

This millennium, the Indiana Chamber of Commerce has played a key role in many landmark public policy victories that have enhanced both the state's business climate and quality of life for Hoosiers. Below is a partial list of these achievements.

Chamber Helps Move Indiana Forward: Policy Victories

Increased money for roads and highways (2016) –

Funding of \$1.1 billion, including allocation for local governments, to enhance Indiana's transportation infrastructure – with a commitment to address longer term needs in 2017.

Lawsuit lending reform (2016) –

Sets interest rate caps for repayment of advances made to plaintiffs in anticipation of winning their lawsuit; will encourage more settlements and decrease court time and expenses.

Incentive to go into teaching profession (2016) –

Establishes the next generation Hoosier educators' scholarship program for prospective top-of-their class teachers.

State water resources plan development (2016, 2015) –

Establishes steps toward a much-needed water resources plan; centers on getting better data on what water resources exist throughout the state and identifying our best practices and challenges around Indiana

Business personal property tax relief (2016, 2015) –

Removes the notarization requirement for the exemption. Exempts small businesses which own less than \$20,000 in machinery and equipment (based on acquisition costs) from having to file and pay the tax starting in 2016.

Early payoff of unemployment insurance loan (2015) –

Indiana took out a loan from the federal government in 2008 when its underfunded unemployment trust fund was unable to meet Hoosier needs. Indiana businesses were charged a per employee penalty beginning in 2011 to help reduce this debt. The early loan payoff saved employers \$126 per employee – or \$327 million total – in 2016.

Elimination of the "throwback rule" (2015) –

Business income apportioned to but not taxable in another state will no longer be "thrown back" into the sales attributable to Indiana and taxed, as of January 2016.

Common construction wage (2015) – Repeals the common construction wage statute (and those superseded by it) for state and local public construction projects. Effective July 2015. This will save property taxpayers tens of millions of dollars in future public construction costs.

Corporate income tax rate reduction (2014) –

Reduces Indiana's corporate income tax rate from 6.5% to 4.9% in 2022, making it the second lowest in the nation. Prior efforts in 2011 decreased the rate from 8.5% to 6.5%.

Preschool pilot program and study (2014) –

Offers preschool services to children from low-income families in five counties and establishes a commission for continued study of pre-kindergarten and early learning.

Infrastructure investment and funding mechanisms (2013, 2014) –

State budget devotes over \$800 million of general fund dollars to transportation and infrastructure. Authorizes the Major Moves Trust Fund balance to be moved to the State Highway Fund for needed road upgrades throughout the state. Commissions a study of alternative funding mechanisms for future needs.

Preservation of the state's college- and career-ready academic standards (2013, 2014) –

A mandated State Board of Education review allows Indiana education leaders to further refine and enhance our K-12 standards, with components of the Common Core academic standards remaining an option for final content.

Elimination of the state's inheritance tax (2013) –

Repeals inheritance tax effective retroactively to January 1, 2013 (accelerating nine-year phaseout passed in 2012.)

Revisions to Indiana's criminal code (2013) –

Offers alternatives to costly higher security incarceration for the least serious, non-violent offenders – with community corrections and work release for many crimes. Dedicates the savings to crucial education, workforce development and economic development efforts. Effective July 2014.

Right-to-work for employees (2012) –

Prohibits unions from forcing Indiana workers to join or pay dues and fees to a labor union to get or keep a job in this state; makes it the employees' choice. Does not eliminate unions or collective bargaining.

Statewide smoking ban (2012) –

Outlaws smoking in the majority of workplaces (bars/taverns, gambling institutions are biggest exceptions), all restaurants and within eight feet of a building's public entrance. Local governments may enact stricter ordinances.



Indiana Chamber of Commerce
115 West Washington Street, Suite 850S
Indianapolis, IN 46204

p 317-264-3110
f 317-264-6855
www.indianachamber.com

Chamber Helps Move Indiana Forward: Policy Victories

Protection of property owner water rights (2012) –

Clarifies the water usage laws to confirm that private property owners, not municipalities, have control of the underground wells on their property.

Unemployment insurance tax relief (2011) – Mitigates effects of unemployment tax increase on employers by placing them in a much lower tax bracket through 2020. Saves Indiana employers \$2 billion over 10 years.

School choice scholarships/vouchers (2011, 2013) – Provides scholarships to low- and middle-income students to help pay the cost of tuition and fees at a public or private school that charges tuition. In 2013, the requirement of having to attend a public school before being eligible for a private school voucher was removed.

Charter school expansion (2011) – Removed administrative barriers limiting charter school growth, while also bringing more accountability into the authorization process and performance review.

Teacher performance evaluations and merit pay (2011)

– A boost to the teacher evaluation process; it provides for performance-based pay and establishes a meaningful annual performance evaluation that holds teachers more accountable.

Expanded tax abatement (2011) – Expands tax abatement statute to provide up to 100% exemption from property taxes for new equipment purchases.

Removal of most township assessors (2008) – Eliminated nearly 1,000 township officials and transferred property assessing duties to county assessors. The impetus was to create better, uniform and equal assessments, as required by the state constitution.

Major Moves (2006) – A \$4.2 billion road improvement and job creation plan funded by the leasing of the Indiana Toll Road. Communities throughout the state have and will continue to benefit from being able to place numerous road and bridge projects (over 200) on the fast track to completion.

Telecommunications reform (2006) – Deregulated the telecommunications industry in the areas of broadband, advanced services, telecomm and mobile services, plus utilized state video or cable franchising. As a result, increased broadband services to over 100 rural Indiana communities, created thousands of new jobs and injected more than \$1.5 billion into the state's economy.

Education grand slam (2005) – Four significant K-12 policies realized: 1) Core 40 curriculum requirement for high school graduation; 2) dual credit enrollment option (with postsecondary institution) for all qualifying high school students; 3) revised state graduation rate calculation that provides for more accurate numbers; and 4) school dropout age raised from 16 to 18 years.

Observance of daylight saving time (2005) – Put the entire state on daylight saving time and in-line with rest of the country. Indiana had negatively set itself apart from neighbors and all major economic development centers outside of the state by being on "Indiana Time."

Economic development tax credits expanded (2005) – Substantial improvements were made to the state's economic toolkit with the extension and expansion of TIF (tax increment financing) and tax abatement, as well as expansions to the EDGE Tax Credit, the Hoosier Business Investment Tax Credit, the Venture Capital Tax Credit and the R&D Tax Credit.

Creation of the Indiana Economic Development

Corporation (2003) – Public-private group established to manage and expand the state's economic development initiatives, involving substantial private sector visioning and oversight from leaders throughout Indiana.

Tax restructuring (2002) – Monumental tax restructuring plan put in place to trim business taxes by \$800 million per year. This was achieved through, among other provisions, the inventory tax elimination, reduction in school property taxes, corporate gross income tax elimination and creation of the Venture Capital Tax Credit.

Labor policy wins (multiple years) – Anti-business bills repeatedly defeated: paid family and medical leave that would be treated by many employees as another 12 weeks vacation; attempts to expand state age discrimination law beyond federal law; and putting responsibility of ensuring people can lawfully work in this country on employers rather than the proper governmental entities charged with immigration matters.

Health care policy wins (multiple years) – Beginning in 2004, various bills that would have increased the cost of health care insurance for both employers and employees have been defeated one by one. On the positive policy side, the state insurance program – the Healthy Indiana Plan – was established in 2007 to provide affordable insurance coverage for individuals who do not have access to insurance.



Indiana Chamber of Commerce
115 West Washington Street, Suite 850S
Indianapolis, IN 46204

p 317-264-3110
f 317-264-6855
www.indianachamber.com