



2013 - 2014

Legislative Scorecard and Wrap-Up

Bills and Legislation:

House Bill 51: Ohio Turnpike Initiative

DACC Position: Support

In February of 2013, the Dayton Area Chamber of Commerce officially endorsed House Bill 51: Ohio Turnpike Initiative. The Dayton Area Chamber of Commerce has charged the Ohio Department of Transportation with identifying new and innovative revenue generating opportunities while not being a burden on the Ohio business community. Transportation projects played a unique role in being able to support commerce and business development, however they must have the necessary resources to and public support to be effective.

The Dayton Area Chamber of Commerce maintained that the Ohio Turnpike Initiative must not increase taxes on the Ohio business community through fuel taxes, VMTs, etc., be a positive Ohio Department of Transportation revenue generating opportunity that will help to advance and support Ohio infrastructure projects, eliminate the "one-mile" rule restricting turnpike revenues to be spent within a one mile radius of the turnpike, and allow for greater flexibility, cohesiveness and cooperation between the ODOT Transportation Review and Advisory Committee (TRAC) and the Ohio Turnpike Commission. The Ohio Department of Transportation identifies at least \$1.5 billion in revenue for Ohio Transportation Projects. This new infusion of resources should allow transportation projects on the Ohio turnpike, adjacent to the turnpike, and throughout Ohio to successfully advance. House Bill 51 was passed and enacted.

House Bill 7: Regulation of Internet Sweepstakes Facilities

DACC Position: Support

Montgomery County is home to 39 "Internet Sweepstakes Cafés," which are exploiting Ohio's sweepstakes laws to run facilities that are not subject to the regulations, tax structures and operations reporting that are required by Ohio's authorized gaming operators. The Chamber supported fair market competition of industries and businesses in Ohio, and we believe that HB 7 would have create a more fair market and even playing field for this industry.

In the 1970s, Ohio voters chose to create the Ohio Lottery system, which has lent itself to the creation of the traditional Ohio lottery and the expansion of video lottery terminals at Ohio's horse racing facilities. In Dayton, this impacts the now completed Hollywood Gaming at Dayton Raceway's \$125 million facility that employs 500 permanent employees.

Legislative Wrap-Up

Internet café owners and operators are not licensed or subject to background checks. A Columbus Dispatch investigation showed that many café owners would not be able to work at casinos due to their checkered pasts. Internet café s are not subject to auditing, mandatory payouts, game testing, or monitoring by the Casino Control Commission, unlike Ohio's voter-approved casinos. Ohio Attorney General Mike DeWine stated that these facilities are ripe for money laundering, organized crime and corruption.

The Dayton Area Chamber of Commerce endorsed Ohio House Bill 7, as it imposed similar casino rules, restrictions and requirements on Internet Sweepstakes Cafés as other gaming operations in Ohio. House Bill 7 was passed and enacted.

House Bill 5: Municipal Tax Uniformity

DACC Position: Support

Many businesses that The Dayton Area Chamber of Commerce represents service and conduct business in multiple political jurisdictions and are impacted by varying municipal tax ordinances and procedures.

Dayton area municipalities were open to working with the Chamber to analyze this complex issue, and the Chamber believes that our local government partners are aware of the concerns outlined by the business community and are willing to consider changes that begin to address this issue. However, the Chamber does not believe this can be done with complete regulatory/revenue neutrality. If a proposal is revenue neutral for local governments, then it provides a negative regulatory environment and/or revenue for the Dayton area business community. The Chamber believed that positive economic development initiatives such as HB 5 would result in a more friendly business environment that will foster business growth and ultimately increase revenue opportunities for local governments.

The Dayton Area Chamber of Commerce endorsed Ohio House Bill 5- Municipal Tax Uniformity- with the provisions that the proponents and opponents actively partner on a solution that eases the local tax filing burden on the business community, but also considers the financial loss to local governments, especially in view of the significant adverse impact on local government resources caused by the elimination of tangible personal property and estate taxes and the 50% reduction in Local Government Fund appropriations in recent years, and that the as introduced FY2014-FY2015 Ohio General Operating Budget funds the "Local Government Fund" at current levels, with the potential opportunity for increases in the Local Government Fund. The Chamber advocated that the Local Government Fund appropriations not be reduced any further, beyond the current funding level, during the five year Net Operating Loss "phase-in" period included in HB 5.

The Dayton Chamber joined a statewide coalition of organizations committed to municipal tax uniformity, including: the Home Builders Association of Dayton, the Ohio Chamber of Commerce, the Toledo Regional Chamber of Commerce, the Columbus Chamber of Commerce, the Ohio Home Builders Association, The Ohio Society of CPAs and many more.

Legislative Wrap-Up

House Bill 597: Common Core Learning Standards

DACC Position: Oppose

Workforce development is a main concern related to current and future business growth and prosperity. The new learning standards in Ohio and the adoption of the Common Core learning standards across the United States represent a large step forward. THE DACC supports the Common Core learning standards. With increased rigor and emphasis on critical thinking and problem solving, the new learning standards in Ohio are essential if we hope to position our state, and our country, as a global economic competitor. The Common Core State Standards are the minimum standards that schools are being asked to teach; a number of schools have standards that are greater and more rigorous.

The Dayton Area Chamber of Commerce opposed House Bill 597. It would have resulted in years of wasted collaborative efforts around educational performance and attainment, as well as sending a clear signal to Ohio's citizens that educational rigor and performance is not a priority for our state. Ohio's new learning standards are a key component in creating a highly skilled and talented workforce that is able to compete in a global market. House Bill 597 was defeated.

Issue Advocacy:

Medicaid Expansion in Ohio

DACC Position: Support

In February of 2013, the Dayton Area Chamber of Commerce declared its support of Medicaid expansion in Ohio. The Chamber encouraged the Ohio General Assembly to pursue a reasonable extension of Medicaid coverage in Ohio, without increased burdens on the Ohio business community and an inclusion of a "circuit breaker" that allows Ohio to reconsider and opt-out of this extension if the federal government reduces the current rates of reimbursement to the states. The Chamber also strongly considered the Ohio General Assembly to consider a "Medicaid Rainy Day" fund, which will hold a portion of net short term state fiscal gains, which are predicted to accrue over the next 10 years as reported in the OSU Medicaid analysis, in a designed reserve account to offset future Medicaid costs after 2022. The Dayton Area Chamber of Commerce did not support the general expansion of government, however with the enactment of the Affordable Care Act, the U.S. Supreme Court ruling on the state extension of Medicaid coverage and a growing number of uncovered adults, this issue is an opportunity for Ohio.

Extension of Medicaid coverage would provide adequate healthcare coverage to a vulnerable population, remove a significant portion of compensated care from our area hospitals and contribute to state operating budget revenues. Many business owners are paying for uncompensated care through the private market and they are already funding federal Medicaid extension reimbursements through assessments outlined in the Affordable Care Act, any future burdens on the business community will not be acceptable. The Medicaid expansion in Ohio was passed and enacted.

Legislative Wrap-Up

JobsOhio Audit

DACC Position: Oppose

In March of 2013, the Dayton Area Chamber of Commerce expressed concern over the JobsOhio Audit. Reports have suggested that state law provides the auditor with broad authority to audit the public money a private entity receives and its private financial records. This report raised a number of concerns and if left unaddressed, was likely to have a negative impact on our state's economy. The Chamber wanted to make sure their member companies and other businesses consider Ohio as a place to grow and expand, and can do so without worry. Subjecting private businesses to a broader public audit placed them at great risk and potentially at a competitive disadvantage if proprietary information becomes public.

We cannot afford to subject private entities to the threat of a broad audit of both their public and private funds. This issue was very important to our state, and The Dayton Chamber of Commerce wanted to ensure Ohio law is clear regarding the authority of and limits on the State Auditor when auditing a private sector entity that receives public money.

Capital Budget Arts & Culture Priorities

DACC Position: Support

The state capital appropriations bill provided a unique opportunity to advance much needed economic development and quality of life projects for the Dayton region. The capital bill has helped to stand up vital community projects, such as the Schuster Center for Performing Arts.

The Chamber and the Dayton Development Coalition collaborated on a review and vetting of all of our community projects for the state capital bill this year. This allowed us to speak with one voice and give you the confidence in knowing that the community at-large supports these priorities.

The Dayton Area Chamber of Commerce managed the arts and quality of life project review process, which was chaired by the Dayton Chamber and conducted through the Quality of Life Committee of the Priority Development and Advocacy Committee (PDAC). The Quality of Life Committee reviewed project merit, feasibility, funding, economic impact and arts & culture criteria for 29 arts and culture projects that were submitted for consideration.

The Quality of Life Committee and PDAC recommended 10 arts and culture projects for consideration in the state capital appropriations bill. These 10 projects have been deemed as the most impactful arts & culture projects that will help to enhance the quality of life for our businesses, workforce and community.

Legislative Wrap-Up

Water Quality Training Program

DACC Position: Oppose

The Dayton Area Chamber of Commerce worked with community partners including the City of Dayton and the Miami Conservancy District to establish a vibrant and successful Water Quality Credit Trading Program in the Great Miami River Watershed over the past ten years. Over the last decade, the Water Quality Credit Trading Program has proven to be both cost-effective and environmentally responsible and all regional partners and constituencies in the program have benefited from its success.

The founding investors of the Great Miami River Watershed Water Quality Credit Trading Program worked closely with the Ohio EPA to both develop and implement the pilot program. This partnership led the Water Quality Credit Trading Program to be successful for the Greater Miami River Watershed, almost a decade since implementation. The Chamber was both surprised and dismayed to learn that recent actions by Ohio EPA threaten to undermine the robust Water Quality Credit Training Program that we have worked long and diligently to build. There is a very real possibility that the Ohio EPA's disregard of this program will negatively impact urban, business, and agricultural stakeholders and the cooperative relationship that has been built between these constituencies over the last decade.

Several community leaders and founding investors of the Great Miami River Watershed Water Quality Credit Trading Program contacted your office to voice concerns regarding the shift in agency position relative to this successful program. Our hope is that continued communication between our community and the Ohio EPA will result in your agency returning to a collaborative role with respect to this program that is beneficial to all stakeholders. The Water Quality Credit Trading Program was a critical part of a comprehensive, efficient and cost-effective nutrient control strategy for Ohio, and Dayton regional program partners were eager to build upon past successes as we address new challenges.

Trade Promotion Authority

DACC Position: Support

Trade Promotion Authority is vital because economic growth and job creation at home depend on our ability to sell American goods and services to the 95% of the world's customers living outside the U.S., and the Dayton Chamber urges the support of legislation to renew Trade Promotion Authority (TPA).

Many Americans are already seizing these opportunities. Ohio's goods exports reached \$50.5 billion last year, and 1.4 million Buckeye State workers owe their jobs to trade. 90% of the 16,500 Ohio companies that export are small and mid-sized businesses.

The international playing field is often unfairly tilted against American workers and companies. U.S. exports face foreign tariffs that often soar into double digits as well as a thicket of non-tariff barriers. Free-trade agreements (FTAs) are negotiated to tear these barriers down. By creating a level playing field, FTAs help U.S. companies and the workers they employ compete in overseas markets.

Legislative Wrap-Up

The record of America's FTAs is outstanding. While our 20 FTA partners represent just 10% of the global economy, they buy nearly half of U.S. exports. The expansion in trade fueled by these FTAs supports more than 5 million American jobs. To expand these benefits, the U.S. is negotiating the Trans-Pacific Partnership agreement with 11 other Asia-Pacific nations, including some of the world's fastest growing economies. The U.S. is also negotiating the Transatlantic Trade and Investment Partnership with the European Union.

Congress had to approve Trade Promotion Authority to make either of these growth-driving trade agreements a reality. TPA allows Congress to set negotiating objectives and requires the executive branch to consult extensively with legislators during negotiations. Without TPA, the U.S. cannot negotiate new trade agreements to open foreign markets, spur economic growth, and create American jobs.

Reauthorization of the Workforce Investment Act

DACC Position: Support

The Dayton Area Chamber of Commerce encourages the support of the reauthorization of the Workforce Investment Act of 1998 (WIA) and the bicameral/bipartisan effort that has resulted in the Workforce Innovation and Opportunity Act.

The Chamber looked forward to working with the Senate and House leaders to enact the Workforce Innovation and Opportunity Act. The work of local business-led workforce investment boards in helping chart our regions' workforce development strategy is critical to the success of the efforts of thousands of local Chambers, our business volunteers and our partnerships with local workforce investment boards, in supporting business growth and expansion. Working together with our local WIB, the Chamber helps businesses grow jobs as well as providing the leadership so that these growing businesses have the skilled workforce to fill their jobs.

State and local employer-led workforce investment boards are a valued partner in these endeavors. It was vital that our local workforce investment boards remain demand-driven, utilizing employer input and labor market data to determine local training investment decisions to address the needs and challenges of our business members. The Chamber strongly supported the focus on outcomes for the Federal investments made in workforce development.

Locally crafted solutions developed in collaboration among organizations like chambers of commerce and economic development and business-led workforce investment boards are the best approach. Prospering regions have developed strong partnerships and collaboration. We see the value in working with local workforce investment boards in convening business, civic, education, workforce development and philanthropic leaders to leverage the collective and individual assets of these systemic partners to create pathways to high demand, high growth industries, and sustainable careers to ensure the economic competitiveness of our regions.

The Chamber is confident that re-authorization will continue to align resources and produce even more effective and efficient workforce development systems. We urge the support to pass the Workforce Innovation and Opportunity Act, which the Chamber sees as an essential as a catalyst for continued economic recovery and growth.

Legislative Wrap-Up

Federal Unemployment Tax

DACC Position: Oppose

LEADer is an organization comprised of 25 Chambers of Commerce that represent 1,100 businesses in the greater Dayton area. LEADer is actively engaged in legislative and policy advocacy on matters important to our member Chambers and their member companies.

The Dayton Area Chamber of Commerce had concerns regarding the State of Ohio's \$1.4 billion debt to the federal unemployment loan fund. If the loan is not repaid soon, Ohio employers face a fifth FUTA tax increase next year, under the automatic repayment system for states with lingering debts.

The first three tax increases combined cost employers an additional \$63 per employee, and the fourth hike scheduled for January 2015 will increase this cost an additional \$21 per employee. The State of Ohio had no real plan in place to curb this tax in the near term. The employer paid FUTA tax is scheduled to significantly increase each year through January 2019 and perhaps beyond until the federal debt is repaid.

The Dayton Chamber encouraged the Administration and the Ohio General Assembly to consider an alternative approach that would be less burdensome on Ohio job creators. One approach was to request federal forgiveness of the loan. Another approach was to request the federal government accept repayment of the principal only, thereby eliminating drastic interest costs, which equate to approximately \$41 million per year. This savings could then be passed along to the business community, by reducing future FUTA tax. A final approach was a potential restructuring of unemployment benefits.

Legislative Scorecard

<u>DELEGATION MEMBER</u>	<u>HB</u> <u>7:</u> <u>YAY</u>	<u>HB</u> <u>7:</u> <u>NAY</u>	<u>HB</u> <u>5:</u> <u>YAY</u>	<u>HB</u> <u>5:</u> <u>NAY</u>	<u>HB</u> <u>597:</u> <u>YAY</u>	<u>HB</u> <u>597:</u> <u>NAY</u>	<u>HB</u> <u>51:</u> <u>YAY</u>	<u>HB</u> <u>51:</u> <u>NAY</u>	<u>DACC</u> <u>VOTING</u> <u>%</u>
Representative Dick Adams	X		X		O	O	X		100%
Representative John Adams		X		X	O	O	X		33%
Senator Bill Beagle	X		X		O	O	X		100%
Representative Pete Beck	X		X		O	O	X		100%
Representative Terry Blair	X		X		O	O	X		100%
Representative Jim Butler		X		X	O	O	X		33%
Representative Bill Coley		X	X		O	O	X		66%
Representative Margaret Conditt		X	X		O	O	X		66%
Representative Tim Derickson	X		X		O	O	X		66%
Senator Keith Faber	X		X		O	O	X		100%
Representative Bob Hackett	X		X		O	O	X		100%
Representative Mike Henne		X	X		O	O	X		66%
Senator Shannon Jones	X		X		O	O	X		100%
Senator Peggy Lehner	X		X		O	O	X		100%
Representative Ron Magg		X	X		O	O	X		66%
Representative Ross McGregor		X	X		O	O	X		66%
Representative Rick Perales	X		X		O	O	X		100%
Representative Fred Strahorn	X			X	O	O		X	33%
Senator Chris Widener	X		X		O	O	X		100%

HB 7: Internet Sweepstakes Cafes - Endorsed

HB 5: Municipal Tax Uniformity - Endorsed

HB 597: Common Core Standards Repeal - Opposed

HB 51: Ohio Turnpike Bonding - Endorsed

O = Legislation tabled - no votes