revisions to the rule to address any significant deficiencies.

Clean Water Act 316(a) Thermal Variances

The Indiana Chamber Position:

The Indiana Chamber opposes action taken by the Indiana Department of Environmental Management (IDEM) with the issuance of a non-rule policy document that dictates extremely onerous biological studies in order to obtain or renew an existing variance for thermal discharges. (In most cases, these variances currently apply to existing dischargers.)

Cooling Water Intake Structures

The Indiana Chamber Position:

The Indiana Department of Environmental Management (IDEM) should apply as much flexibility in the implementation of the entrainment standard as permitted under the federal 316(b) rule, including flexibility in defining the extent of studies required to make a best technology available (BTA) determination.

The U.S. Environmental Protection Agency (EPA) issued its Clean Water Act 316(b) rule for facilities with existing cooling water intake structures in August 2014. The rule requires EPA and state agencies with NPDES authority – such as IDEM – to impose technology-based standards (best technology available [BTA]) to protect aquatic organisms from mortality due to impingement on intake structures or entrainment within the cooling water system.

CSO/Wet Weather Issues for Municipalities

The Indiana Chamber Position:

The Chamber supports the correction of Combined Sewer Overflows (CSO) and improvement of wet weather water quality. In particular, the Environmental Rules Board must revise the use designation to allow temporary discharge for each community with an approved Long-Term Control Plan that will result in a certain frequency of raw sewage discharge to surface water after the project is completed. While promoting an overall and continued cleanup of our waters, the program should be based on cost effective protection of public health. If a use attainability analysis (UAA) is necessary, it should be done in conjunction with the development of the early stages of a long term control plan so that the results of the UAA, if approved, can be reflected in the final long term control plan

– *Direct Small Business Impact* –

Designated Uses of Indiana Water

Indiana Chamber Position:

IDEM should develop a range of use and partial-use categories that are adequate to characterize realistic uses for Indiana's diverse water segments. IDEM then should conduct a systematic review of Indiana waters to designate uses that can reasonably be expected to be achieved in each water body. To the extent necessary, to implement this refinement of designated uses for Indiana waters, IDEM should be directed to support and participate in the development of use attainability analyses as defined under federal law.

Drought Plan

The Indiana Chamber Position:

The state should develop a drought plan with a priority-use schedule.

Nutrient Policy

The Indiana Chamber Position:

Excessive nutrient loading in certain Indiana waters and downstream waterbodies is a challenge that cannot be addressed by establishing a water quality standard which is designed for toxic pollutants. The state government must use a practical technology-based approach guided by sound science and not a water quality standard-based approach which is designed for toxic pollutants – not nutrients.

Review of the Water Quality Standards

The Indiana Chamber Position:

The Chamber supports the revision of Indiana's water quality standards when consistent with sound science and reasonable public policy objectives. For most criteria in waters outside the Great Lakes Basin, serious review of the current science to support criteria has not been performed since the adoption in 1990 despite federal law mandating three-year review cycle. As a result substances such as iron, nickel and aluminum have ad hoc values used by IDEM that are more conservative than the science justifies.

Septic System Policy

The Indiana Chamber Position:

The Chamber supports a comprehensive study for a reorganization of the Indiana state government authority and responsibility for septic systems.

State Definition of Interference of a Publicly Owned Treatment Works

The Indiana Chamber Position:

The Indiana Chamber believes the state's regulatory definition of "interference" that a discharger could cause to a sewage treatment plant should be identical to the federal definition. The Indiana Environmental Rules Board should change the current language through the rulemaking process.

Total Maximum Daily Load (TMDL) for Waterways

The Indiana Chamber Position:

The Total Maximum Daily Load (TMDL) program will greatly influence Indiana water quality policy for many years. It is critical that the program be focused, flexible, founded on sound science and adequately funded and staffed. The Chamber supports IDEM's efforts to conduct TMDLs on those waters that are properly identified as "impaired." IDEM should carefully evaluate the quality of the water data used to declare a water body as "impaired" in order to assure appropriate valuation of its waters.

Waters of the U.S. (WOTUS)

The Indiana Chamber Position:

The Indiana Chamber opposes the expansion in the scope of what is considered a "jurisdictional" water, including land that is "adjacent" (as that term is defined in the final U.S. Environmental Protection Agency [EPA] rule) to traditional navigable waters and those waters that the agencies consider, on a case-by-case basis, to be jurisdictional.

Water Quality Trading

The Indiana Chamber Position:

The Chamber supports IDEM's development of a flexible, cost-effective state/federal water quality trading program that integrates local, state and or regional water quality trading programs whenever appropriate and allowed. The trading program should not impose any new emission reduction requirements.

Wetland Management

The Indiana Chamber Position:

The Chamber opposes delegation of the US Army Corps of Engineer 404 permit program for wetland filling to IDEM. The Chamber supports changing the IDEM 401 certification program to be a water quality impact certification following federal law and not a program to duplicate the Corps of Engineers wetland mitigation procedures in its 404 permit. The Chamber opposes the delegation from USEPA for the Class V injection well program to IDEM.

HEALTH CARE

Emerging Technologies

The Indiana Chamber Position:

The Indiana Chamber supports the use of interactive audio, video and electronic media as well as any new and emerging technologies that are used as a means of providing health care services for medical exams, consultation and evaluation.

Government Cost Shifting to Private Payers

The Indiana Chamber Position:

The Indiana Chamber opposes Medicaid and Medicare reimbursement reductions to health care providers in instances where it causes cost shifting, which in turn raise private payers' costs or reduces the availability of quality health care.

Health Care Reform

The Indiana Chamber Position:

The Indiana Chamber of Commerce believes that the principles of the free market should be the driving force in reforming and operating our health care system. The system must be able to deliver consistent quality, in the form of improved outcomes, as well as increased access to competitively priced health care services.

The Indiana Chamber supports and will defend:

- The establishment of voluntary employer purchasing initiatives where small employers might band together to purchase medical goods and services at reduced rates. The Chamber does not support "pooled experience" of small employers because such pools are unstable.
- Improvements in access to health care and provider performance and pricing data. The Chamber approves of the standardization of health care provider data to provide employers and consumers with reliable cost and quality information upon which health plan and provider selection decisions can be made.
- Streamlining and standardizing of forms and procedures to ensure health plan efficiency.
- Tax equity for self-employed and small employers.
- Retention of consumer driven health care plans including, Medical Savings Accounts, Health Reimbursement Arrangements, Health Savings Accounts, other defined contribution health plans and the removal of tax penalties for utilization.

- Retention of a good medical malpractice law.
- Increased utilization of managed care principles in tax-supported programs.
- ERISA's preemption of state laws.
- Collaborative efforts among providers which benefit purchasers of health care.
- An employer's right to design and implement wellness initiatives and disease management programs, along with onsite medical services and health clinics.
- Increasing access to health care through initiatives that reduce the number of uninsured Indiana residents, provided that such initiatives do not hinder economic growth and development within our state.

The Indiana Chamber opposes:

- Government action, including regulatory action, causing the escalation of health care costs.
- Creation of new entitlement programs.
- Employer mandates in any form, including expansion of COBRA obligations.
- New employer taxes for health care (direct or through reduced deductions).
- Restricting small employers' right to self-fund.
- Restrictions on managed care programs.
- Governmental price controls.
- Cost shifting by government to the private sector.

Health Information Privacy

The Indiana Chamber Position:

The Indiana Chamber supports legislation that strikes the appropriate balance between the protection of individuals' personal health information and the preservation of employers' ability to obtain information necessary to make informed health care plan and wellness program decisions and to allow employers to assist those employees requesting assistance in dealing with employer-provided health plans. Employers should have full access to claim information in order to effectively negotiate with insurance companies at health plan renewal time. In such cases, employers should have effective procedures in place to protect such information from misuse.

Maintain the Integrity of Health Insurance Networks

The Indiana Chamber Position:

The Indiana Chamber opposes legislative efforts that could weaken or destroy health care networks that negotiate on behalf of employers, individuals and other private payers with medical providers to provide health care at reasonable rates. One example of such legislation would be assignment of benefits, the practice by which insurers would be compelled to make reimbursements directly to out-of-network medical providers, eliminating much of the incentive for providers to agree to reduce rates to join a network.

Mandated Health Care Benefits

The Indiana Chamber Position:

The Indiana Chamber opposes legislative health care mandates that increase the cost of small employers to provide health insurance benefits to their employees. This would include requiring employers to offer a health benefit plan to employees or to allocate a designated amount of resources to the provision of a health benefit plan. This would include requiring employers to offer a health benefit plan to employees or to allocate a designated amount of resources to the provision of a health benefit plan. Health insurance benefit mandates requiring the coverage of a particular health care service or type of treatment not only impede the ability of market forces to work freely, but also reduce the availability and affordability of health care benefits by eliminating employers' ability to craft and design health care plans that suit the individual needs of their employees. Similarly, broad-scale mandates requiring employers to

provide a health benefit plan or to allocate a designated portion of resources to the provision of a health benefit plan is a deterrent to economic growth and development in that punitive measures of this kind have the effect of inhibiting the creation of new jobs by employers, while also placing existing jobs within affected regions in jeopardy. Finally, the Chamber is concerned that mandates may have the unintended consequence of reducing the number of individuals covered by plans, either because the employer cannot afford to meet higher premium costs incurred by mandates or because employees are required to cover more of those costs on an out-of-pocket basis. Though the Chamber is supportive of the notion that all employers should strive to provide a health benefit plan to their workforces, the Chamber believes that the decision of whether to provide a plan, as well as plan selection decisions are best left to each individual employer.

As a condition precedent to the contemplation of any proposed health care benefit mandate by the Indiana General Assembly, the Chamber still believes it is imperative to conduct a thorough review and analysis of all of the potential costs and benefits associated with the proposed health insurance benefit mandate. This cost/benefit analysis should include a review of the economic impact that the proposed mandated health insurance benefit is anticipated to have on individual and employer-purchasers of health insurance. The Chamber promoted and endorsed the creation of the nine-member “mandate-review” task force in the 2003 legislative session. The task force was repealed during the 2011 legislative session and replaced by the Interim Insurance Study Committee. This committee was created to study a broader scope of insurance issues. The Chamber believes that any proposed health care benefit mandate should be thoroughly studied by this committee.

Tobacco Reform

The Indiana Chamber Position:

The Indiana Chamber supports a total ban on smoking in the workplace.

Tobacco Use by Employees

The Indiana Chamber Position:

The Indiana Chamber believes that all employers should have the right to choose whether or not to screen and/or hire prospective employees that use tobacco products. The Chamber also believes that the smoker’s bill of rights for “prospective” employees should be repealed from the Indiana Code.

HUMAN RESOURCES

Criminal History Expungement

The Indiana Chamber Position:

The Indiana Chamber supports reasonable and limited efforts to expunge inaccurate or older criminal records for lesser offenses to allow workers a second chance for employment and a productive life.

Employment Discrimination Legislation

The Indiana Chamber Position:

The Indiana Chamber believes that existing legal remedies more than adequately protect the rights of employees to be free from discrimination and, therefore, the Chamber opposes the imposition of additional liability under current statutes. The Indiana Chamber supports the availability of informal complaint resolution procedures to settle issues quickly and fairly without litigation.

Employee Monitoring/Surveillance

The Indiana Chamber Position:

The Indiana Chamber believes that an employer should have the right to engage in the monitoring/surveillance of the communications and activities of employees in appropriate work environments.

Family and Medical Leave Act

The Indiana Chamber Position:

The Indiana Chamber opposes any expansion – such as lowering the employee threshold, providing paid leave through use of funds from Indiana’s Unemployment Trust Fund or through a new tax on employers – or enhancement by the Indiana General Assembly of the Family and Medical Leave Act, as it is unnecessary and would prove more burdensome and economically challenging to businesses (particularly small businesses) as they strive to compete in the global marketplace. The Chamber opposes further legislation to provide paid family medical leave benefits. The Chamber does support Indiana’s military leave law.

Firearms in the Workplace

The Indiana Chamber Position:

The Indiana Chamber supports repealing Indiana’s “bring your gun to work” law. Additionally, the Chamber will oppose legislation that further erodes the employer’s right to adopt and enforce a policy or rule that prohibits or has the effect of prohibiting an individual from legally possessing a firearm on the employer’s property.

Mandated Human Resources Policy

The Indiana Chamber Position:

The Indiana Chamber opposes any legislation or regulation that mandates human resources policy in the private sector. As a condition precedent to the contemplation of proposed employer mandates, the Chamber supports legislation to require an independent analysis of the direct and indirect costs – including all costs of administration – to employers and to employees. This analysis should be presented to the General Assembly before a mandate can be considered.

INFRASTRUCTURE AND TRANSPORTATION

Aviation Infrastructure Investment

The Indiana Chamber Position:

The Indiana Chamber supports the strengthening of Indiana’s aviation infrastructure and network of airports throughout the state as a means of enhancing economic development and establishing a truly interoperable, intermodal transportation network.

Specifically, the Chamber calls for an end to diversions from the current state sales tax on aviation-related activities in order to create a dedicated aviation funding stream that will, at minimum, match federal grant monies available to maintain and improve this critical infrastructure. Any state funds generated from the aircraft license excise tax or sales tax on aviation fuel or capital investment-related activities should be segregated from the state’s General Revenue Fund and deposited into a newly created Aviation Account. This account shall be used to maximize federal funding and to pay for projects that provide the highest economic return for aviation projects across the state. The Chamber is opposed to any legislation which would diminish the long-term viability of Indiana’s airports.

– *Direct Small Business Impact* –

Mass Transit and Passenger Rail Infrastructure Investment

The Indiana Chamber Position:

The Indiana Chamber acknowledges the need for the strategic study and deployment of mass transit and passenger rail systems in appropriate communities and regions throughout the state.

The Chamber supports continued investigation of mass transit alternatives and funding mechanisms driven by regional organizations and municipal governments. Municipal governments and regional or supra-regional authorities must take the lead in the study, planning and financing of any mass transit or passenger rail projects with local dollars and fares/user fees supporting the enterprise. Any such projects must demonstrate significant return on investment and public support while functioning without operating (vs. capital) subsidies.

The Chamber opposes any attempt to reprogram or divert existing state or federal transportation funding to mass transit projects.

– *Direct Small Business Impact* –

Railroad Infrastructure Investment

The Indiana Chamber Position:

The Indiana Chamber supports the strengthening of Indiana’s freight rail network through the continued funding of the INDOT Industrial Rail Service Fund infrastructure investment tax credits to encourage continued private investment in freight railroad infrastructure and investment in large-scale intermodal facilities in appropriate locations around the state.

The Chamber also supports ending diversions from the current state sales tax on rail-related activities in order to create a dedicated rail funding stream that will, at minimum, maintain and improve this critical infrastructure. Any state funds generated from the sales tax on rail-related fuel or capital investments should be segregated from the state’s general revenue fund and deposited into a newly created rail account. This account shall be used to provide the highest economic return for rail projects across the state.

The Chamber is opposed to legislation which would diminish the long-term viability of the freight railroad network by restricting further private investment and supports prudent measures to preserve older rail beds and rights-of-way for future use (including potential passenger or light rail).

– *Direct Small Business Impact* –

Roads and Highways Infrastructure Investment

The Indiana Chamber Position:

The Indiana Chamber supports continued investment in Indiana’s highway network and upgrading existing major transportation arteries, such as I-69, U.S. 31, Hoosier Heartland Corridor/Fort-to-Port, and Ohio River bridges, as well as the development of new networks to improve commerce, logistics and safety (e.g., the Illiana Expressway project). The Chamber supports the state taking the necessary steps to increase funds for adequate care of its roads and highways, increase the capacity of existing roadways, and to match and fully leverage all available federal funds.

In order to adequately fund the state’s road needs, the Chamber supports an increase in the fuel tax along with indexing the tax to inflation. Indiana’s state gas tax was last raised in 2003, and its buying power has been reduced by 22% since that time. The diesel tax was last raised in 1988, and has half the buying power today. Without additional road funding, our transportation system will fall into decline.

The 2006 Major Moves legislation created an unprecedented opportunity for Indiana to capitalize on its natural competitive advantage in logistics while maintaining and upgrading our road system. The Chamber believes that all Major Moves dollars generated from the lease of the Indiana Toll Road, as well as dollars generated from any future leases, should be used exclusively for capital road construction projects. The Chamber also supports diligent pursuit at the federal level of continued funding for the Highway Trust Fund as these federal funds remain critical to improving the state's transportation infrastructure.

In the 2013 legislative session, the Indiana General Assembly removed the diversion of state fuel excise tax funds to the Indiana State Police and the Bureau of Motor Vehicles in the biennial budget. The Chamber supports the continuation of this policy in all future budgets, as well as ending any remaining diversions. Fuel excise tax funds should be used for highways and bridges construction, maintenance and operations only, and be segregated from the state's General Revenue Fund, flowing directly into the Motor Vehicle Highway Account.

The 2013 Indiana General Assembly also established a Major Moves 2020 Trust Fund to be used for major highway expansion projects. The 2020 Fund has been funded in 2014-5 (\$200 million/year), and has been authorized for 2016-7 (\$100 million/year). The Indiana Chamber supports the approval of funding for 2016-7 and continued annual appropriations to this Fund beyond the next biennium in order to support critical highway projects. Further, the Chamber supports the expeditious approval and use of monies in this fund to maintain Indiana's competitive advantage in transportation infrastructure.

While the Chamber supports the use of the 2020 funding, it should be noted that providing funding for roads in two-year increments based on the strength of the general fund is not the preferred method of creating a world class highway and bridge system. Instead, the state should implement a predictable, adequate and user-based fee system to ensure that the needed repairs and capacity building of the network can be performed.

The Indiana General Assembly recognized that the sales tax collected on vehicle fuels should be treated as a road user fee and directed that an amount equivalent to 14 percent of that sales tax collection go to roads. The Indiana Chamber encourages the Legislature to use all proceeds from the sales tax on vehicle fuels on roads and transportation infrastructure.

Additionally, the Chamber encourages alternative transportation funding mechanisms including, but not limited to: public-private partnerships (or P3s); the tolling of a roadway; the leasing of state property; the indexation of sales taxes generated from state gas or state fuel taxes to CPI (based on the previous year); and a reasonable increase in BMV transaction fees in order to provide sufficient funding to maintain Indiana's road system in ideal condition and capacity.

In the long term, the Chamber recognizes the changing technologies and fuel systems in modern trucks and automobiles that will present challenges to current infrastructure funding policies, e.g. all-electric or hybrid vehicles and alternative fuel vehicles, such as those powered by natural gas. In order to maintain the long-term viability of the state's surface transportation network, policymakers must consider new forms and sources of revenue to accommodate these engineering innovations and technological changes. Examples of potential new policies could include: new wheel or axle taxes; user fees for alternative fuel vehicles; a user fee for all-electric vehicles based upon kilowatts usage at public and private charging stations; or a transition away from fuel-oriented taxes and revenues to a system based upon vehicle type and mileage traveled (VMT). In each instance, the Chamber supports a "user fee" model as articulated in its *Indiana Vision 2025* strategic economic development plan.

Utility Infrastructure Investment

The Indiana Chamber Position:

The Indiana Chamber believes that a sound utility infrastructure system – including electric and gas power generation/distribution/ transmission and water supply and water treatment – is vital to safe, reliable delivery of essential utility services to Indiana businesses and citizens. Furthermore, because businesses and consumers statewide rely on Indiana’s essential utility services, the Chamber recognizes the importance of equipping utilities with the tools necessary to maintain system integrity and comply with state and federal regulations. The Chamber supports practical state policies and cooperation from relevant state agencies to promote investment in critical utility infrastructure while maintaining adequate, reliable and affordable services.

Waterborne Commerce and Infrastructure

The Indiana Chamber Position:

The Indiana Chamber supports strategic, timely investments and maintenance of the state’s international commercial ports and other infrastructure associated with the Great Lakes, Ohio River Basin and Mississippi River Basin shipping. Such investments include, but are not limited to: 1) adequate dredging and break water maintenance to maintain accessibility and efficient operations of Indiana’s ports and waterways; 2) construction and redesign of navigational locks and dams and related infrastructure; and 3) intermodal freight connectors (e.g., rail spurs and yards) associated with commerce at, or near, Indiana’s port facilities.

The Indiana Chamber encourages public-private partnerships (P3s) and the use of all available federal funds and resources in order to make these critical investments. The Chamber also supports ending diversions from the current state sales tax on waterways-related activities and any state funds generated from fees collected on registered boats on the Great Lakes and Ohio River in order to create a dedicated waterways funding stream that will, at minimum, help maintain and improve this critical infrastructure. Any state funds generated from the sales tax on waterways-related capital investment activities should be segregated from the state’s General Revenue Fund and deposited into a newly created Waterways Account. This account shall be used to provide the highest economic return for waterways projects at our public ports on the Great Lakes and Ohio River.

LABOR RELATIONS

Collective Bargaining for Public Employees

The Indiana Chamber Position:

The Indiana Chamber believes that public employee collective bargaining is not in the best interest of the vast majority of Hoosiers.

Employment At-Will

The Indiana Chamber Position:

The Indiana Chamber supports Indiana’s doctrine of employment at-will.

Local Government Intrusion Imposing Labor Peace Agreements

The Indiana Chamber Position:

The Indiana Chamber supports legislation prohibiting local units of government in Indiana from passing labor peace ordinances.

Local Government Wage-Setting

The Indiana Chamber Position:

The Indiana Chamber supports legislation to prohibit local units of government from enacting ordinances specifying the wage, paid leave or employee benefits levels that must be provided by private companies.

– *Direct Small Business Impact* –

Mass Picketing and Unlawful Picketing

The Indiana Chamber Position:

The Indiana Chamber supports legislation to restrict mass picketing that blocks ingress and egress from or to a workplace and also prohibits picketing at private homes. In addition, the Chamber supports measures that provide injunctive relief and amend state harassment laws to include unlawful picketing, trespassing, concerted interference with a business and engaging in secondary boycotts.

Paycheck Protection

The Indiana Chamber Position:

The Indiana Chamber supports requiring annual written consent (revocable at any time) before any union dues are deducted from a worker's paycheck for any purpose. In addition, for public employees, dues – in particular that portion that pays for political activities – should not be deducted at all by a taxpayer-funded political subdivision.

Project Labor Agreements (PLAs) and Responsible Bidder Ordinances (RBO)

The Indiana Chamber Position:

The Indiana Chamber believes that PLAs and RBOs are not in the best interest of the vast majority of Hoosiers. Taxpayer-financed construction projects must be open to competition among all qualified bidders regardless of their labor policies or the collective bargaining choices of their employees.

Secret Ballot – Constitutional Amendment

The Indiana Chamber Position:

The Indiana Chamber supports a state constitutional amendment to guarantee secret ballot elections for union organizing.

State Government Wage-Setting

The Indiana Chamber Position:

The Indiana Chamber opposes legislation that would have the Department of Labor survey all private sector job categories and establish wage minimums below which employers would be subject to litigation if they paid less than the established minimum.

– *Direct Small Business Impact* –

Striker Replacements

The Indiana Chamber Position:

The delicate balance between the rights of labor and management that has existed since 1938 should not be disrupted. The Chamber supports the employer's right to replace striking workers.

Unemployment Compensation

The Indiana Chamber Position:

The Indiana Chamber supports continued reform to the state's unemployment insurance system. Specifically, the Chamber supports the following unemployment compensation reform provisions:

- Authorizing and funding the drug testing of all unemployment insurance claimants
- Ensuring in-person administrative law judge hearings are taking place when desired by employers
- Employees must make themselves available for work and be required to report in person to the Department of Workforce Development. Employers are able to obtain a valid work refusal from employees
- Employees should not be allowed to create and submit false employers and addresses for employer notification

Unemployment Compensation – Incentivize Reduction of Beneficiaries Through Tax Credits

The Indiana Chamber Position:

The Indiana Chamber supports enactment of an employer tax credit to the employer's unemployment insurance experience account for rehiring workers currently drawing Indiana unemployment benefits.

Unemployment Compensation – Relieve Federal Trust Fund Debt

The Indiana Chamber Position:

The Indiana Chamber supports filing for the avoidance of the Federal Unemployment Tax Act (FUTA) tax credit reductions – by making loan payments equivalent to the amount of the FUTA tax increase – to avoid FUTA tax increases to Indiana businesses. Alternatively, the Indiana Chamber supports replacing Indiana's \$924 million debt to the federal unemployment trust fund with a private bond.

Unemployment Compensation – Work Sharing

The Indiana Chamber Position:

The Indiana Chamber supports legislation authorizing work sharing – a voluntary cost-equivalent alternative to traditional unemployment benefits that is being used in 26 other states.

TAX AND PUBLIC FINANCE

Business Real and Personal Property Taxation

The Indiana Chamber Position:

The Indiana Chamber supports:

- A property assessment system for real property that is consistent with the Supreme Court decision in the Town of St. John case and does not unduly shift property tax burdens to business property.
- Reasonable controls on levy increases by local units of government tied to assessed value and economic growth.
- The consolidation of property assessment responsibilities to fewer, more professionally-trained assessors.

- Equality and uniformity in the assessment and taxation of all types of property.
- Eliminating or reducing, and replacing, to the extent necessary, business personal property taxes.
- Maintain annual adjustments to real property assessments.
- Fair personal property tax audit procedures structured to avoid rewarding contracted consultants for untimely or unwarranted claims.
- Elimination of the 30% floor on depreciable personal property (could be accomplished by phasing out allocation to new property).
- Local entities having the option to exempt personal property.
- Evaluation of the laws regarding the exemption of property held by nonprofit entities.
- Placing reasonably structured user fees, tied to the costs of local government services provided, on exempt properties as a means of reducing property tax burdens.
- A property tax system governed, administered and managed under a uniform set of standards, through a common, integrated database, that assures accessibility, visibility and consistency of assessments throughout the state.
- A system that clarifies the role, responsibility and accountability of all assessing officials, centralizes oversight and enforcement authority with the Department of Local Government Finance, and provides the department with the resources and staff necessary to assure proper implementation of the assessment rules and standards.

The Indiana Chamber opposes:

- Excessive deductions that disproportionately shift the property tax burden of homeowners to business taxpayers.
- Business personal property taxation.
- Classification of real property for the purpose of differentiating the level of taxation.

– *Direct Small Business Impact* –

Corporate Taxation

The Indiana Chamber Position:

The Chamber is determined to continue working towards preserving and promoting positive changes to the Indiana property and business tax laws. The Chamber's goal is to maintain and build upon a positive business tax climate and work with interested parties to achieve that goal.

Internal Revenue Code Update Legislation

The Indiana Chamber Position:

The Indiana Chamber supports elimination of as many adjusted gross income (AGI) add-backs as possible and conformance with the Internal Revenue Code to the greatest extent practical. This calls for legislation to annually update the Indiana income tax code to adopt the most recently enacted federal definitions of AGI without a section-by-section evaluation of federal changes based on an analysis of the fiscal impact of each change.

Internet Sales

The Indiana Chamber Position:

The Indiana Chamber supports reasonable federal legislation that authorizes states to require those who sell merchandise over the Internet or through the mail to collect and remit state sales tax from the purchasers.

Local Option Corporate Income Tax

The Indiana Chamber Position:

The Indiana Chamber believes local option corporate income taxes would be extremely harmful to Indiana's economic climate and therefore opposes legislation that would enable these specifically targeted taxes to be imposed. Other possible funding mechanisms should be examined instead, such as user fees tied to the service being provided and regional or multi-district taxation for infrastructure projects that benefit regional purposes.

Local Option Sales Taxes

The Indiana Chamber Position:

The Indiana Chamber opposes granting counties and municipalities the authority to implement local options sales taxes. Other possible funding mechanisms should be examined instead, such as user fees tied to the service being provided and regional or multi-district taxation for infrastructure projects that benefit regional purposes.

Sales Tax on Services

The Indiana Chamber Position:

The Indiana Chamber opposes the expansion of the sales tax to service transactions.

State and Local Spending Controls

The Indiana Chamber Position:

After establishing prudent reserves to hedge against unforeseen emergencies or economic downturns, the Chamber supports reasonable spending controls for state and local government to ensure that tax revenues are utilized efficiently.

TAXPAYER-FRIENDLY LOCAL GOVERNMENT

Government Regulation and Efficiency

The Indiana Chamber Position:

The Indiana Chamber believes that streamlining public administration at the local level is crucial to ensuring Indiana taxpayers are well-served. The Indiana Chamber supports improving the efficiency and effectiveness of local government so these structures are more responsive, transparent and therefore, more taxpayer-friendly.

WORKFORCE DEVELOPMENT

Alignment to the Workforce

The Indiana Chamber Position:

The Indiana Chamber of Commerce supports programs and policies – from high school level through college and adult training– that provide intensive counseling towards the completion of high demand education and training programs. This includes incentives/rewards for high demand degrees and industry recognized credentials and for better alignment to workforce needs. Additionally, the Indiana Chamber encourages the ongoing evaluation of programs and policies to assure a strong return on investment.

Alternative and Accelerated Pathways

The Indiana Chamber Position:

The Indiana Chamber supports policies and programs that acknowledge and engage a broad range of training and education providers, so long as the providers can demonstrate progress towards the state's performance goals. This includes public, private and proprietary colleges, as well as on-line and work-based training. Additionally, the Indiana Chamber supports prior learning assessments, credit for military experience, competency-based advancement and other strategies that can accelerate the educational attainment of adult learners. We also encourage the development of dual credit, dual enrolment, pathways projects and other initiatives to help high school students get a jump-start on their pursuit of workforce credentials.

Establishment of Educational Attainment Goals

The Indiana Chamber position:

The Indiana Chamber encourages the state Legislature to formally set attainment goals for post-secondary educational degrees and certificates of 60% of adults in Indiana by 2025.

Public Investment

The Indiana Chamber Position:

The Indiana Chamber acknowledges the current fiscal challenges of our state and its taxpayers but encourages lawmakers to recognize the workforce needs that will be critical to our long-term economic and fiscal health. Accordingly, the Indiana Chamber supports significant new investment in adult and workforce training programs that demonstrate progress towards high need employment demands. These investments should include employer driven mechanisms, such as training tax credits and on-the-job training incentives; they should engage public/private partnerships; they should include substantial opportunities for training of incumbent workers; and they should result in or be aligned with industry-recognized credentials.

Reciprocity of Course Credit Transfers

The Indiana Chamber position:

The Indiana Chamber supports policies and other strategies to allow course credit to be transferable and reciprocal between Ivy Tech, Vincennes and other state-supported colleges and universities in Indiana.

Statewide System

The Indiana Chamber Position:

The Indiana Chamber encourages the development and implementation of a comprehensive workforce development plan and corresponding state infrastructure that includes:

- Measurable performance goals (focused primarily on job and wage attainment) and accountability for results;
- Attention to high-need employment demands, especially STEM fields and attainment of nationally portable, industry-recognized certificates – including the potential for incentivizing students/professionals into STEM teaching positions;
- Coordination between the state's respective infrastructures for workforce training, economic development, social services, higher education and K-12 (especially secondary schools);
- A seamless and differentiated system of training options to address training needs at all levels;
- Local infrastructures that, with minimal bureaucracy, can direct resources to unique regional employment needs;
- Maximized resources through shared and/or coordinated assets for program delivery; and

- A longitudinal data system for tracking and measuring the effectiveness of education and training programs in advancing employment and wages.

Training Incentives for High Need Individuals

The Indiana Chamber Position:

The Indiana Chamber supports policies that incentivize individuals – especially those receiving unemployment benefits and/or public assistance, and those incarcerated in or recently released from the state’s corrections institutions – to pursue and complete training programs that will lead to employment.

WORKPLACE SAFETY AND HEALTH

Occupational Safety and Health Compliance and Enforcement Issues

The Indiana Chamber Position:

The Indiana Chamber believes that all employers should provide employees a safe and healthy workplace. Employers should comply with safety standards as established by the federal Occupational Safety and Health Administration (OSHA) and enforced by the Indiana Occupational Safety and Health Administration (IOSHA.) IOSHA should be reasonable and consistent in its enforcement of safety and health standards. Regulatory agencies should provide employers with the highest level of professional compliance assistance through their designated education programs such as the Indiana Department of Labor’s INSafe program. Likewise, the Indiana Chamber opposes legislative or regulatory efforts having the effect of impeding employers’ ability to proactively maintain a work site that is safe and free from recognized hazards.

Selection of Physicians in Worker’s Compensation and Occupational Disease Cases

The Indiana Chamber Position:

The Indiana Chamber supports the employer’s right to select the physician for workplace injuries or illnesses.

Worker’s Compensation and Occupational Diseases Laws

The Indiana Chamber Position:

The Indiana Chamber supports Indiana’s current worker’s compensation and occupational diseases laws as the exclusive remedy for workplace injuries or illnesses. Structural changes to the system do not need to be made. Previously, the method for reimbursing medical facilities for worker’s comp was problematic between employers and providers and has now been changed. The Indiana Chamber will be monitoring the new reimbursement practice that was established.

FEDERAL BUSINESS ISSUES

Biennial Budgeting

The Indiana Chamber Position:

The Indiana Chamber supports moving from a yearly congressional budget to a biennial congressional budget.

Business Tax Reform/Relief

The Indiana Chamber Position:

The Indiana Chamber supports reduction of the federal corporate and individual income tax rates, elimination of the estate tax, reduction of the capital gains and dividends taxes (and parity between the two), ~~and~~ elimination of the corporate and individual Alternative Minimum Tax (AMT) and the repeal of the medical device tax and the “Cadillac” tax. The Chamber also supports making the research and experimentation credit permanent. The Chamber opposes any consideration of a value-added tax (VAT) to be imposed in addition to, rather than as a replacement of, income taxes.

– *Direct Small Business Impact* –

Campaign Finance

The Indiana Chamber Position:

The Indiana Chamber supports fair and reasonable campaign finance laws and regulations designed to both protect the First Amendment political speech rights of all citizens and which do not unconstitutionally limit speech or give an advantage to only one political party, candidate or interest group.

The Indiana Chamber supports the public disclosure of political campaign contributions and expenditures to and on behalf of candidates, candidate committees and political parties. The Indiana Chamber is strongly opposed to banning advertisements or other political communications prior to any election day, as this would be a clear violation of the First Amendment.

Class Action Lawsuits

The Indiana Chamber Position:

The Indiana Chamber supports legislation that will protect consumers while reducing the number of financially draining class-action lawsuits that businesses – both large and small – have to face and will allow the business community to protect itself against the same case in a multitude of state courts.

– *Direct Small Business Impact* –

Comprehensive Immigration Reform

The Indiana Chamber Position:

The Indiana Chamber supports eight principles for federal immigration reform: 1) should be comprehensive, addressing both economic needs for future workers and undocumented workers already in the U.S.; 2) should strengthen national security by providing for the screening of foreign workers and creating a disincentive for illegal immigration; 3) should strengthen the rule of law by establishing clear, sensible immigration laws that are efficiently and vigorously enforced; 4) should create an immigration system that functions efficiently for employers, workers and government agencies; 5) should increase quotas for highly-skilled and seasonal workers while decreasing processing times to help dampen demand for undocumented workers; 6) create a program that requires undocumented workers to earn

legal status; 7) should ensure that all Hoosier workers are not displaced by foreign workers; and 8) should ensure that all workers enjoy the same labor law protections.

Energy and Global Climate Change

The Indiana Chamber Position:

The Indiana Chamber supports a national energy policy that seeks to maintain our country's economic competitiveness and national security while providing essential stewardship for the environment. These goals need not be incompatible, but recent efforts to address global climate change and regulate greenhouse gas emissions (GHGs) have the potential to threaten thousands of American (and, especially, Hoosier) jobs and new business investment without achieving their stated goal of reducing GHGs and countering the effect(s) of global climate change.

Setting aside the arguments over the incidence, severity, consequences or causes of global climate change, any action to regulate GHGs should come from the U.S. Congress, not from Presidential Executive Orders of the federal Environmental Protection Agency (EPA) to promulgate new regulations, using the existing Clean Air Act. Further, any such action by Congress in this area should adhere to the following principles:

- Unilateral action is unnecessary and unwise; a global problem requires a global response. Any U.S. action should be conducted within the confines of a workable international framework with participation by all major industrial and developing countries, including China and India. Any such international framework should avoid tariffs or other trade mechanisms that could result in a counter-productive "trade war" or the provision of economic advantages to one country (or set of countries) over another;
- Balance environmental objectives, such as the reduction of GHGs, with economic growth and job creation, preserving American jobs and the competitiveness of U.S. manufacturing and other industries;
- Phase-in any new regulations over time and favor new incentives over new mandates to achieve policy goals;
- Promote investment in new technology development and deployment in pursuit of a realistic mix of energy sources through economic and tax incentives. Such a strategy will foster technological innovation in the continued use of fossil fuels (e.g., clean coal), promote nuclear power and bridge to new lower-carbon alternatives (e.g., natural gas, bio mass, wind, solar) while acknowledging their limitations;
- Streamline the regulatory and permitting process for the responsible building of new power generation facilities as well as upgrades to existing transmission and distribution infrastructure;
- Promote sensible and cost-effective energy efficiency and energy demand management policies.

EPA Carbon Dioxide Regulations

The Indiana Chamber Position:

The Indiana Chamber opposes EPA efforts to use the Clean Air Act to mandate carbon emissions reductions on all new and existing sources, in violation of the plain language of the Clean Air Act. The above notwithstanding, the EPA should not require emissions reductions that facilities cannot achieve or require technologies that are not adequately demonstrated, do not properly address cost and the remaining life of facilities or give states adequate time and flexibility to implement.

Expansion of Clean Water Act – Water of the United States

The Indiana Chamber Position:

The Indiana Chamber is opposed to EPA's proposed Water of the United States rule and change or expansion of the term "navigable" from the Commerce Clause of the U.S. Constitution concerning the

federal Clean Water Act (CWA). This change would give the CWA jurisdiction over all intrastate waters including ditches, culverts, pipes, desert washes, sheet flow, erosion features, farm and stock ponds.

Expansion of Family Medical Leave Act

The Indiana Chamber Position:

The Indiana Chamber opposes expansion or enhancement by Congress of the Family and Medical Leave Act as it is unnecessary and would prove more burdensome and economically challenging to businesses (particularly small businesses) as they strive to compete in the global marketplace.

– *Direct Small Business Impact* –

Fair Labor Standards Act

The Indiana Chamber Position:

The Indiana Chamber supports clarifying issues that have arisen from the U.S. Department of Labor regulations regarding exemptions for salaried workers. The Chamber supports allowing flexibility in compensating individuals for hours worked by permitting "comp time" in the private sector and the use of flexible scheduling beyond the current 40-hour workweek. The Chamber also supports allowing employers to more easily use incentive programs such as gain-sharing and bonus plans without affecting an employee's "regular rate" for purposes of calculating overtime.

– *Direct Small Business Impact* –

Federal Financial Flexibility of Education Funds

The Indiana Chamber Position:

The Indiana Chamber supports federal legislation to allow flexibility of federal programs in return for accountability and continuous improvement of students and schools.

Federal Minimum Wage

The Indiana Chamber Position:

The Indiana Chamber opposes an increase to the federal minimum wage law.

Federal Regulations

The Indiana Chamber Position:

The Indiana Chamber believes that federal agencies must be restrained by Congress and the president in a manner necessary to prohibit them from writing and implementing regulations that circumvent congressional legislative intent. Federal agencies should not be allowed, through the rulemaking process, to rewrite existing laws that change and/or obfuscate congressional legislative intent without the direct oversight and approval of Congress. The Chamber supports the enactment of legislation and policies by Congress that require consistency between federal statutes and proposed agency regulations. The Chamber opposes proposed federal regulations that are contrary to existing federal law and/or do not have a scientific basis, as well as those that would impose unnecessary, excessive or costly compliance burdens on business.

Federal Tort Reform

The Indiana Chamber Position:

The Indiana Chamber supports:

- Fair determination of actual damages based on fault and economic loss due to the fault of another;

- Timely and predictable process for resolution of disputes;
- Examination and reform of the contingency fee system;
- Sanctions for bringing frivolous lawsuits; and
- Limitations on non-economic and punitive damages.

– *Direct Small Business Impact* –

Foreign Investment and Economic Sanctions

The Indiana Chamber Position:

The Indiana Chamber opposes any measure that would restrict or hinder foreign investment in the United States that does not clearly jeopardize national security.

Free Trade Agreements

The Indiana Chamber Position:

The Indiana Chamber supports establishment of free trade agreements that create free and fair trade for the United States.

Health Care Reform

The Indiana Chamber Position:

The Patient Protection and Affordable Care Act (PPACA) of 2010 has done and will continue to do little to reduce the nation’s health care costs or the ranks of the uninsured. The law and its subsequent regulations from Health and Human Services (HHS) are overly complex, administratively non-implementable and financially unsustainable as designed.

The U.S. Supreme Court determined that PPACA is constitutional under Congress’ authority to tax. Having the political landscape to repeal PPACA may be doubtful and hopeful at best. However; the Indiana Chamber believes that “repeal and replace” is the best direction for Indiana’s employers and their employees. In the absence of a total repeal, the Indiana Chamber will seek changes to PPACA that are beneficial to the employer community. The Indiana Chamber stands ready to engage in either process.

In answer to the replace side of the equation, the Indiana Chamber offers the following principles for reform:

1. Employers should be able to maintain flexibility in health plan benefit design.
2. Government should not dictate provisions of terms of private insurance between employers and employees. Further, government should not mandate employers offer coverage to employees or require a fee for not doing so.
3. Those individuals (excluding Medicare and Medicaid patients) that fall outside of a normal group or individual market including those with pre-existing conditions should be offered coverage separately in a high risk pool.
4. The financing or “pay for” of the entire system of providing coverage to Indiana residents must be financially sustainable.
5. Equalizing the tax treatment of health care insurance/benefits between employers and their group plans and an individual buying coverage on their own.
6. Our nation’s vastly diverse population and geography render the federal government incapable of delivering a “one size fits all” solution providing quality care at affordable prices to its citizens. Medicaid and the Veteran’s Administration, the two most lengthy efforts, have proven too costly and ineffective. The best solutions will come from the state and local levels, with the federal government’s role as a backstop to a small segment of the state’s population.

Labor Policy and the Employee Free Choice Act (EFCA)

The Indiana Chamber Position:

The Indiana Chamber opposes the grossly misnamed “Employee Free Choice Act” or EFCA due to its anti-democratic elimination of the secret ballot in union organizing elections, mandatory arbitration forced upon employers and unions, and its inherent flaws that could lead to bad faith negotiations and gamesmanship in the organizing process. EFCA will harm workers, employers and our state’s economy. The Chamber further opposes any unilateral actions by the National Labor Relations Board (NLRB) that would a) seek to institute provisions of EFCA without prior authorization by Congress or b) would seek to abrogate the rights of businesses to make investment, facility location and/or hiring decisions.

– *Direct Small Business Impact* –

Prevailing Wage Law

The Indiana Chamber Position:

The Indiana Chamber supports repeal of the federal prevailing wage law known as the Davis-Bacon Act.

Research and Technology Tax Credit

The Indiana Chamber Position:

The Indiana Chamber supports actions by Congress to strengthen and permanently extend the federal Research and Experimentation Tax Credit, or federal R&D tax credit.

Roads and Highways Infrastructure

The Indiana Chamber Position:

The Indiana Chamber supports continued investment in Indiana’s highway network and upgrading existing major transportation arteries, such as I-69, U.S. 31, Hoosier Heartland Corridor/Fort-to-Port, and Ohio River bridges, as well as the development of new networks to improve commerce, logistics and safety (e.g., the Illiana Expressway project).

The Chamber supports diligent pursuit at the federal level of continued funding for the Highway Trust Fund, as these federal funds remain critical to the maintenance and modification of the state’s transportation infrastructure. Further, we oppose diversions of federal gas tax revenues to other purposes that have, in part, led to the threatened insolvency of the federal Highway Trust Fund.

The Chamber seeks to change Indiana’s perennial status as a “donor state” in that we receive less federal highway dollars back than we send to the federal highway Trust Fund in gas taxes.

Passage in summer 2012 of the two-year MAP-21 surface transportation bill removed all funding guarantees beyond FY 14. Indiana has been at considerable risk for a decrease in federal highway funding since the expiration of MAP-21. The Chamber urges Congress to maintain equitable funding formulas in the next reauthorization.

The Chamber further urges Congress to cease the practice of making stop-gap, short-term emergency appropriations to the federal Highway Trust Fund and focus efforts to debate and pass comprehensive and fiscally sustainable multi-year transportation acts in the future.

– *Direct Small Business Impact* –

Social Security and Retirement Plan Reform

The Indiana Chamber Position:

The Indiana Chamber supports actions by Congress and the administration to maintain the viability of the Social Security system and prevent its financial collapse. The Chamber believes that Social Security reform should avoid unnecessary tax increases and should include private savings account options that utilize individual, private or public market investments.

The Indiana Chamber supports incentives for employer-employee sponsored retirement programs. More should be done to help small businesses establish plans for their employees, especially in the areas of regulatory simplification and financial incentives. Legislation should simplify retirement law and regulations, help older workers catch up on retirement savings, repeal financial disincentives to starting plans, and create a new simplified retirement plan for small businesses.

Telecommunications Growth

The Indiana Chamber Position:

The Indiana Chamber supports free-market competition in the delivery of advanced telecommunications services. The competition in a free-market environment among industry service providers is consistent with providing choice to consumers and an adequate service of last resort in extended service areas.

The Chamber opposes any attempt to impose new regulations on broadband and other next-generation telecommunications services by the Federal Communications Commission (FCC), especially through the unilateral reclassification of such services under Title II of the Federal Communications Act. The Indiana Chamber supports the U.S. Congress examining and deciding issues such as “net neutrality.”

– *Direct Small Business Impact* –

Trade Promotion Authority

The Indiana Chamber Position:

The Indiana Chamber supports establishment of Permanent Trade Promotion Authority (TPA) for the president of the United States.

Waterborne Commerce and Infrastructure

The Indiana Chamber Position:

The Indiana Chamber supports continued investment in the Great Lakes, Ohio River Basin and Mississippi River Basin locks and dams infrastructure. The Chamber supports diligent pursuit at the federal level of continued funding for the Inland Waterways Trust Fund, as these federal funds remain critical to the maintenance and modification of the state’s infrastructure and robust, growing waterborne commerce.

Additionally, the Chamber opposes diversions from the barge fuel tax and the harbor maintenance tax to other purposes. Any federal funds generated from the barge fuel tax or harbor maintenance tax should flow directly to the Inland Waterways Trust Fund, for barge fuel taxes on inland waterways, and the Harbor Maintenance Trust Fund, for the harbor maintenance tax assessed on deep draft navigation waterways system, and not into the federal general fund. The funds would be specifically restricted to locks, dams, dredging, dredge material disposal and breakwater maintenance.

Further, the Chamber urges Congress to give some control to the states by allowing Indiana to receive an amount, based on a formula created by Congress, for use by the state of Indiana to maintain dredging, handle dredge material disposal and work on breakwater maintenance. This will allow the Army Corps of

Engineers to focus their attention on the locks and dams while giving the states some authority over the waterways. The funding would be collected and distributed by the Federal government and the states would execute the projects, similar to our current highway system.

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