



PA Chamber
of Business and Industry

2019 - 20

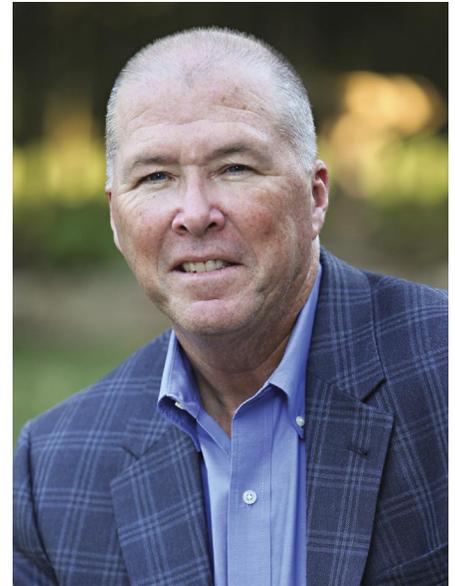
End of
**Session
Report**



A Message from PA Chamber President Gene Barr

The 2019-20 legislative session was one we are unlikely to forget. The COVID-19 pandemic had a defining impact, completely upending the focus of both the state and federal government over the past year. Businesses throughout the Commonwealth have made innumerable sacrifices – from working to ensure our critical supply chains remained intact; to adapting their operations to manufacture the personal protective equipment that our front line workers needed. Unfortunately, thousands others were forced to close their doors and have struggled to keep their doors open.

During this uncertain time, our organization has been a trusted resource for the business community. Our “Bringing PA Back” initiative keeps employers informed of the critical information they need to keep their employees and customers safe; while also providing key policy recommendations that will help to revive the state’s economy. Working with pro-business lawmakers, we have been successful in seeing a number of these recommendations become law. In this End of Session report, you will find an overview of these legislative victories – and others that were enacted before the pandemic arrived in Pennsylvania.



In the waning days of the 2019-20 session, the General Assembly passed our top legislative priority – targeted and temporary COVID-19 liability protections for businesses. The phased re-opening of the economy has brought a wide range of challenges, as restrictions and safety guidelines remain in place to combat the COVID-19 virus. Across Pennsylvania, businesses of all sizes and crossing all industry sectors have invested tremendous resources, time and energy in order to adhere to these guidelines and operate in a safe manner. Those who have made this investment should proceed with confidence that they will not be targeted with unwarranted lawsuits brought on by opportunistic plaintiffs’ attorneys seeking to capitalize on this crisis. Limited liability protections are a critical component of moving Pennsylvania forward. Unfortunately, despite strong support from Pennsylvania’s business, nonprofit, local government, child advocacy, education and medical communities, Gov. Tom Wolf vetoed this important legislation. We will continue to advocate on this issue in the year ahead.

As we head into the 2021-22 session, our “Bringing PA Back” initiative will continue to focus on enacting the pro-growth policies that will help the Commonwealth’s economy come back stronger than before. We look forward to working with the newly elected lawmakers on these important goals while at the same time, promoting the health and safety guidelines that will keep our communities healthy. As always, your feedback is critical to our mission of growing Pennsylvania’s economy and creating equality of opportunity for all of its citizens.

Thank you,

A handwritten signature in black ink that reads "Gene Barr". The signature is fluid and cursive, with the first name "Gene" being more prominent than the last name "Barr".

Gene Barr

Legislative Agenda



EMERGENCY PREPAREDNESS AND RESPONSE

Ensuring the business community has a voice at the table as the state develops emergency preparedness and response plans



WORKFORCE DEVELOPMENT AND CAREER READINESS

Working with policymakers to address the existing jobs skills gap and ensure that Pennsylvania is developing and harnessing the talent, skills and capacities of its citizens



RESPONSIBLE STATE SPENDING

The enactment of fiscally responsible, on-time budgets without new or higher taxes that hurt your bottom line



TAXES

An improved tax structure that creates a competitive advantage for your business, including a reduction of the Corporate Net Income Tax rate and elimination of the cap on Net Operating Losses



HEALTH CARE

The enactment of policies that encourage competition in the provision of healthcare while also empowering you with flexibility to offer your workers high quality, affordable health care



ENERGY AND ENVIRONMENTAL

Using science-based data to develop and implement thoughtful environmental laws and regulations that encourage economic competitiveness



CIVIL JUSTICE

Implementing reforms that create a fair, balanced and common-sense legal system that prevents lawsuit abuse while protecting the right of legitimate plaintiffs to seek justice



TRANSPORTATION AND INFRASTRUCTURE

Instituting greater efficiencies for the construction, maintenance and delivery of reliable transportation, utility systems and other critical infrastructure



LABOR

Changing labor relations and employment policies to address abuses and facilitate a fair work environment, including improvements to the unemployment compensation and workers' compensation systems



EDUCATION

Ensuring an educated workforce by establishing clear accountability and providing every child with the opportunity to receive a quality education that prepares them for gainful employment

Pandemic-Related Legislation

The COVID-19 pandemic has placed unprecedented economic hardships on Pennsylvania's business community. During these uncertain and evolving times, the PA Chamber has been leading the charge to bring clarity and reliable resources to the Commonwealth's job creators who are working to re-open and operate safely, while also advocating for policies that will aid in the state's pandemic recovery. As a core tenet of our "Bringing PA Back" effort, the PA Chamber has worked to secure the enactment of smart policies that will help to jumpstart our state's economic recovery, including:

Flexibility for Food Merchants (Act 29 of 2020)

Provides food merchants who are experiencing labor shortages with workforce flexibility, including waiving the requirement for separate checkout for alcohol sales.

Occupational Licensing Reform (Act 53 of 2020)

Helps facilitate employment for individuals with a criminal record; including establishing a uniform standard for state occupational licensing agencies to follow when considering whether a license should be denied based on a prior record.

Prioritize COVID-19 Testing (Act 70 of 2020)

As capacity increases, this law prioritizes testing for employees working in life-sustaining industries.

Property Tax Payment Extensions (Act 75 of 2020)

Provides extensions to property owners on their local property tax payments with a waiver of interest and penalties.

Allow Notaries to Operate Remotely (Act 97 of 2020)

Allows notary publics to conduct their duties remotely. Act 15 of 2020 included similar legislation effective during the COVID-19 emergency declaration, and this law allows for remote notarization going forward beyond the duration of the emergency.

Bringing PA Back Initiative



As the 'Statewide Voice of Business™,' the PA Chamber is committed to leading Pennsylvania's economic resurgence from the COVID-19 pandemic through our bold initiative, 'Bringing PA Back.' The first phase that was launched in the spring aimed to arm employers with the information they need to re-open their facilities safely for employees and customers; along with promoting public policies to help employers overcome hurdles to re-opening and operating. In October, we kicked off the next critical phase of our initiative – "Rise to the Challenge" – which will focus on improving Pennsylvania's competitiveness, workforce and infrastructure to bring about equality of opportunity.

Throughout 2021, unbiased polling and research will be conducted to determine where Pennsylvania falls short, after which we'll propose and work toward solutions to improve economic outcomes. The PA Chamber will set benchmarks and utilize an interactive dashboard to monitor our progress, while also developing an advocacy toolkit to unify and engage stakeholders. Ultimately, we'll be working with elected officials to see those policy agenda items become a reality – policies will include tax reforms, infrastructure development, workforce development and more.

To learn more about this multi-year initiative, visit www.BringingPABack.com.

VETOED

Governor's Veto of Important Liability Protection Legislation Strikes a Harsh Blow to Business

During this unprecedented year and since the early days of the governor's COVID-19 disaster declaration, the PA Chamber, along with our partners in the business community, prioritized getting targeted and temporary safe harbor protections in place for businesses that are following the state and CDC-issued guidelines to keep our communities healthy and get our economy up and running again.

The re-opening of the economy and start of the school year brought a wide range of challenges as restrictions and safety guidelines remain in place to combat the COVID-19 virus. Across the Commonwealth, businesses, nonprofits, child care and academic facilities and the medical community have invested tremendous resources, time and energy in order to adhere to these guidelines and operate in a safe manner. Unfortunately, employers were facing an ever-growing avalanche of litigation – in many cases, simply because they're following the mandates put into place by the administration. These concerns placed a constant dark cloud over businesses that are already facing numerous financial hurdles working to operate during this pandemic.

In the final days of session, we were pleased that the General Assembly passed and sent Gov. Tom Wolf H.B. 1737 – legislation that contained the liability protections employers have sought for much of 2020. The protections contained in the measure were narrow in scope, temporary and would have incentivized best practices by still holding bad actors accountable.

Unfortunately, despite the support of 80 local chambers of commerce from throughout the state and nearly the same amount of associations and organizations representing a wide range of constituencies, Gov. Wolf vetoed the legislation – striking another blow to businesses that are struggling to survive the economic repercussions brought on by the pandemic.

During the course of the pandemic, Gov. Wolf also vetoed these bills related to Pennsylvania's economic recovery:

S.B. 327 – This bill would have created an Interbranch COVID-19 Cost and Recovery Task Force; reducing state government debt through low interest rates; and requiring executive agencies to notify lawmakers of any actions to suspend, modify or waive a state regulation during the emergency.

S.B. 613 – This bill would have created a standard for determining pandemic business closure exemptions for critical industries that many other states – including California, Ohio, Indiana and Maryland – have adopted based on guidelines developed by the U.S. Department of Homeland Security's Cybersecurity and Infrastructure Security Agency. This bill contained the liability protections employers have sought for much of 2020. The protections contained in the measure were narrow in scope, temporary and would have incentivized best practices by still holding bad actors accountable.

Healthcare

State-based Health Insurance Exchange (Act 42 of 2019)

Created an authority to operate a state-based health insurance exchange for Affordable Care Act individual market plans.

PHC4 Reauthorization/Pandemic Response Measures (Act 15 of 2020)

Reauthorizes the Pennsylvania Health Care Cost Containment Council for a period of 10 years and directs the agency to issue a report on the COVID-19 pandemic's impact on the state's healthcare facilities. The law also includes additional COVID-19 response measures for local governments.



PA Chamber President Gene Barr gives testimony before the U.S. House of Representatives' Energy and Commerce Committee on the positive impacts the natural gas industry has had on Pennsylvania and the need for pipeline and infrastructure development.

Infrastructure

Personal Delivery Device Deployment (Act 106 of 2020)

Provides for authorizations and regulations of autonomous delivery devices, which can be used within three miles of a business in need of making deliveries.

Rural Broadband Development (Act 132 of 2020)

Provides for dedicated state funding to expand broadband accessibility in underserved rural areas.

Tax

Removing Provisions Related to Capital Stock and Franchise Tax (Act 23 of 2020)

Repeals the reference to the Capital Stock and Franchise Tax, which was phased-out in 2016, from the state Tax Code. By eliminating the tax from state law, the General Assembly would have to effectively enact a brand new tax if they should wish to impose one in the future.

Local Resource Manufacturing Tax Credit (Act 66 of 2020)

Provides a tax credit (against 20 percent of annual tax liabilities to companies) to no more than four companies that meet certain eligibility requirements and that use methane from Pennsylvania natural gas in the manufacturing of petrochemicals or fertilizers.



PA Chamber Vice President of Government Affairs Sam Denisco testifies at a Senate Republican Policy Committee hearing on Federal Opportunity Zones.



PA Chamber Director of Government Affairs Alex Halper gives the business community's perspective at a Senate Labor and Industry Committee hearing on paid leave policies.



PA Chamber Director of Government Affairs Kevin Sunday testifies at a House Veterans Affairs & Emergency Preparedness hearing on the use of emergency powers by the state.

Trade

Support Ratification of United States-Mexico-Canada Trade Agreement (HR 248 and SR 152)

Expresses support for strong trade relations between the United States, Mexico and Canada and urged Congress to ratify the USMCA trade agreement.

Workforce and Education

Workforce Development (Act 76 of 2019)

A package of legislation related to workforce development and enhancing career and technical education, including expanding career awareness and skilled trades programs and expediting the classification of instructional programs to help schools be nimble with their offerings.



PA Chamber President and CEO Gene Barr discusses the various workforce challenges facing employers at a press conference of Governor Wolf's Keystone Economic Development and Workforce Command Center. Barr serves as co-chair of the Command Center, making sure the business community has a seat at the table as government officials develop solutions to address the state's jobs skills gap.

Changes to the State's Overtime Rule

This year, the Pennsylvania Department of Labor & Industry moved forward with a proposal to advance a massive expansion to overtime eligibility by significantly increasing the salary for exempt status and imposing regular increases.

L&I first released this proposal in 2018 and hundreds of employers submitted comments with concerns over cost increases and being forced to shift employees from salary to hourly status in order to track hours and ensure they do not exceed 40 worked in a week. The PA Chamber joined businesses throughout the Commonwealth in warning of harm to employee morale and workplace culture if employees were required to clock in and out; also saying that they would lose the flexibility and stability that comes with earning a salary.

A Concurrent Resolution disapproving a significant expansion of overtime eligibility standards was passed by the legislature in late May but quickly vetoed by Gov. Tom Wolf.