



Advocacy Priorities - 2016

(Endorsement: Advocacy Committee)

Tax Policy:

- Reduction of CNI - a large part of Pennsylvania's uncompetitive business climate is a Corporate Income Tax (CNI) rate at 9.99 percent, one of the nation's highest. The CNI rate, one of the easiest points of comparison for businesses, is also one of the state's most non-competitive.

State & Public School Employee Pension Reform:

- Urge Pennsylvania's public pension crisis be comprehensively addressed to create a sustainable public pension system that protects business and individual taxpayers while providing retirement benefits for state and school district employees.
 - Support transitioning public sector employees from defined benefit pension to defined contribution plans
 - Support immediately placing all new hires into a defined contributions plan
 - Reform cost averaging over 3-5 year period for pension funding formula
 - Reform contributions to be predictable, affordable (4-7% of payroll) and current (fund benefits as earned)
 - Set a minimum contribution floor rate to protect future assets
 - Oppose efforts that shift tax liabilities down to the local level

Economic Development:

- Supports a goal of expanding additional City Revitalization and Improvement Zone (CRIZ) applications and designations - the CRIZ focuses on providing the opportunity to spur new growth in Pennsylvania's cities of the third class, helping to revive urban areas and create jobs for residents in those communities.
- Support increased funding for the Partnerships for Regional Economic Performance (PREP) Program
- Support Workforce Development – Support fund availability to PREP regions and local Workforce Investment Boards to develop innovative plans and initiatives to integrate workforce development, economic development and job opportunities.

Transportation:

- To support federal transportation funding in order to provide states with funding information so that PA can adequately plan.
- To promote long-term strategic planning and state funding, which will aid the planning and appropriations process.

Medical Device Tax:

- Support full repeal of the federal medical device tax, a 2.3% excise tax based on the price for which the medical device is sold, to be paid by either the US importer or the US manufacturer; as the tax is harming the national and York County medical device industry.

Labor and Workforce Issues:

- Support Right to Work - the right to employment without the requirement that employees join or support a labor organization as a condition of employment; and support legislation that provides for employment without the requirement that employees join or support a labor organization as a condition of employment.
 - **Support reasonable language - “*The right to live includes the right to work. The exercise of the right to work must be protected and maintained free from undue restraints and coercion. It is hereby declared to be public policy that the right of persons to work shall not be denied or abridged on account of membership or nonmembership in any labor union or labor organization or association.*”**
- Elimination through phase-out of the Prevailing Wage Act; elimination through gradual increases in threshold for application on prevailing wage: market rate wages give states a competitive advantage over other states competing for the same capital projects and businesses, additionally, taxpayer dollars get spread further and are better investments without the use of prevailing wage rates.
- Support Pennsylvania Fairness Act – to provide fairness and equal protections for lesbian, gay, bisexual and transgender Pennsylvanians in the workplace, housing, and business services.

Education:

- Advocate for changes to the funding formula based on growth in the school districts, more important than the dollars themselves is enactment and continued application of a predictable school funding formula to see distribution based on the actual number of students enrolled in the school district.

Sustainable Communities/Municipalities:

- Pensions:
 - Authorize municipalities to offer an optional defined contribution plan and encourage municipalities to place all new hires into such a plan
 - Ensure appropriate actuarial principles; Adopt new benefit levels/rules/contributions/rates for all new hires;
 - Incentivize/encourage the administration and management of plans by the Pennsylvania Municipal Retirement System (PMRS)
 - Prohibit benefit enhancements unless the system is 90 percent funded; Prohibit including overtime and/or longevity in salary calculations (anti-spiking)
 - Binding Arbitration:
 - Consider a municipality's "ability to pay."
 - Redefine an "impasse."
 - Instill "last/best" offer as part of arbitration
 - Ensure neutrality of arbitrators.
 - Institute a legitimate appeals process.
 - Share the cost of arbitration
 - Economic Development:
 - Create "Urban Redevelopment Areas."
 - Expand the Local Economic Revitalization Tax Assistance (LERTA) program to non-profit properties.
 - Create a "Strategic Communities Partnership."
 - Remove impediments to and support shared services
 - Revenue Enhancement:
 - Recognize revenue sources and challenges as a real issue
 - Address revenues after other reforms are in place