

2021 Legislative Agenda



Priorities:

- ✓ Invest in Infrastructure
- ✓ Tax Reform
- ✓ COVID-19 Legal Liability Protection
- ✓ Unemployment Insurance Modernization

Uniting the business community through one voice



2017



CHAMBER OF THE YEAR
Presented by the Association of
Chamber of Commerce Executives



Paducah Area
CHAMBER OF COMMERCE



The Paducah Area Chamber of Commerce is the region’s largest business advocacy organization and brings together area businesses, community partners, elected officials, young professionals, youth, educators, non-profit organizations and engaged citizens to inspire a collective vision and deliver a united voice. As an investor-driven organization, the Chamber serves as the VOICE of the business community and strives to present a united effort on our community’s behalf.

Our community asks the General Assembly to support us in our efforts by approving policies during the 2021 Session that will move Kentucky forward to become more competitive, prosperous and business-friendly.

2021 Top Priorities

Invest in Infrastructure

Tax Reform

COVID Legal Liability Protection

Unemployment Insurance Modernization

TOP LEGISLATIVE PRIORITIES

➤ Invest in Infrastructure Funding

Funding: *Supports* legislation to ensure new and sustainable funding for transportation infrastructure through a consumption-based fuel tax/user fee increase, an update to the road funding formula, and oppose efforts to direct road fund dollars to pay for General Fund obligations. Better infrastructure will aid in attracting new businesses and retaining existing businesses in the Commonwealth, connect Kentucky businesses to national and international markets, and allow our citizens and visitors to have safe and reliable access.

Multi-Modal Transportation: *Encourages* the creation of a multi-modal transportation fund to address the infrastructure needs of the railroad, aviation, riverport and public transit industries. To achieve this, the legislature must: protect the integrity of the road fund by refusing to divert road funds to pay for General Fund obligations; support dedicated and adequate funding for public transportation; protect the integrity of the Aviation and Economic Development Fund; develop and maintain infrastructure at Kentucky's major ports; improve multi-modal freight transportation by funding maintenance and improving safety of rail infrastructure that will better support short line tracks and regional railroads; promote safe and fiscally responsible transportation options beneficial to bike and pedestrian mobility.

Continued Support of Barkley Regional Airport: The Paducah Chamber thanks Governor Beshear and the Kentucky Department of Aviation for the \$5 million commitment made in 2020 in support of construction of the new terminal at Barkley Regional Airport. This financial commitment by the state has been extremely helpful in shrinking the budgetary short fall. We continue to ask for consideration from the state for additional funding support for this project as work to open the doors in early 2023. This project will be transformational for Paducah and Western Kentucky and represents a new front door to Kentucky for many. We are also appreciative about the potential for any continued state and KDA support of future projects as Barkley Regional Airport continues to grow and become the Airport for the Future of our Western Kentucky.

Broadband: *Supports* efforts to remove barriers to expand widespread wireless and broadband investments and *opposes* policies at the state and federal levels that would impede or hamper investment in digital infrastructure. Expansion of broadband into rural parts of the state is vital to their economic health and connectivity.

Local Transportation Projects for Funding

Widening of US 62 (Blandville Road): From KY 998 (Olivet Church Road) to the Commerce Park. Contract expected to be let in December 2020 with construction to begin in the spring of 2021.

KY 1286 (Inner Loop - Friendship Road): Currently set for utility work to begin in 2021 and funds for right of way purchase for phase 1 of 4 phases.

US Highway 60 Improvements: Extension of four lanes of US Hwy. 60 for providing easier accessibility between Ballard County and McCracken County. Current status is in phase 2 design.

Improved Access to the Triple Rail Site: Economic development site for Greater Paducah Economic Development that features Ohio River frontage, service by three railroad companies and barge dock capability.

US 51 Bridge Replacement: Connecting IL and KY at Cairo and Wickliffe. The cost for the replacement is to be shared by the two states with IL committed beginning in 2026/2027. Estimates: Approximate cost for KY is \$100 million. KY has designated \$16 million over the next two years for engineering and study.

Completion of I-69: Completion of upgrade from southwest of Mayfield to Exit 1 as a connector between Kentucky and Tennessee.

➤ Tax Reform

Modernize Kentucky's tax code to keep our state competitive:

Supports continuing to move forward to more consumption-based taxes that could improve our competitive situation as long as these taxes are not levied on business-to-business services that would add another layer of costs to job creation; making Kentucky's tax code as pro-growth as possible and more attractive to businesses, entrepreneurs, and talented workers than other states; and ensuring that state and local governments are able to meet their obligations and can invest in such priority areas as education, workforce development, and infrastructure.

Modernization of Municipal Funding Options:

Supports expanding to all cities in Kentucky the ability to collect a consumption-based restaurant tax, if they choose to do so. Revenue from the tax could go towards quality of life projects in the local communities. The focus for this is on leveling the playing field for all cities. Currently only about half of the state's cities can even consider this financial option. The money is collected from everyone who eats in local restaurants, including tourists and other visitors, and it does not impose an undue burden on local citizens. Restaurants do not face an extra cost because the fee is collected in lieu of net profits or gross receipts on the businesses.

Give Kentuckians the right to vote on local projects via the Local Option Sales Tax:

Supports an amendment to the Constitution of Kentucky that would allow cities and counties the choice, with voter approval, to enact a local sales tax with a sunset provision dedicated to local projects.

Pension Reform:

Encourages identifying long-term, sustainable solutions to Kentucky's unfunded pension liabilities that will improve transparency, ensure the financial future of Kentucky's economy is not at risk and lessen the burden on those entities impacted by this crisis. *Encourages* efforts to continue to fully fund pension plans to meet the full pension obligations as laid out in previous legislative sessions.

➤ COVID-19 Liability Protection for Employers

Supports legislation to protect all Kentucky businesses, including health care providers, schools and local governments, from unnecessary and frivolous lawsuits related to the pandemic. Since the start of the COVID-19 pandemic, employers have struggled not only to keep their businesses going and protect the health of their employees, partners and customers, they have also had to guard against opportunistic lawsuits related to the virus. The threat of litigation will harm Kentucky's economic recovery. This legislation should create a presumption that a business has met the standard of care with respect to protection of its employees, visitors and patrons if it has complied with appropriate standards and guidelines.

➤ Modernize Unemployment Insurance

Supports reforms to Kentucky's unemployment insurance benefit structure to keep costs and benefits competitive with other states and increase workforce participation. The General Assembly must protect Kentucky employers from an increase in unemployment insurance taxes. The state's UI system has been in a crisis throughout the COVID-19 pandemic and that has left the trust fund fully depleted and the state reliant on federal loans. Employers participating in the program face significant tax increases to pay off the loan and recover the trust fund balances to pre-pandemic levels. We support the use of federal CARES Act funds to mitigate the tax increases on employers brought about by depletion of the fund and loans. Kentucky businesses now face significant unemployment insurance costs through no fault of their own. The Chamber also *supports* efforts to provide those out of work with access to training and career counseling.

OVERVIEW OF PUBLIC POLICY POSITIONS



As a membership-based organization, the Paducah Chamber represents both small and large businesses, locally based corporations, health care, financial institutions, education, entrepreneurs, local governments, non-profit organizations and others. Our goal is to represent our members on issues that impact their ability to succeed. These policy positions are important to our members and our community and serve as a guide for our legislators to know these positions.

EDUCATION

Make Higher Education Affordable:

Supports making postsecondary education affordable for Kentucky students. Simplification of the state's financial assistance process and a shared responsibility approach to distribute costs among students, families, postsecondary institutions and the government should be considered.

Set Universities Free to Excel:

Supports allowing public universities greater operational flexibility to compete in an increasingly global marketplace. Allowing this flexibility for entrepreneurial endeavors while requiring overall accountability would improve quality and better serve the institution, Commonwealth, employers and students. Included would be the ability for public universities to issue revenue bonds to finance building projects as long as it did not negatively impact the Commonwealth's state bond rating and would have structural safeguards and oversight that ensure projects are consistent with the state's vision for postsecondary education.

Strengthen Adult Education System:

Supports initiatives designed to improve the educational attainment of older workers, those between 25 and 64. These initiatives include Kentucky Adult Education System's efforts to increase the number of people earning a GED and enrolling in postsecondary education programs and the Council on Postsecondary Education's "Project Graduate" encouraging adults with some college credits to complete their degrees.

Early Childhood and K-12 Education:

Encourages the General Assembly to continue to dedicate more state funds to K-12 education and fully fund key childhood education programs such as Pre-K programs.

COMMUNITY & ECONOMIC DEVELOPMENT

Small Businesses and Entrepreneurs:

Encourages the state to actively cultivate and support small business owners and entrepreneurs by maintaining and fully funding vital resources, such as Small Business Development Centers; incentivize capital investment; and improve access to capital for business startups by funding Small Business Innovation Research (SBIR) and Small Business Technology Transfer (SBTT) match programs.

Support Minority Business Enterprises:

Supports diversity policies that enact equal opportunity and equal access. Such policies that require specific spend percentages of state contracts with MBEs, transparency around tracking and reporting and penalizing those that default on MBE spend requirements should be adopted. Policy changes are important to narrow wealth gaps and increase equity. Improvement in support of minority business enterprises is important to attract businesses to Kentucky.

Growing Kentucky's Exports:

Supports state economic development initiatives for free trade agreements that open markets to our companies and urges state policies that encourage worldwide exports of Kentucky products. Exporting products will retain and create jobs, grow our businesses, and strengthen our state's bottom line.

Regulatory Assistance for Addressing Blighted, Deteriorated and Vacant Properties:

Supports expanding the tools currently available to cities to address properties that are blighted, deteriorated and/or abandoned, including creating a conservatorship for rehabilitation of qualifying areas.

Investment in Depressed Properties and Historic Areas:

Supports incentivizing investment in depressed and underutilized properties to rejuvenate neighborhoods and local economies in some of Kentucky's most historic areas to include increasing the \$5 million cap to \$30 million a year to help cities restore historic buildings.

TOURISM

Tourism:

Supports adoption of policies and programs that allow the tourism industry, which has a major impact on our region and Kentucky's economy, to flourish; encourages investment in critical tourism marketing and infrastructure; and development of initiatives that encourage growth in a community's existing tourism assets and the attraction and creation of new opportunities.

Culture and Arts Funding:

Supports prioritizing investment in Kentucky Arts Council and other cultural institutions that play a critical role in sustaining and growing regional identity through creativity. This creativity drives economic development by attracting and retaining top talent, promoting the vitality of the region, leveraging tourist dollars, inspiring entrepreneurial development and helping sustain a positive quality of life for Kentucky's citizens.

Kentucky Film and Entertainment Industry Incentive Program:

Supports the use of film incentives to foster a strong Kentucky film industry and the increasing economic activity and jobs that will result from a growing film industry including refundability of the program's tax credits being restored and reducing the time frames within which approved companies have to start a production and the time they have to file for their credits.

WORKFORCE & HUMAN RESOURCES

Improve Medical Liability Climate:

Supports the submission to voters of an amendment to the Constitution of Kentucky that will allow the General Assembly to put reasonable limits on non-compensatory damages in medical liability claims and require alternative dispute resolution to help reduce escalating malpractice insurance premiums and the resulting burden passed to consumers in the form of higher prices, fewer health care providers and fewer choices.

Workforce Training Efficiencies:

- *Supports* increased efforts by the State and the General Assembly to create a more efficient and effective workforce-training environment in the Commonwealth. Utilizing partners in the training of our workforce, such as West Kentucky Community and Technical College, is one of the most effective ways to ensure a well-trained and capable workforce for the Purchase Region.
- *Supports* continuing to fund and support the Work Ready Kentucky Scholarship program.
- *Supports* expanding apprenticeships and adult education programs.

Increase Number of Healthcare Professionals:

Supports an innovative approach to increase the number of healthcare professionals in Kentucky, particularly in underserved regions.

Wellness Program:

Supports legislation that would encourage employers to implement wellness-based programs that would provide Kentucky with a healthier and more productive workforce and would enable their employees to live longer, healthier lives.

Substance Abuse:

Encourages the state to take active steps to combat Kentucky's substance abuse epidemic and *supports* a thoughtful approach that will not back away from efforts to punish the drug offenders but will prevent added corrections costs and ensure appropriate access to substance abuse treatment, rehabilitation, training and workforce re-entry for those who suffer from alcohol and drug abuse.

Statewide Smoking Ban:

Supports enacting a comprehensive statewide smoking law that prohibits smoking in indoor work places and public places in order to reduce its negative impact on the health of the citizens of Kentucky and on the Commonwealth's economy.

ENERGY

Energy:

Supports efforts to promote manufacturing of energy efficient and alternative energy products. Investment in energy infrastructure is critical for the state's long-term approach for a balanced energy portfolio. With the passage by Kentucky to lift the state's nuclear moratorium, we support funding to advance new nuclear energy technologies, including the manufacturing of small modular reactors, as well as efforts to re-industrialize the Paducah DOE site utilizing these and other opportunities.

SUMMARY

Priorities:

- ✓ Invest in Infrastructure
- ✓ Tax Reform
- ✓ COVID Legal Liability Protection
- ✓ Unemployment Insurance Modernization

Positions:

- ✓ Higher Education Funding
- ✓ PreK-12 Funding
- ✓ Small Businesses
- ✓ Tourism
- ✓ Wellness
- ✓ Substance Abuse
- ✓ Other



“UNITED IN ONE VOICE”

The Paducah Chamber and its community partners encourage the General Assembly to approve policies during the 2021 Session that will move Kentucky forward to become more competitive, prosperous and business-friendly.

www.paducahchamber.org

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