



2011 Arizona Policy Agenda

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ECONOMIC DEVELOPMENT

The long-term viability of the state is dependent upon the successful development of new and existing business and industry. Government should establish policies that provide incentives to foster a competitive business environment to increase growth and development opportunities

- **Economic Development Tools**
 The Tempe Chamber supports allowing local governments to use economic development tools to attract new business and implement redevelopment programs, including tax increment financing, establishment of special districts to coordinate and implement economic redevelopment plans, creation of public private partnerships, and targeted local incentives.
- **Educational Economic Development**
 Our educational institutions produce graduates for local businesses and bring a significant return to the Tempe and Arizona economy. The Chamber recommends lawmakers consider the economic impact of funding for our educational institutions when drafting legislation.
- **Enterprise Zone**
 The Tempe Chamber of Commerce supports the continuation of the State of Arizona Enterprise Zone Program as a catalyst for business development and job creation.
- **Liability Insurance**
 Frivolous liability claims against business insurance drive up the cost of operating a business. The Tempe Chamber supports legislation that reduces frivolous lawsuits, requires claimants to prove that businesses were negligent prior to claim settlement, and reduces the number of frivolous malpractice suits brought against licensed professionals.
- **State Economic Development**
 The Tempe Chamber supports the role the state must maintain in attracting and developing industry within Arizona. The Chamber opposes removal of the core functions currently performed by the Arizona Department of Commerce and supports the establishment of the Arizona Commerce Authority.
- **Tourism Funding**
 The Chamber supports continued funding for Arizona tourism.
- **Workforce Development**
 The Tempe Chamber supports full funding for job training and workforce development, with priority funding given to training and development of the current Arizona workforce. (Stop Job Training Sweeps)

EDUCATION/WORKFORCE PREPAREDNESS

A quality education system is an essential part of a productive workforce. Working relationships between students, educators, administrators, government officials and businesses will build the most effective K-20 educational system to provide the business community with a workforce that is prepared to meet the challenges and demands that face business.

- **High Technology**
 The Chamber urges a greater emphasis on science, technology, mathematics and engineering in the Arizona public education system to enable greater competition in the global economy.
- **Higher Education Funding**
 The Tempe Chamber supports an adjusted higher education formula funding based on student enrollment. Increased funding should be linked to increased student retention and graduation rates.
- **K -12 Funding**
 The Tempe Chamber supports a comprehensive review of the educational funding formula that maximizes the use of the taxpayer's money. Specifically two areas of the formula that should be examined are: 1) student census calculations; standardizing student count, and 2) the Revenue Control Limit (RCL).

EMPLOYEE RELATIONS

An educated, well trained work force is essential to maintain a vibrant economy. A supportive regulatory environment that provides the flexibility to explore and formulate ways for our workplace policies to create an "economy of opportunity" can address today's challenges to both the employee and the employer and keep our state competitive into the future. State employment statutes and the state regulatory environment should foster, rather than mandate, such things as access to affordable workers' compensation and unemployment compensation, while maintaining entrepreneurial innovation.

- **Immigration**
 The Chamber believes that immigration issues should be resolved at the federal level. The Chamber supports a program that provides for an adequate legal workforce while maintaining the integrity of our national borders, provides protection of the rights and benefits of legal citizens, and protects businesses that operate in an open, above-board manner.
- **Right-to-work**
 The Tempe Chamber believes that it is critical that Arizona remains committed to being a "Right to Work" state in order to give us a competitive advantage in attracting new businesses.

- **Unemployment Compensation**
 The Tempe Chamber believes that current Arizona unemployment compensation laws adequately address the needs of the unemployed by providing temporary income replacement for workers who involuntarily become unemployed and are actively seeking full-time re-employment. Unemployment compensation should also provide an appropriate level of benefits that do not dissuade individuals from seeking employment.
- **Unemployment Insurance**
 The Tempe Chamber supports responsible corrective measures to ensure solvency of the Arizona Unemployment Insurance Trust Fund.

ENVIRONMENT

The Tempe Chamber of Commerce is committed to economic development and environmental protection. Economic development goals should not be achieved at the cost of our environment. Environmental preservation adds to the quality of life in the region and thus positively benefits the economy.

Business and environmental organizations share a common vision of public policies that protect the environment as well as the economy. Appropriate environmental policies can enhance the diversification of Arizona's economy and expand the state's growing biotech sector. Working cooperatively with all stakeholders in the evolution of environmental protection will not only share the responsibilities, but also benefit the environment.

- **Air Quality**
 The Tempe Chamber believes that any legislative measures to improve our air quality should provide businesses and citizens with incentives and a variety of practical options.
- **Cost-Based Energy**
 The Chamber supports low-cost power and recognizes the need for additional cost-based energy sources. Any energy efficiency legislation should provide incentives and practical options for businesses
- **Environmental Permit Process**
 The Tempe Chamber supports streamlining the environmental permitting process with an emphasis on faster application review.
- **State Regulatory System**
 The Tempe Chamber supports a state regulatory system that encourages voluntary compliance and incentives as an alternative to mandates whenever possible.
- **Water Conservation**
 The Chamber urges the Department of Water Resources to promote statewide water conservation and ensure coordination between active management areas.

- **Western Climate Initiative**

The Chamber is opposed to Arizona’s participation in the Western Climate Initiative. Any greenhouse gas emission regulations should be addressed at the federal level.

The passage of a federal health care bill has left much uncertainty in the business community; the future cost of care and its effect on operational budgets are dependent on as yet-unwritten rules. While we will monitor federal developments in order to educate businesses, there are aspects of health insurance costs and availability that are within the purview of the State.

- **Health Care Coverage Mandates**

The Tempe Chamber opposes legislation that would require additional mandatory employer-provided health insurance benefits, including coverage of clinical trial procedures and drugs. The Tempe Chamber opposes mandatory specified treatment coverage before conclusive evidence that demonstrates the significant cost-effective benefit of the remedy.

- **Liability Reform**

The Chamber urges significant tort reform measures to reduce the costs of health care and health insurance and encourage retention of a qualified health care workforce. The Tempe Chamber supports the use of alternative dispute mechanisms as an antidote to the cost of a litigious system of dispute resolution.

TAXES

The Tempe Chamber advocates for fair and cost-effective tax policies that are a part of a comprehensive tax plan to reduce the cost of doing business and make the region more competitive for private investment.

- **Business Personal Property Tax**

The Tempe Chamber strongly encourages increasing the business personal property tax threshold.

- **Business Tax Credits & Exemptions**

The Tempe Chamber opposes legislation that would rescind credits and exemptions that would harm Arizona businesses.

- **Contractor Tax Collection**

The Tempe Chamber supports the current means of contractor’s tax collections at the construction location, which allows growth to pay for itself.

- **Designated Funds**

The legislature should honor the integrity of and restore revenues to special funds that were used over previous budget cycles to mask the shortfall in state revenue. If tax supported funds are found not used for the intended purpose during frequent review, the tax and fund should be abolished.

- **Internet Taxes**

The Tempe Chamber believes that Internet sales taxation is a national and global issue that should more appropriately be addressed by the federal government.

- **Research and Development Tax Credit**

The Tempe Chamber of Commerce supports the retention and expansion of the R & D tax credit for Arizona businesses.

- **Sales Tax Expansion**

The Tempe Chamber opposes legislation that would expand the sales tax base to include activities currently not taxable in Arizona or a majority of the 50 states, including taxes on services.

- **State Equalization Tax**

The Tempe Chamber strongly urges the Legislature to permanently eliminate the state equalization property tax.

- **State Shared Revenues**

The Tempe Chamber strongly opposes any effort to reduce the amount of state shared revenues to Arizona municipalities.

- **Tax Cuts**

The Tempe Chamber believes responsible tax cuts will encourage economic growth and should be accompanied by responsible reductions in the state budget.

TRANSPORTATION

The Tempe Chamber of Commerce has long been a leading advocate for a multi-modal transportation system that promoted the efficient transportation of goods and people that is critical to growing our economy. A balanced transportation system reduces pollution, relieves traffic congestion and increases the quality of life, availability, and efficiency of the area workforce.

- **Equitable Representation**

The Tempe Chamber supports true equity in the distribution of resources and metro area representation on the State Transportation Board.

- **Federal Funding**

The Tempe Chamber strongly encourages state government to work with the Arizona Congressional delegation to ensure that Arizona receives its fair share of federal transportation funding.

The Chamber is opposed to any shifting or repealing of funds currently designated for the development and maintenance of the East Valley regional freeway system. Any efforts to further expedite transportation project construction should be based on immediate congestion relief, air quality compliance and should be multi-modal.

- **High Capacity Transit**

The Tempe Chamber of Commerce supports establishing a new, permanent, dedicated, state-wide funding source for public transportation.

The Tempe Chamber supports State funding of the light rail extension and the Tempe modern streetcar.

The Tempe Chamber of Commerce supports the efforts to identify, fund and implement a commuter rail system as an effective solution to an over burdened road infrastructure.

- **Sky Harbor Governance**

The Tempe Chamber opposes legislation which would create additional state oversight of Sky Harbor International Airport. The Chamber supports a centrally managed regional airport system that leverages the opportunities of metro airports capable of commercial service.

- **Public/Private Partnerships**

The Tempe Chamber supports using public/private partnerships in building a statewide transportation system for the next century and ensuring that the growing needs of the state’s infrastructure are maintained over time.

- **Transportation Governance**

The Tempe Chamber supports a transportation governance structure which allows for maximum local control with cooperative use planning beyond the confines of Maricopa County borders.

The Tempe Chamber represents more than 72,000 people employed by nearly 1,000 businesses. The Chamber works to create a strong local economy, represent business interest to government, promote the community, provide networking opportunities, and advocate for business.

For more information, contact Mary Ann Miller, President/CEO, maryann@tempechamber.org, 480-736-4280

GOVERNMENT

The Tempe Chamber of Commerce believes that governments at all levels should strive to streamline processes and provide maximum service at minimal cost. The Chamber encourages State government to eliminate debt financing, increase oversight of agency budgets and to make the public reporting of state spending transparent.

- **Ballot Referendums and Initiatives**

The Tempe Chamber supports efforts to reform ballot referendums and the initiative process. The Chamber supports a referendum suspending automatic spending increases for voter protected funds in a fiscal year when revenues do not meet projections.

- **Formula Review**

The Chamber supports a legislative review and modernization of budgetary formulas, including those for AHCCCS and education.

- **Four-Year Senate Terms**

The Tempe Chamber supports the concept of four-year terms for Arizona senators in order to provide continuity in the state budget and other processes.

- **Primary Election Date Changes**

The Chamber supports moving Arizona’s primary election to a minimum of ninety days prior to the General Election.

- **Privatization of Services**

The Tempe Chamber encourages subcontracting appropriate public services to private industry in an effort to increase service, reduce expenditures and avoid unfair competition with the private sector.

- **Sunset Legislation**

The Tempe Chamber advocates enforcement of an automatic termination mechanism (sunset) on new and existing programs to provide ongoing examination and evaluation of state agencies, policies and programs.

- **Unfunded Mandates**

The Chamber recommends that a fiscal analysis accompany mandated legislation that affects local governments, and that provisions for funding be included as part of such legislation.

HEALTH INSURANCE