

# 2021 Key Legislative Issues



## *Our Top 5 Priorities*

### **ECONOMIC RECOVERY AND MODERNIZATION**

- **Support enhanced legal liability protections for Hoosier businesses if an employee, customer or other person contracts the COVID-19 virus after returning to work or visiting the business.** These protections are paramount to resuming more normal business activities. Indiana must adopt its own policy to ensure necessary protections are in place; the state cannot count on the federal government to take the proper actions.
- **Support raising the state's cigarette tax to discourage smoking and vaping, plus shore up the state's finances.** In addition to life-threatening illnesses and death, smoking causes employers more than \$6 billion in annual productivity losses and increased health care costs. Another motivation: Replacing state funds lost due to the pandemic. Indiana's current cigarette tax rate is the lowest among all its neighboring states and the 37<sup>th</sup> lowest in the nation.
- **Support a work share program that will allow employers to maintain a skilled stable workforce during economic downturns, like what has happened during the current pandemic.** Under a work share program, employers can reduce hours without layoffs, enabling workers to keep their jobs (and benefits) – which, over time, could be returned to full-time status once economic circumstances improve. Unemployment insurance provides partial compensation for workers' lost hours. A total of 28 states have work share programs. In all of those, the federal government – through the CARES Act – is paying 100% of all work share benefits through the end of 2020. If Indiana had previously adopted a program, the state might not be borrowing hundreds of millions of dollars to replenish its completely depleted unemployment insurance trust fund.
- **Support increasing incentives for attracting remote workers to Indiana to help mitigate the projected losses to its workforce over the next decade (due in large part to Baby Boomers retiring).** Such state and local-based incentives should be carefully designed to provide a return on investment and include participation from local communities and employers. In addition to incentivizing remote workers to move to Indiana, lawmakers should codify language clarifying that employers of remote workers are eligible for Economic Development for a Growing Economy (EDGE) tax credits if the individuals are Indiana residents but do not work in a physical office location.
- **Support state efforts to further prepare Indiana for the digital economy, including continuing to bring high speed broadband to all corners of the state.** It's vital for businesses, remote workers, agriculture, schools, health care and public safety. Connectivity (and ultimate consumer adoption) is becoming as important an infrastructure need as water and electricity. An industry example: Advanced devices, precision agriculture and robotic systems are essential elements to an agricultural industry that contributes an estimated \$31.2 billion to the Hoosier economy.

# ***Long-Term Priorities / Other Areas of Focus***

## **EDUCATION / WORKFORCE DEVELOPMENT**

- Support requiring Indiana high school seniors to complete the Free Application for Federal Student Aid (FAFSA) – with an opt-out option – to ensure that more Hoosier students have the opportunity to earn industry-recognized credentials and degrees with reduced or no debt. Indiana currently ranks 34<sup>th</sup> nationally in FAFSA filings and eighth out of the 11 Midwestern states.
- Support strengthening Indiana's school accountability system to increase college and career readiness for students and greater transparency for parents and policymakers. The Indiana Chamber specifically endorses more meaningful college and career readiness indicators tied to workforce needs, including student completion of industry-recognized credentials.

## **ENERGY / ENVIRONMENT**

- Support the development and implementation of a diversified energy policy that ensures the state's continued access to adequate, reliable, affordable and cost-effective energy. The General Assembly and Governor must continue working to establish a strategic energy plan that delivers on these essentials for long-term prosperity. The Indiana Chamber Foundation study, *Powering Indiana's Economic Future* (to be released November 19) will provide valuable information in this effort.

## **HEALTH CARE**

- Oppose the legalization of medical and recreational marijuana in Indiana. Additional clinical data from the Federal Drug Administration is critical to ensure the state moves forward appropriately. The effects of marijuana on job performance and employers are indisputable and measurable, including decreased complex motor skills, interference with attention span, loss of efficiency of short-term memory and cognitive impairment (inability to think effectively).
- Support continued efforts to make health care costs more transparent and affordable. We need to find a method that does not drive up costs or potentially erode plan networks any further.

## **LABOR RELATIONS**

- Support unemployment insurance (UI) trust fund solvency while not overly burdening businesses. The business community should not be expected to solely replenish the fund. The pandemic was unforeseen and far too many companies are barely hanging on as it is in this uncertain climate. Raising the current contribution rates should be a non-starter and likely would lead to more jobs going away and more Hoosiers tapping into the trust fund.

## **LOCAL GOVERNMENT**

- Support meaningful township government reform. Eliminating township government entirely to better serve taxpayers is preferred, but at a minimum either reducing the number of townships or finding ways to simply make township governments more efficient, effective and accountable.

## **TAXATION / PUBLIC FINANCE**

- Support maintaining and enhancing our attractive tax climate. Business personal property continues to be the tax area in which Indiana stands out most negatively. We need to find a way to reduce what is among the largest overall business property tax burdens of any state – and do so without harming our overall attractive tax structure.