



Pennsylvania employers faced daunting challenges and existential threats in recent years. Yet with ingenuity and a relentless resolve, they have maintained operations, retained and expanded their workforce, and sustained Pennsylvania's economy, leading to stronger communities and schools and improving the quality of life for Pennsylvanians.

The Commonwealth's prospects for future prosperity depend on keeping companies in Pennsylvania, supporting their growth, and attracting new businesses to the state. Pennsylvania's citizens and employers depend on state lawmakers to develop and adopt smart, pro-growth public policy to make these prospects for prosperity a reality.

Pennsylvania's business community is encouraged by lawmakers' work in 2022 to advance important legislative measures, most notably significant tax reform, including a reduction in the state's extraordinarily high corporate rate and improvements for small business. At the same time, we know other states are moving forward as well. We are in a perpetual competition to cultivate and showcase an attractive business climate, and policymakers must act aggressively and with the urgency this moment requires. Public policy should encourage business creation, recruitment, and expansion and promote a forward-thinking vision for the Commonwealth, which recognizes employers' embracing the fourth industrial revolution, safeguards public health, and advances the cause of energy independence. A pro-growth agenda is a necessary complement to the fundamental qualities of the Commonwealth, including abundant natural resources; geographic advantages; and first-rate educational and training institutions.

Lawmakers and the business community are partners in this high-stakes competition and we urge our partners to pursue a public policy agenda this year that helps businesses and Pennsylvania's economy thrive — an agenda focused on competitiveness, infrastructure and workforce.

## COMPETITIVENESS



### Improve the business tax structure

Policymakers should build on recent reforms and continue to reform the Commonwealth's tax structure with pro-growth initiatives that will make the Commonwealth more competitive, like improving the treatment of Net Operating Losses. Our corporate net income tax rate must continue to be reduced as the legislature intended or at an accelerated rate, in order to attract new investment, create family-sustaining jobs and spur economic growth. The PA Chamber will advocate for comprehensive changes to the state tax structure that embody the principles of competitiveness, predictability, fairness and simplicity and that better align our laws with the pro-growth provisions of the Internal Revenue Code. These changes include addressing the manner by which local taxes are levied and administered.



### Creating an equitable civil justice system

Pennsylvania's legal climate lacks protections that create a fair, balanced and common-sense civil litigation system. The business community supports legal reforms that help prevent lawsuit abuse while protecting the right of legitimate plaintiffs to seek justice, including safe harbor from unwarranted pandemic-related lawsuits for those adhering to safety guidelines. The PA Chamber supports lawsuit abuse reform proposals that provide for full and timely compensation of parties legitimately injured; give employers predictability and certainty; prevent unfair tactics like "venue-shopping," and change the judicial system to achieve greater efficiencies and unbiased justice.



### Responsible state spending and smart government

The PA Chamber urges the legislature and Governor to work collaboratively on a responsible, on-time state budget that exhausts all opportunities for cost-savings and more efficient spending. Lawmakers should continue to focus on reforming state government operations, particularly where the investment of resources is greatest, including public pension systems, the criminal justice system and mandated programs. The PA Chamber also supports collaborative and thoughtful public-private partnerships and opportunities to privatize those government services that could be more efficiently provided by the private sector.



### **Affordable and accessible health care**

High health care costs remain an impediment for many businesses who wish to offer a high level of quality care and accessibility for employees at affordable prices and without undue bureaucracy. The PA Chamber will continue to advocate for policies that will encourage competition in the provision of health care while also giving employers the most flexibility when making health care decisions.



### **Balanced labor and employment laws and regulations**

The PA Chamber supports labor, workplace and employment standards that help foster a productive and safe work environment, and which are structured to promote fair resolution of disputes and avoid negative unintended consequences. This includes eliminating misuse of improving the unemployment compensation system. We support facilitating a workers' compensation system that focuses on returning injured workers to full health and function and roots out abuse. Employers oppose excessive mandates; artificial wage inflators, like prevailing wage, forcing individuals to pay union dues as a condition of employment, or labor relations policies that unfairly tilt the playing field.

## **INFRASTRUCTURE**



### **Modern, safe, efficient, and reliable infrastructure systems**

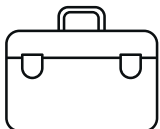
Pennsylvania must construct and maintain reliable transportation, telecommunications, wireless and utility systems, and other infrastructure, as these assets provide for a modern economy necessary to maintain a robust economic base, attract new employers and facilitate the movement of goods and people in our state and to domestic and international markets. The PA Chamber will continue to advocate for greater efficiencies in their construction, maintenance, and delivery, including streamlined permit and regulatory processes. The business community supports expanded reliance on public-private partnerships to help the Commonwealth meet its infrastructure needs in a manner consistent with the imperative for fiscal restraints.



### **Flexibility in energy markets and science-based environmental requirements**

Numerous state and federal environmental regulations and energy mandates are hindering the state's economic positions. The PA Chamber opposes the imposition of new and the expansion of existing, mandates and will continue to advocate for thoughtful, science-based development and flexible implementation of environmental law. The PA Chamber supports a regulatory approach that encourages greater investment in the Commonwealth, including for projects that facilitate voluntary emission reduction strategies.

## **WORKFORCE**



### **Workforce Development and career readiness**

Employers in Pennsylvania continue to experience severe workforce challenges that are detrimental to our economy and prospects for growth. We urge lawmakers to build on past efforts and focus on policies that will help students prepare for a future career; facilitate upskilling opportunities for incumbent workers; encourage those on the sidelines to transition back into the workforce; and make Pennsylvania an attractive destination for individuals starting careers or relocating.



### **Quality educational opportunities**

The PA Chamber supports a public education system based on rigorous standards, with appropriate transparency and robust accountability measures, to help ensure Pennsylvania students graduate high school as prepared as possible for the next phase of their lives. The PA Chamber further supports initiatives that help provide families with options to fit the specific education needs of students, so they are best qualified to ultimately enter the workforce.

