

# Legislative Agenda

Indiana Chamber  
The Voice of  
Indiana Business.

No. 2  
March 24, 2011

## Chamber Outlines Bill Positions

### Introduction

By Kevin Brinegar, president, Indiana Chamber of Commerce of Commerce

This **second edition** of the Indiana Chamber's 2011 *Legislative Agenda* continues an evolving public policy process for the organization and the state's business community.

Chamber policy committees, composed of employee volunteers from member companies, meet throughout the year. They identify key issues, research the topics and help define policy positions, which are adopted each fall by the Chamber's board of directors.

The organization's policy positions are outlined in the annual *Business Issues* publication, with the 2011 edition presented to all members of the General Assembly at the beginning of the current session. *Legislative Agenda* matches those policy positions with specific feedback on the bills introduced in the House and Senate.

This publication provides clear input on issues that not only affect the Indiana business community, but also communities,

families and individuals throughout the state. We strive to provide you with a clear understanding of our positions on key bills that will assist you as you proceed during this legislative session.

Please contact me, or any of the members of the Chamber's government affairs team, with questions about this *Legislative Agenda*.

**NOTE:** Due to the developments of the past month, this document is confined to only the Indiana Chamber's most important public policy positions. It references current bill numbers at time of this publication. The review process continues throughout the legislative session.

## Education

Contact: Derek Redelman (317) 264-6880

### Charter Schools

Expands the number of authorizers of charter schools and removes limits imposed on current authorizers. Makes other changes to facilitate charter school growth.

**Chamber Position:** SUPPORT

**Reason:** Will strengthen Indiana's charter school law and help create more options for parents.

**Bill #:** Currently in HB 1002.

### Charter Schools

Establishes process by which charter schools may lease unused, closed or unoccupied public school buildings.

**Chamber Position:** SUPPORT

**Reason:** Taxpayers have already invested in these facilities with the expectation that they will be used for public educational purposes; therefore, school districts should not hold these unused facilities, often times with ongoing costs for maintenance and upkeep, when another institution is willing to use that facility for the purpose for which it was built and supported through taxpayer funds.

**Bill #:** Currently in SB 446.

### School Choice Scholarships

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.

**Chamber Position:** SUPPORT

**Reason:** Would create more options for parents to select the schools that best fit the unique needs of their individual children.

**Bill #:** Currently in HB 1003.

### Teacher Performance

Provides for performance-based pay. Establishes an annual staff performance evaluation that categorizes teachers as: highly effective, effective, improvement necessary or ineffective.

Teachers rated ineffective or improvement necessary may not receive a raise or incremental salary increase.

**Chamber Position:** SUPPORT

**Reason:** Improves the evaluation process and accountability provisions for teachers.

**Bill #:** Currently in SB 1.

### School Administrator Performance/Licensing

Requires performance goals (and performance-based compensation) for improvement in testing, retention, graduation rates and fiscal performance. Removes requirement that a superintendent hold a teacher's or superintendent's license.

**Chamber Position:** SUPPORT

**Reason:** As the state considers performance pay for teachers, consistency demands similar incentives for school leaders. Additionally, given that superintendent jobs require knowledge and skills that go well beyond teaching, school boards should have the option to hire district leaders from a broader set of applicants.

**Bill #: Currently in HB 1369.**

Parental Initiatives for School Reorganization  
Empowers parents of students in chronically failing schools to petition to reorganize the school.

**Chamber Position: SUPPORT**

**Reason:** Indiana's accountability timeline allows schools to fail for at least six consecutive years before state officials can intervene. This policy would provide the parents of those schools several options for intervening sooner than the state timeline and to initiate school reform efforts on behalf of their children.

**Bill #: Currently in SB 496.**

Higher Education Scholarship

Provides students who graduate early a \$3,500 scholarship to attend college.

**Chamber Position: SUPPORT**

**Reason:** The vast majority of Hoosier jobs now and in the future will require post-secondary education. This proposal would assist and incentivize students who are ready for college-level work to begin those pursuits.

**Bill #: Currently in SB 497.**

Teacher Collective Bargaining

Limits collective bargaining to wages and benefits. Limits length of contracts to the state's budget biennium.

**Chamber Position: SUPPORT**

**Reason:** Scales back a range of union practices that prevent schools from operating effectively and efficiently.

**Bill #: Currently in SB 575.**

## Labor/Employment Law

**Contact: George Raymond (317) 264-6884**

Illegal Immigration

Makes state and local law enforcement responsible for determining legal status of immigrants. Damaging "three strikes and you're out of business" provision was removed.

**Chamber Position: OPPOSE**

**Reason:** People coming into this country to work should do so legally. However, this attempt is simply not good public policy. An Arizona-style immigration law will not put Indiana in the best light and could have severe financial consequences for the state's economic development efforts – both with the relocation and expansion of businesses.

**Bill #: Currently in SB 590.**

Guns at Work

Prohibits employers from obtaining information as to whether employees are bringing guns to work.

**Chamber Position: OPPOSE**

**Reason:** An employer has the right to know whether someone has brought a firearm onto the employer's property. Current law already provides a remedy for an employee who believes that he has been discriminated against because he brought a firearm onto the employer's property pursuant to IC 34-28-7.

**Bill #: Currently in SB 411.**

Guns in Public Buildings

Prohibits units of local government from maintaining policies prohibiting guns from being brought into public buildings.

**Chamber Position: OPPOSE**

**Reason:** A unit of government has the right to prohibit guns from being brought into public buildings to protect public safety.

**Bill #: Currently in SB 292.**

Right to Secret Ballot in Union Elections

Provides the right to vote by secret ballot in union organizing elections.

**Chamber Position: SUPPORT**

**Reason:** The right to vote by secret ballot is one of our country's most fundamental rights and should be preserved for all elections in order to ensure that people are not intimidated or coerced into voting contrary to their beliefs and desires.

**Bill #: Currently in HB 1203 and SJR 10.**

Prohibition of Local Living Wage Ordinances

Prohibits a local unit of government from establishing a local minimum wage that exceeds the state or federal minimum wage.

**Chamber Position: SUPPORT**

**Reason:** Existing state and federal minimum wage levels should continue to be utilized; local wage laws in excess of those levels would result in job losses.

**Bill #: Currently in HB 1538.**

Public Works Projects

Prohibits union-only project labor agreements on public construction projects. Eliminates the requirement of setting a common construction wage on all school and university projects. For other local units of government, raises the threshold for which a common construction wage hearing must be held from \$150,000 to \$1 million.

**Chamber Position: SUPPORT**

**Reason:** Public construction projects should be open for competitive bidding, not subject to union-only labor agreements. The changes in the common construction wage statute for public projects will help produce taxpayer savings.

**Bill #: Currently in HB 1216.**

Dues Check-off for Teachers

Prohibits school corporations from collecting and remitting union dues to teachers' unions.

**Chamber Position: SUPPORT**

**Reason:** It is not the job of school corporations to serve as a collections agent for the various teacher unions; those organizations should collect the money themselves.

**Bill #: Currently in HB 1585.**

## Right-to-Work

Establishes right-to-work policy for all private and public sector employees except construction workers.

### **Chamber Position: SUPPORT**

**Reason:** The Chamber supports the right-to-work concept, but all employees in Indiana should have the right to decide if they want to work in a union environment. No employee should be forced to join a union or forced to pay some monetary amount in order to work.

**Bill #: Currently in HB 1468 and designated for summer study committee.**

## Tax/Fiscal Policy

**Contact: Bill Waltz (317) 264-6887**

### State Budget

House Republican version has no tax increases, does not use the Public Deposit Insurance Fund (PDIF) and does not borrow from other funds. Flatlines K-12 education and reduces higher education funding by 3%. Eliminates several Medicaid optional services.

### **Chamber Position: SUPPORT (in general)**

**Reason:** The Chamber supports the fiscal prudence evidenced by this budget that essentially flatlines most appropriations to match fiscal year 2011 spending and makes additional reductions where feasible. This budget demonstrates a commitment to eliminating the structural deficit without increasing taxes. Additionally, the non-transfer of PDIF monies to the state's general fund is good policy since those dollars should remain dedicated to the purpose of insuring public deposits.

**Bill #: Currently in HB 1001.**

### Corporate Income Tax Rate Reduction

Reduces the corporate income tax rate from 8.5% to 6.5%.

### **Chamber Position: SUPPORT**

**Reason:** This is an important effort to make Indiana even more competitive by bringing its corporate rate more in line with other states.

**Bill #: Currently in SB 589.**

### Amended Personal Property Tax Returns

Extends the time period to amend personal property tax returns from six months to one year.

### **Chamber Position: SUPPORT**

**Reason:** Many taxpayers do not discover errors in their prior year's return until they begin preparing their current year return and under current law are denied recovery. This bill avoids the harsh treatment disallowing amendments after only six months. (Nearly every other tax allows amendments for a period of years rather than just six months.)

**Bill #: Currently in HB 1435.**

### Personal Property Tax Reductions

Allows for a county option exemption of new business machinery and equipment, plus also simplifies and enhances

existing property tax abatement provisions.

### **Chamber Position: SUPPORT**

**Reason:** This provides local units with several new tools to promote economic development. The taxation of personal property is a detriment to economic development and an impediment to capital investment. Providing local units with the option to exempt personal property will enhance their ability to entice new businesses to their communities and encourage the expansions and new capital investments by existing businesses. This policy also enhances the options for abating real property and provides new incentives that will effectively promote redevelopment, new development and new jobs.

**Bill #: Currently in HB 1007.**

## Local Government

**Contact: Mark Lawrance (317) 264-6893**

### Local Government Issues

Abolishes township boards and transfer duties to county council.

### **Chamber Position: SUPPORT**

**Reason:** Townships have far outlived their usefulness; they are not efficient or effective. Everything township units do can easily transition to county government – and with better results. This makes better use of taxpayer dollars.

**Bill #: Currently in HB 1469.**

### Officeholder Qualifications

Prohibits nepotism and conflict of interest for a county, city or town officeholder/candidate.

### **Chamber Position: SUPPORT**

**Reason:** Eliminates the conflict of interest regarding an employee of a unit of local government also serving on its legislative or fiscal body. All officeholders – whether they are located in a rural county or not – should be held accountable to ethical conflict of interest and nepotism codes.

**Bill #: Currently in SB 166 and SB 302 (HB 1022 is a watered-down version and not preferred).**

### Marion County Reform

Marion County-only policy eliminates advisory boards and facilitates the consolidation of the three remaining township fire departments.

### **Chamber Position: SUPPORT**

**Reason:** This abolishes unnecessary township boards in Marion County and completes the Marion County fire consolidation with the remaining township fire departments.

**Bill #: Currently in HB 1376 and SB 526.**

# Health Care

**Contact: Mike Ripley (317) 264-6883**

## Smoking Ban

Prohibits smoking: (1) in public places; (2) in enclosed areas of a place of employment; (3) in certain state vehicles; and (4) within 12 feet of a public entrance to a public place or an enclosed area of a place of employment. Exempts bars/taverns, casinos, nursing homes and fraternal clubs.

**Chamber Position: SUPPORT**

**Reason:** There is a significant financial impact that smoking has on businesses in providing employee health benefits and other work-related costs.

**Bill #: Currently in HB 1018.**

# Economic Development

**Contact: Cam Carter (317) 264-6892**

## Homeland Security Tax Incentive

Provides tax incentives for compliance with homeland security requirements, with credits capped at \$10 million annually.

**Chamber Position: SUPPORT**

**Reason:** The Chamber supports reasonable incentives for businesses to make capital investments and create new jobs in Indiana. This incentive is a comprehensive effort to support the increasingly sophisticated, high-wage logistics sector and enhance Indiana's competitive position vs. other Midwestern states. Our competitors already offer similar incentives; Indiana needs to remain competitive.

**Bill #: Currently in SB 222.**

## Public-Private Partnership (P3) Authorization

Authorizes public-private partnerships (P3s) for transportation infrastructure projects without requiring statutory authority for each individual project. Currently, each project must be reviewed and approved by the full Legislature.

**Chamber Position: SUPPORT**

**Reason:** A blanket public-private partnership statute would provide maximum flexibility for the Indiana Department of Transportation in financing and managing major transportation infrastructure projects. Such a statute would bring much-needed private sector investment to the state's remaining infrastructure needs while spurring economic growth and job creation.

**Bill #: Currently in SB 473.**

# Energy/Environment

**Contact: Vince Griffin (317) 264-6881**

## Environmental Regulation 'Off-ramp'

Allows the state to have an opportunity to retract an environmental rule in the event the state has adopted an Environmental Protection Agency mandated rule and then is directed to withdraw that rule.

**Chamber Position: SUPPORT**

**Reason:** The Chamber supports the repeal of any rule for which the federal directive no longer exists. Such a rule should not be enforced, and the state should repeal the rule as soon as possible.

**Bill #: Currently in SB 159.**

## Opportunity to Correct a Violation

Allows a business the opportunity to correct a violation found by an inspector without incurring a fine if the violation is deemed to not present an unreasonable threat to public health or the environment.

**Chamber Position: SUPPORT**

**Reason:** This promotes a positive relationship between the regulatory agencies and Indiana business and industry, and promotes the "assistance before enforcement" philosophy.

**Bill #: Currently in HB 1130.**

## General Permitting

Allows the Indiana Department of Environmental Management to develop and issue NPDES general permits under federal law, resulting in a more timely and fair process consistent with the Environmental Protection Agency.

**Chamber Position: SUPPORT**

**Reason:** The Chamber supports the timely and fair issuance of permits that this policy will promote.

**Bill #: Currently in SB 200.**

## Statute of Limitations

Establishes a clear starting point for the statute of limitations in cases where a cleanup is needed. Result: substantial savings in unnecessary legal fees while expediting the cleanup of releases from underground storage tanks.

**Chamber Position: SUPPORT**

**Reason:** This establishes a clear starting point for the statute of limitations in cases where a cleanup is needed. The Chamber supports this clarity and the need for certainty.

**Bill #: Currently in SB 346.**

## Clarification of IDEM Duties

Addresses a number of issues that will eliminate and/or clear up concerns that impair the Indiana Department of Environmental Management (IDEM) from efficiently performing its assigned tasks.

**Chamber Position: SUPPORT**

**Reason:** This policy adequately addresses several issues that currently hinder IDEM from doing a more effective job.

**Bill #: Currently in SB 433.**