

2015

FEDERAL PRIORITIES



[GLI]

GREATER LOUISVILLE INC.

The Metro Chamber of Commerce

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GLI 2015 FEDERAL POLICY PRIORITIES

In an increasingly globalized world, no single regional economy can exist in isolation. Today's businesses require the freedom, flexibility, security and infrastructure to succeed. To this end, the following priorities represent needs of the Greater Louisville region to continue as a vibrant economic competitor on the global stage.

Increased access to capital, patent reform, cybersecurity, and improved assistance for small business will ensure that our entrepreneurs have a secure environment in which to innovate. Funding for education, higher caps on H-1B visas, world class broadband and improved infrastructure will ensure that they have the tools they need to compete. A pro-growth tax code, reasonable environmental regulation, and compensatory flexibility will ensure they have the freedom to succeed. And the reauthorization of the Export-Import Bank, paired with Trade Promotion Authority and the ratification of the Trans-Pacific Partnership and the Transatlantic Trade and Investment Partnership will ensure that Greater Louisville businesses have every opportunity to benefit from competitive and free world trade.

THESE ARE GREATER LOUISVILLE INC.'S 2015 FEDERAL POLICY PRIORITIES:

Broadband Capacity & Net Neutrality – Support increasing broadband capacity throughout the region by incentivizing investment and putting a stop to the FCC's regulation of broadband as a utility.

A free and open Internet has become a platform for innovation and economic activity unmatched in history. The light-touch regulations established in the compromise language of the 1996 Telecommunications Act allowed the Internet to thrive and enabled aggressive deployment of connectivity and accessibility all across the country. The regulations of the 1930s – now being recycled by the FCC – are not applicable to the market and the industry of today.

Compensatory Practices – Support allowing private businesses to offer paid time off as an alternative to overtime pay.

Allowing private companies to offer compensatory time off would free workers to choose the best way to alleviate the difficulties of juggling work, home, kids, and community. For decades, Congress has given a special exemption from these laws to government employees. Now, it is time for private businesses to have the same flexibility.

Cyber Security – Support cyber security initiatives that encourage increased security and information sharing but do not compel businesses to reveal information that may be proprietary or confidential.

While GLI recognizes the National Institute of Standards and Technology (NIST) for having treated the business community as a genuine partner in identifying existing cybersecurity standards and practices, GLI seeks to limit the roles that regulatory agencies play in compelling participation and information sharing as the cyber security framework is implemented and revised.

Education Funding – Support increased funding for public education, especially early childhood education.

Funding for education is an investment in the future of our economy and workforce. A study by MIT has shown that for every dollar invested in early childhood education, there is a \$13 return in workforce development and crime prevention. GLI encourages congressional renewal of the Elementary and Secondary Education Act (ESEA) with provisions to adequately fund early childhood education for young Americans.

EPA Regulation – GLI is concerned about the EPA's proposed expansion of the definition of the Waters of the United States for regulatory purposes and its more stringent ozone regulations.

The EPA's proposed expansion of Waters of the U.S. has far-reaching implications that are hazardous to the homebuilding, retail, farming, and energy sectors. GLI supports the EPA clarifying this definition without expanding it to the detriment of signature American industries.

The EPA is also considering cutting ozone standards from 75 or 80 parts per billion to 70 or 65, which would bring wide swaths of the U.S. into non-attainment. GLI strongly encourages the EPA to take economic considerations into account before moving forward with such a reduction.

Export-Import Bank – Support the expedient reauthorization of the Export-Import Bank before its charter expires on June 31.

More than twenty of Greater Louisville's top employers benefit from Export-Import Bank programs and the region reaps billions in economic benefit as a result. In a globalized economy where other industrialized nations utilize similar organizations to promote exports, for the U.S. to self-inflict a competitive disadvantage is unthinkable.

Federal Highway Trust Fund & Infrastructure Funding – Support an equitable and permanent fix for the Federal Highway Trust Fund and increased investment in our region's inland waterways by providing adequate funding to locks and dams.

If no action is taken, the Federal Highway Trust Fund will become insolvent on May 31, 2015. Federal fuel efficiency standards, incentives for electric vehicles, and volatile gas prices have led to a decrease in federal gas tax revenue. GLI supports both short and long-term action that will restore funding to the Trust Fund and ensure its permanent solvency through an equitable funding source that aligns with use.

Beyond land-based infrastructure, GLI recognizes the future role that our inland waterways will play in international trade, especially upon completion of the widening of the Panama Canal. GLI supports preparation for increased inland waterway traffic through increased investment in waterways infrastructure.

H-1B Visas – Support an increase in the cap on H-1B visas that allows the number of visas issued to fit workforce needs.

Current data suggests that for every employee hired on an H-1B visa, nearly four American citizens are hired as a result. Yet, with just 85,000 H-1B visas available each year and more than 500,000 applications submitted in 2015 alone, Greater Louisville businesses are leaving high-skilled positions unfilled at the expense of our regional economy and additional jobs for U.S. Citizens. GLI encourages Congress to seek out a solution that will better educate Americans in STEM-related disciplines but will also permit American businesses to acquire the high-skilled workers that they need today.

Patent Abuse – Support legislation that will curb patent abuse and protect entrepreneurs.

Patent abuse costs the U.S. economy nearly \$1.5 billion per week in legal fees and lost economic activity – money that American entrepreneurs could have spent on job creation and product development. As a top entrepreneurial city, Greater Louisville stands to benefit from curbing fraudulent patent claims and demand letters from so-called patent trolls.

GLI asserts that patent reform legislation should foster innovation without being so broad as to expose intellectual property to theft and threaten the investments in research made by businesses, universities and entrepreneurs.

Reform the Affordable Care Act (ACA) – Support reforms to the Affordable Care Act that would reduce undue burdens on employers, providers, the states, or entrepreneurs, including the reform to the Medical Device Tax, the 30-hour workweek, Medicare coverage and reimbursements, the expansion of Medicaid, and the Cadillac Tax.

Businesses have many concerns about this complex legislation that has made sweeping changes to our country's health care system and has imposed many new requirements and mandates. GLI seeks fiscally responsible reforms to the ACA that will ensure fair costs and a reasonable tax burden for employers and suppliers as well as adequate and expedient reimbursements to those who provide care to Medicare and Medicaid recipients.

Small Business Start-Ups – Support easing access to capital and increased funding for technical assistance and capacity building through Small Business Development Centers.

More than 90% of GLI members are small businesses and small businesses employ the majority of workers in the Greater Louisville region. Support for small businesses allows regions like Greater Louisville to home-grow our next big employer. GLI encourages Congress to invest in the next great American success stories.

Tax – Support tax provisions that include a long-term solution for federal tax extenders, a measure that allows states to levy a sales tax to online retailers just as they do “brick and mortar” retailers, and charitable giving tax incentives. In a fast-paced and globalizing economy, the American tax code has not kept up.

Last-minute renewals of “tax extenders” have made incentives for businesses to invest akin to a gamble. GLI supports creating more certainty in the tax code and ensuring that tax incentives are effective by making some or all tax extenders permanent.

GLI likewise supports the Marketplace Fairness Act, which will allow brick and mortar businesses to compete on a level playing field with e-commerce by forcing them to levy the same taxes and incur the same compliance costs.

Americans give more time, money, goods, and services to charity than any nation on Earth. GLI supports incentivizing and rewarding this generosity through charitable giving tax incentives as laid out in the America Gives More Act. However, GLI has concerns about the inclusion of land easements within this legislation and encourages Congress to revisit this provision, as its cost and incongruity with the remainder of the legislation may inhibit the Act’s passage.

Trade Agreements – Support advancing international trade activity in and out of Greater Louisville through passage of Trade Promotion Authority (TPA) and ratification of the Trans-Pacific Partnership (TPP) and the Transatlantic Trade and Investment Partnership (TTIP).

The Greater Louisville region ranks in the top 25 metropolitan areas in international trade, with more than \$10 billion in exports. GLI supports the proliferation of free and fair trade across both the Atlantic and Pacific Oceans with the passage of Trade Promotion Authority and subsequent ratification of the TPP and TTIP.

GLI also maintains that free trade must be fair. We strongly encourage the Congress to include strict provisions prohibiting currency manipulation in both the TTIP and TPP.

PUBLIC POLICY LEADERSHIP:

GLI thanks the many individuals who volunteer their time and expertise to assist in business advocacy efforts. A special thanks is extended to those listed below who lead the Public Policy Council and its Issue Advisory Committees.

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