

IOWA CHAMBER ALLIANCE

A unified voice for economic growth

FOR IMMEDIATE RELEASE

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Pro-active economic growth priorities will stimulate job growth

Iowa Chamber Alliance releases legislative priorities

DES MOINES, IA (December 2, 2009) — Priorities on state and federal issues to stimulate Iowa's economy were presented by the Iowa Chamber Alliance at a news conference today at the State Capitol. The Alliance, a non-partisan coalition representing 17 chambers of commerce and economic development organizations throughout the state, advocates an economic development agenda to grow the state's economy through support of proactive programs that stimulate economic growth for the state and its residents.

“During the past year, the global economic downturn has affected everyone including the State of Iowa and the people who live and work here. Now is not the time to retrench economic development efforts but strengthen them. The Iowa Chamber Alliance will continue to provide leadership on issues and strategic policy recommendations to stimulate economic growth in Iowa,” said Debi Durham, Iowa Chamber Alliance Chair, and President of the Siouxland Chamber of Commerce. “The Alliance calls on the Iowa legislature to address key issues which include continuing to balance the state budget each year, preserve Iowa's business foundation and business climate, consider a pilot program to extend the length of the school day and/or year and continue strategies for sustaining and revitalizing our communities. We are committed to creating an environment conducive to business success which leads to job expansion and increased state and local revenues.”

At the state level, the Alliance has identified four major areas important for Iowa:

- Economic Growth
- Workforce Initiatives
- Infrastructure Programs
- Community Revitalization

At the national level, the Alliance believes the following issues require action by Iowa's Congressional delegation:

- Immigration Reform
- Social Security Penalties
- Affordable Healthcare
- Maintain Secret Ballots in Union Formation
- Responsible Energy Policy
- Surface Transportation Funding
- Eliminate International Trade Barriers

Promote Iowa's Economic Growth

State Finances

The private sector is re-engineering itself to meet customer needs, address economic downturns and develop better efficiencies. The Alliance believes Iowa government should do the same, beginning with balancing the state budget each year.

Business Climate

Iowa's business foundation must be preserved. Tinkering with Iowa's strong business foundation could significantly impact the state's ability to attract a skilled workforce and/or impair business expansion and job creation in the state. The Alliance supports the state's Right-to-Work Law, opposes legislation that would negatively impact this law and opposes all mandatory fees for non-union workers; supports the statute for workers' compensation regarding injuries on the job; opposes mandating wage rates for public construction projects; opposes adding negotiable items to Iowa's public employee collective bargaining; and supports providing relief to small business that offer healthcare insurance by reducing the number of state health insurance mandates.

Property Tax

Property taxes are not competitive for commercial and industrial properties in Iowa. The Alliance supports property tax relief for commercial and industrial properties in Iowa. Iowa should explore a property tax system that will allow individual counties and/or regions to develop a system to meet specific county needs. Counties or regions would take a vote of the citizens for acceptance or rejection of the proposed change.

Income Tax

The Alliance believes the state should adjust, simplify and flatten the current income tax structure. This change will allow the state to maintain its income tax revenue stream while eliminating confusion when marketing the state.

Entrepreneurship

Iowa's leaders support creating cultures of entrepreneurship in Iowa by nurturing entrepreneurial talent and generating venture capital. The Alliance recommends extending the existing Seed Capital Fund Investment Tax Credit, which expired in 2008, replenishing those tax credits, and maintaining the Research Activities Tax Credits.

Attract and Retain a Highly Skilled and Educated Workforce

Workforce Development

During a time of economic and budgetary challenges, the Alliance believes that now is the ideal time to pursue innovative policies to improve student achievement and to focus on retraining workers to meet the skill demanded of Iowa's businesses. The Alliance supports bold, innovative recommendations for K-12 education through legislative solutions to better equip students to compete in the global marketplace and strengthen accountability.

Rebuild and Improve Iowa's Infrastructure

Road Use Tax Fund

Continuous investment in Iowa's public roadway system is essential to support economic growth. The Alliance supports revision of the current Road Use Tax Fund formula to allocate more funds to highly traveled roads and implementation of Time-21 (Transportation Investment Moves the Economy in the 21st Century). While the Alliance supports these initiatives, current expenditures should be carefully scrutinized before considering new revenue sources.

Rail Service

Last session the Iowa legislature took positive steps to further expand passenger rail service in Iowa. The Alliance encourages continued support and implementation of the Iowa Department of Transportation (IDOT) Rail Service Plan. Also, the Alliance supports this and continued investment in the IDOT Rail Revolving Loan and Grant Fund to help develop additional infrastructure for rail service to industrial parks.

Sustain and Revitalize Iowa Communities

CAT and RECAT Programs (Community Attraction and Tourism and River Enhancement Community Attraction and Tourism Programs)

The Alliance supports continued funding and removal of caps on CAT and RECAT Programs. These matching funds support visionary community projects or destination attractions important to grow local economies, attract visitors and retain businesses and workers for those businesses.

Great Places Program

The Great Places Program encourages collaboration among state agencies to deliver technical expertise and investment to invigorate the infrastructure and cultural amenities in Iowa's regions, towns and neighborhoods. The Alliance supports continued funding of the program at current levels.

Sustainability – A Green Agenda

The Alliance supports funding for the Iowa Brownfield Redevelopment Program at \$3 million per year and raising the cap on the Brownfields and Grayfields Redevelopment Tax Credit Program. Communities need readily accessible funding for environmental site investigations prior to acquiring nuisance Brownfield sites. These initiatives provide good “green” policy for the state by encouraging sustainable redevelopment efforts.

Federal Issues

Immigration

The Alliance supports streamlining immigration processes for highly skilled workers; raising the cap on H1-B visas; improving the international student visa program; allowing employers to recruit immigrant workers to fill labor needs when there is a shortage; and establishing an employment eligibility confirmation system to ensure compliance with state and federal laws.

Social Security

The Alliance encourages federal officials to refrain from penalizing workers who return to work while still receiving social security benefits.

Affordable Healthcare

The Alliance supports cost containment and strategies for decreasing the cost of healthcare delivery in Iowa and making affordable quality healthcare accessible for small business owners and their employees. The Alliance endorses state and federal legislation that promotes consumer-driven healthcare such as Health Savings Accounts, Flexible Spending Accounts and use of wellness programs. The Alliance also supports strengthening and expanding the current employer-based system while developing alternatives for individually-owned health coverage.

Maintain Secret Ballot

The Alliance supports maintaining the right of employees to cast a secret ballot when organizing unions. This will ensure that elections are fair and free of fraud – where employees can cast their votes confidentially, without peer pressure or coercion from unions or their employers. The Employee Free

Choice Act (EFCA) or Card Check Bill will deny employees this right which would negate Iowa's Right-to-Work Law. The Alliance also opposes binding arbitration that can result with the loss of private voting.

Energy Policy

Recently, the U.S. House of Representatives passed a particular bill that has two components – cap and trade. The trading component can significantly increase the costs of doing business and living in Iowa. The Alliance supports being responsible stewards of the environment, but does not support the trading aspect of this bill when it jeopardizes economic development and community sustainability. The Alliance also supports actions to ensure the development and deployment of affordable, reliable, energy supplies that promote energy, economic development, and national security.

Transportation

Current funding levels cannot sustain, let alone rebuild, our nation's infrastructure. The Alliance believes that Congress should adequately fund a surface transportation system capable of sustaining strong economic growth.

International Trade

Iowa exported over \$5.2 billion in farm goods and \$12 billion in manufactured/value-added goods in 2007. The Alliance supports efforts being made to eliminate trade barriers abroad as well as ensuring that markets at home remain open.

For more information about the Alliance's positions and legislative agenda, please visit the Web site at www.iowachamberalliance.com.

About the Iowa Chamber Alliance

The Iowa Chamber Alliance's mission is to put forth and enact an agenda to grow the state's economy through support of proactive programs that stimulate economic growth opportunities for the entire state and its residents. The Alliance members include chambers and economic development organizations in: Ames, Bettendorf, Burlington/West Burlington, Cedar Falls/Waterloo, Cedar Rapids, Council Bluffs, Davenport, Des Moines, Dubuque, Fort Dodge, Iowa City, Marshalltown, Mason City, Muscatine and Sioux City.

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