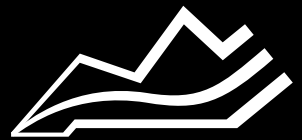


PIECING TOGETHER PROGRESS



Kentucky Chamber
Uniting Business. Advancing Kentucky.

2017 LEGISLATIVE AGENDA KYCHAMBER.COM | KYCHAMBERBOTTOMLINE.COM



Kentucky Chamber

Uniting Business. Advancing Kentucky.

CONTENTS

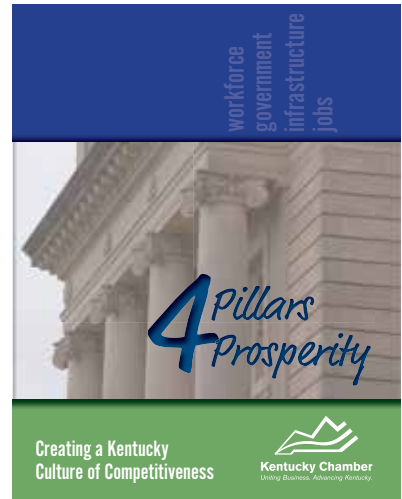
- 2 Public Policy Councils
- 3 Summary
- 4 PILLAR 1:
A Healthy, Skilled
Workforce
- 9 PILLAR 2:
Sustainable State
Government
- 15 PILLAR 3:
21st Century
Infrastructure
- 18 PILLAR 4:
Aggressive Job
Creation
- 29 FEDERAL PRIORITIES

INTRODUCTION

Kentucky and the United States have experienced unprecedented change and significant economic challenges over the past 15 years. Transformational forces such as globalization and urbanization, fueled by technological advancements, have re-shaped the foundations of competitiveness for places and people. The Great Recession reset our view of success, and the subsequent recovery has been uneven, leaving citizens and communities with no clear path to future prosperity. If we want better, and the members of the Kentucky Chamber of Commerce do, we have to engage more Kentuckians to push together toward common goals.

In the summer of 2015, the Kentucky Chamber published Four Pillars for Prosperity which suggested a new emphasis on issues that influence the state's economy and on the actions that will chart a path toward success. The report details the state's current and recent economic performance; the workforce, technological and economic trends affecting Kentucky; and the perspective of business leaders on issues that most affect their ability to succeed.

The Kentucky Chamber's 2017 Legislative Agenda builds upon the framework set by Four Pillars for Prosperity and outlines the business community's top legislative priorities for the 2017 session of the Kentucky General Assembly. These priorities will help chart a path toward a more competitive Kentucky.



PUBLIC POLICY COUNCILS

As the state's premier business advocate, the Kentucky Chamber of Commerce is a recognized and respected voice at the state Capitol. With thousands of members representing every major industry sector, the Chamber's diverse business policy initiatives converge upon one goal: a healthy, vibrant Kentucky economy. Ensuring that business has a voice in the legislative process, we are working with local business leaders to identify critical trends, at the table as regulations are drafted and in the halls of the Capitol as bills are debated. As part of its advocacy mission, the Kentucky Chamber has developed five public policy councils composed of business leaders from around the state, each of which is responsible for developing legislative positions and priorities for their respective policy areas.

EDUCATION AND WORKFORCE COUNCIL

With a focus on lifelong learning, the education and workforce council works to ensure that Kentucky's economy is fueled by a prepared, productive and diverse workforce. The council develops policies to support and improve education at all levels.

Council Chair: Brent Cooper, President, C-Forward, Inc., Covington

ENERGY AND ENVIRONMENT COUNCIL

The energy and environment council seeks to promote Kentucky as an energy leader and supports policies to achieve environmental protection without unnecessarily hindering economic development and business growth. Its members support legislative and administrative actions that are scientifically valid, technically feasible and economically rational.

Council Chair: Jack Bender, Partner, Dinsmore & Shohl, Lexington

HEALTH CARE POLICY COUNCIL

The health and wellness council is focused on developing comprehensive, long-term solutions to help slow the ever-increasing costs of health care in Kentucky and to promote public policies that will help improve the overall health and well-being of Kentucky's citizens.

Council Chair: John Muller, Carespring, Northern Kentucky

KENTUCKY COMPETITIVENESS COUNCIL

The Kentucky competitiveness council focuses on all facets of government spending including proposed government efficiencies in the structure of government, public pension and personnel costs, public employee collective bargaining and other issues. This council also seeks to promote business recruitment, retention and expansion and to increase Kentucky's competitiveness, not only with our border states, but with competitors around the world. The council is actively engaged in policy initiatives aimed at modernizing the economy, creating jobs and supporting state income and expenditure practices that promote long-term economic growth in Kentucky.

Council Chair: Kim Menke, Manager-Community/Govt. Relations, Toyota Motor Mfg., Georgetown

SMALL BUSINESS COUNCIL

Because small businesses are often disproportionately affected by challenges facing the economy, the small business committee focuses on ensuring the broad range of issues of particular importance to small business owners are adequately represented in the Kentucky Chamber's policy development process. Look for the Small Business symbol throughout this



document to find out which policies the council believes will have the most impact on small business.

Council Chair: Fred Baumann, Baumann Paper Company, Lexington

LEGISLATIVE AGENDA SUMMARY

Workforce: A Healthy, Skilled Workforce



GOAL: To create a globally competitive talent development system that produces a healthy and skilled workforce, benchmarked against the best education and workforce preparation systems in the world.

- Keep Academic Standards
- Enable Charter Schools
- Ensure Workforce Investment Accountability
- Enact Smoke Free Workplace Law

Government: Sustainable State Government



GOAL: To create and sustain a state government that is financially stable and a competitive environment for economic growth.

- Pension Transparency & Reform
- Tax Reform
- Repeal Prevailing Wage
- Reform Criminal Justice System

Infrastructure: 21st Century Infrastructure



GOAL: To create and maintain a modern infrastructure to capitalize on the state's strategic advantages and to advance its energy agenda.

- Create & Maintain a 21st Century Infrastructure
- Protect Low Cost Energy

Jobs: Aggressive Job Creation



GOAL: To create and implement a customized economic development program that recognizes the potential of Kentucky's distinct regions and industry sectors and encourages and rewards entrepreneurship and innovation.

- Enact Right to Work
- Improve Workers' Compensation System
- Enact Legal Liability Reform

A HEALTHY, SKILLED WORKFORCE



GOAL: To create a globally competitive talent development system that produces a healthy and skilled workforce, benchmarked against the best education and workforce preparation systems in the world.

Kentucky's business community is heavily invested in education and workforce development. Whether the investments are as universal as taxes, as general as tuition reimbursement for workers or as specific as on-the-job skills training, employers are fueling Kentucky's quest for an educated population and skilled workforce with their financial resources. Many are adding their personal talents and energies to the effort, working at the community and state levels on initiatives to improve schools and enhance workers' skills. This commitment reflects employers' understanding that education is the cornerstone of progress for individuals, communities and the state as a whole. Whether Kentuckians and their state succeed or fail will be determined by the quality of the state's education system and how well it equips individuals to apply what they know to advance personally, in support of their communities and in the workplace. High expectations and accountability for performance are critical at all levels of the system – in ensuring every child is ready for kindergarten, in accelerating student achievement in elementary, middle and high school, in

steadily improving performance and outcomes at the postsecondary level, in increasing the knowledge and skills of under-educated adults and in developing a high-quality workforce.

SB STRENGTHENING THE WORKFORCE

Effective workforce training and service programs are critical to ensuring a successful future for countless businesses across Kentucky, the people they employ and the state as a whole. But in Kentucky, as across the nation, many employers struggle to find people with the right skills for the jobs they have available. Job seekers, meanwhile, encounter frustrations as they try to find the right job to match their skills and abilities at the compensation level they expect. Kentucky's workforce training system is notably complex with multiple layers and differing agency responsibilities. Programs receive state and federal funding in the hundreds of millions of dollars, and programs range from job-specific skill development to support for job seekers.

The Kentucky Chamber conducted a year-long review of the state's workforce system, culminating in the release of a report, "Kentucky's Workforce Challenges: The Employer's Perspective," in July 2015. This "look under the hood" identified key challenges facing the system and made a series of recommendations – for both state programs and employer groups – to address those challenges. Of particular concern to employers is the absence of so-called soft skills among job seekers and new employees. These skills include the ability to communicate, work well on a team, show up regularly and on time for work, handle conflict and other traits. To address this critical problem, the Chamber supports incorporating soft skills into the state's K-12 education accountability system to improve students' development of characteristics that will improve their prospects for success in both postsecondary education and the workplace. The Chamber will continue its advocacy for this and other improvements in the development of a high-quality workforce system.

BUILDING ON PROGRESS

The Kentucky Chamber and its members continue their strong support for the state's academic standards, viewing them as key to the progress our students are making in achievement. The state's most recent ACT scores show continued increases in the percentage of students reaching college readiness benchmarks set by the Council on Postsecondary Education, although achievement gaps persist among subgroups. Kentucky's graduation rate continues to improve and has reached 88.6%.

Kentucky continues to make measurable progress in education, with test scores showing improvement in overall student performance as well as such key indicators as the graduation rate. Of particular significance is the continuing increase in the number of students who are ready for college and career. The rate of students who are ready to move ahead in college and career grew to 68.5% in 2016, up from 47.2% in 2012.

Kentucky's rigorous academic standards are designed to ensure students are college and career ready when they graduate from high school. They mean harder work – for students and teachers alike – but they hold great promise for the preparation of a world-class workforce.

The Chamber believes it is imperative Kentucky stay the course with these standards and reject efforts to revert to less challenging requirements for student learning.

INVEST IN EARLY CHILDHOOD EDUCATION

Economic research makes it clear that investments in quality early childhood programs return strong dividends – in higher education attainment leading to higher-paying jobs; reduced costs for health care, criminal justice, social services and welfare; and other personal and societal benefits. Kentucky must invest in early childhood education and make greater investments in enhanced child-care programs for Kentucky's developing youth. Ensuring a successful beginning for the state's youngest citizens will require an innovative and collaborative approach to provide quality preschool to all 3- and 4-year-olds.

The Chamber also supports efforts to fully fund all-day kindergarten equitably statewide.

PROMOTE & REWARD HIGH QUALITY TEACHING

Quality teaching is the single most important factor in students' academic success. To ensure every Kentucky student has a high-quality teacher every year, the Chamber supports the formal review of the effectiveness of teacher preparation programs and the delivery of meaningful professional development programs to better meet the needs of classroom teachers. Policymakers must professionalize the teacher compensation system to reward excellence and provide incentives to attract educators to areas that are underserved, either geographically or by subject matter. This will allow Kentucky to recruit and retain the best and brightest professionals.

REQUIRE EDUCATION ACCOUNTABILITY

The Chamber believes tenure should not be automatically awarded to teachers on the sole basis of time on the job, but should be earned based on an appropriate evaluation and subject to periodic reviews for renewal. The Chamber further believes the current tribunal system in place to review appealed cases of misconduct and inadequate job performance of school employees is both complicated and inconsistent. Superintendents are reluctant to fire or suspend an insubordinate employee due to the cost, complexity of the process and likelihood that their decision will be overturned by a tribunal. The Kentucky Chamber advocates for a clearer, more consistent process to ensure all students have a safe and productive classroom environment. Educators who do not meet the high standards required to serve all students should be removed from the education system.

The Chamber also believes it is vital that superintendents, as the CEOs of their districts, have increased flexibility in the selection of school principals.

ALLOW PUBLIC CHARTER SCHOOLS

To ensure all students receive a quality education, the Chamber supports the passage of enabling legislation to allow the formation of public charter schools. Kentucky is one of only seven states that do not offer high quality public charter schools. Charter schools are independent schools designed to provide tuition-free public education choices to parents and students. Charters liberate teachers and administrators from red tape and allow more innovation in the classroom. In exchange for this flexibility, charter schools accept high accountability, knowing they can be closed if they fail to live up to their charter.

The Chamber believes all children deserve the opportunity to go to a school that challenges them and prepares them for the future. It is time to give parents the right to make choices about the best

learning environment for their child. Although the “Districts of Innovation” legislation gives select schools greater flexibility, it does not provide educational choices for parents who are unsatisfied with their child’s school. The Kentucky Chamber advocates for charter school legislation that gets parents more involved, gives teachers the freedom to be even more innovative and gives students the structure they need to learn.

LIMIT KEES TO STUDENTS WHO ARE READY

At the high school level, financial rewards – in particular the Kentucky Educational Excellence Scholarship – should be weighted to provide students with greater incentives to take more rigorous courses. The Chamber supports raising standards to more accurately reflect minimum scores needed for admission to Kentucky’s postsecondary institutions.

MAKE HIGHER EDUCATION AFFORDABLE

Making sure postsecondary education is affordable for Kentucky students should be a priority for the Commonwealth. The Chamber advocates simplification of the state’s financial assistance process and a shared responsibility approach to distribute costs among students, families, postsecondary institutions and the government. Further, on-time degree completion is a key strategy in managing limited state and student resources. Students should be given every opportunity and encouragement to complete their degrees on time.

BASE FUNDING ON PERFORMANCE

Timely degree completion is one example of an area where Kentucky’s postsecondary institutions should improve their performance. To provide meaningful incentives that encourage and reward excellence, a substantial portion of state funding for the institutions – including all additional funding beyond

current appropriation levels – should be based on their ability, as objectively measured, to improve productivity: moving students to graduation in the most cost-effective manner. The Chamber applauds the Governor and General Assembly for beginning the process of basing more postsecondary funding on a formula that reflects improvement in institutional and student performance and advocates the continued use and expansion of outcomes-based funding.

SET UNIVERSITIES FREE TO EXCEL

Public universities in the Commonwealth need greater operational flexibility to compete in an increasingly global marketplace. Flexibility that allows for entrepreneurial endeavors while requiring overall accountability would improve quality and better serve the institution, Commonwealth, employers and students. As an example, most states allow public universities to issue their own revenue bonds to finance building projects that generate income sufficient to cover the debt service. To the extent that such an approach would not negatively impact the Commonwealth's state bond rating, the Chamber believes a similar approach should be implemented in Kentucky with structural safeguards and oversight that ensure projects are consistent with the state's vision for postsecondary education.

SB STRENGTHEN ADULT EDUCATION SYSTEM

While the state is making progress in improving education levels of younger Kentuckians, the educational attainment of older workers, those between 25 and 64, continues to present significant challenges. The Chamber supports initiatives designed to meet these challenges, such as the 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.

With numbers not where they need to be, these and other efforts are essential to increasing the skills of Kentuckians already in the workforce.

SB PROMOTE WELLNESS AND PREVENTION

Strengthening the health of Kentucky's workforce is critical to our economic success. Kentucky has one of the nation's unhealthiest populations with consistent rankings at or near the top of the list in smoking rates, obesity levels and other indicators of poor health. In addition to being a quality-of-life issue, the state's health status has a significant impact on the business community, increasing employers' health care costs and hindering their ability to hire a healthy and productive workforce. Nationally, Americans use preventative services at about half the recommended rate. Preventing disease before it starts is critical to helping people live longer, healthier lives and keep health care costs down. The Chamber encourages employers to implement wellness-based programs that encourage prevention and prompt workers to improve their healthy habits.

To improve the health of Kentuckians and to promote an under-used cost control measure, the Chamber supports legislation to provide tax and other incentives for the creation of wellness programs enabling businesses to educate and encourage their employees to engage in healthy lifestyles and obtain preventive care. The Chamber supports government programs and policies that help provide education and assistance for companies, organizations and individuals to promote health and wellness throughout Kentucky. These efforts should focus on encouraging a level of personal responsibility for one's health as well as organizational health promotion policies and environments.

The Chamber also supports initiatives that provide greater incentives for individuals and/or employers to purchase long-term care insurance policies. As the population ages, individuals will likely require health care services from every level and setting of care, from non-medical aid to skilled home health to a skilled nursing facility, and each should be accessible

while delivering quality care. Additionally, the Chamber encourages policymakers to concentrate elder care resources on case management to ensure people's needs are matched with the most appropriate care.

SB INTENSIFY DRUG ABUSE CONTROL EFFORTS

The Chamber is concerned about the state's rising drug abuse problem and its negative effect on Kentucky's workforce and health care costs. A recent report found drug overdose deaths reached an all-time high in Kentucky in 2015. The Chamber commends the Kentucky General Assembly for taking important steps to close pill mills, end illegal prescribing practices and address the heroin epidemic in Kentucky. As lawmakers consider options to implement these important changes, we encourage a thoughtful approach that will not back away from efforts to punish bad actors but will prevent added costs and ensure appropriate access to medical care. Continuing policies to develop workable statewide and interstate compacts as well as the adoption of nationally recognized pain management guidelines will help limit drug abuse that has a negative impact on employers and employees.

ENACT STATEWIDE SMOKE-FREE LAW

According to the U.S. Centers for Disease Control and Prevention, Kentucky is second in the nation in the number of adult smokers (29% of the population). Smoking-attributable health expenditures are estimated at more than \$1.5 billion annually in Kentucky, and smoking-attributable economic productivity loss is estimated at more than \$2.3 billion each year in the state. The Chamber supports enacting a comprehensive statewide smoking law that prohibits smoking in indoor workplaces and public places, including restaurants, bars and hotels; 33% of Kentucky's population and 28 states and the District of Columbia passed comprehensive smoking laws that have proven to curb smoking rates and lower health care costs without negatively affecting business.



REPEALING PROTECTED CLASS FOR SMOKERS

A study by Ohio State University shows it costs employers approximately \$6,000 more a year to employ a smoker versus a non-smoker. In 1994, Kentucky enacted a law that made smokers a protected class. This law forbids employers from turning away a job applicant just because he/she smokes. The Chamber believes this is an intrusion into the rights of employers. Making hiring decisions and holding smoking to the same standards of discrimination as race, gender, religion and ethnicity seems arbitrary and without justification.

INCREASE THE CIGARETTE TAX

Regular surveys of business leaders show that health care costs are the No. 1 cost driver for businesses. Every state that has significantly increased its cigarette tax has enjoyed substantial increases in revenue while reducing smoking. Higher tobacco taxes also save money by reducing tobacco-related health care costs, including Medicaid expenses.

At 60 cents per pack, Kentucky's cigarette tax ranks 43rd lowest among the states and is only 36% of the national average of \$1.65 per pack.

As a meaningful step to improve the overall public health of Kentucky's citizens, the General Assembly should increase Kentucky's excise tax on cigarettes.

A SUSTAINABLE STATE GOVERNMENT



GOAL: To create and sustain a state government that is financially stable and a competitive environment for economic growth.

CONTINUE TO FIX THE “LEAKY BUCKET”

The state has made progress in curtailing spending growth in some areas, but efforts must continue to ensure Kentucky makes the right investments of tax dollars to build a stronger future. The Kentucky Chamber issued its “Leaky Bucket: Five Years Later” report in 2014, following up its 2011 “Building a Stronger Bucket” and 2009’s “Leaky Bucket.” The reports highlight the fact that Kentucky’s budget priorities have shifted away from investments in education toward providing more money for jails, public employee health benefits and Medicaid. “The Leaky Bucket: Five Years Later” analyzed 2012-2016 budgets and noted a significant reduction in the growth of spending on corrections, Medicaid and public employee health insurance and an increase in spending on non-SEEK education items (such as preschool and textbooks). Spending on postsecondary institutions continued to decline. The Kentucky Chamber continues to monitor state spending and offers the following suggestions to ensure our policymakers do

what most Kentucky families and business leaders have done over the past few years – establish spending priorities, make tough decisions and fix the leaks that take funds away from the priority of improving education. Actions to address unsustainable spending must occur before the discussion of additional revenue opportunities should begin.

ADHERE TO STATE SPENDING PRINCIPLES

If Kentucky is to keep its financial house in order, it must establish a set of disciplined guidelines on spending tax dollars. We encourage Kentucky’s lawmakers, if at all possible, to adopt the following guidelines for state spending:

1. Limit spending to 6% of the state economy.
2. Limit borrowing costs to 6% of the state General Fund budget.
3. Eliminate the structural deficit by adopting a five-year plan to spend only recurring revenues for recurring obligations.
4. Prioritize spending on areas that invest in the future, such as education and economic development.

5. Eliminate the practice of appropriating all anticipated revenue and ensure the state's "rainy day fund" has adequate resources to cover the state's emergency needs.

PRIORITIZE GOVERNMENT SPENDING

Kentucky has made significant progress in starting to plug the leaks in the state budget originally identified in the 2009 "Leaky Bucket." Since that time, major legislation has been enacted to address spending in corrections and unfunded pension liabilities, and significant administrative changes have taken place to rein in spending on Medicaid and public employee health insurance.

Yet the Kentucky Teachers' Retirement System has yet to receive full funding and financing the expansion of Kentucky's Medicaid program continues to be a challenge. Policymakers must stay the course and continue the progress they have made to date on state spending. The alternative is to return to a trend in which Kentucky is paying more to treat health conditions and incarcerate those who break the law instead of investing more in education. Increased education attainment is the true path out of the cycle of poor health and poverty that has plagued Kentucky and its economy for generations.

Consideration of new or increased taxes or fees should occur only after exhausting all reasonable opportunities to reduce spending and increase efficiency. Streamlining services, consolidating departments, eliminating ineffective programs, initiating responsible personnel compensation and benefit policies and other efforts to maximize the performance of public funds are examples of such fiscally responsible public operations.

The Kentucky Chamber believes achieving a fiscally responsible state budget that promotes economic development will require a significant review

of government spending and operations. To this end, we support a research-based top-to-bottom review of government expenditures and programs to improve efficiencies within state government, much like a private-sector company would pursue. Programs that contribute to unsustainable growth in General Fund obligations should not be permitted to unduly consume tax dollars that could otherwise be invested in the public priorities of education and economic development.

SUSTAINABLE PUBLIC EMPLOYEE BENEFITS

The Kentucky General Assembly made significant changes in the 2013 session to address more than \$36 billion in unfunded liabilities in the state's pension system and created a hybrid pension plan for new employees that is more reflective of the private sector. The reforms did not address any of the management or investment practices of any of Kentucky's public employee pension systems. Major work remains before policymakers and taxpayers can rest assured the problem is addressed.

In addition, the Kentucky Teachers' Retirement System was not included in the 2013 reforms that applied to retirement systems covering state and local employees, and it also has significant unfunded liabilities. The 2015 financial statements for KTRS (released in December 2015) indicated the system had a funding level of 55.3% as of June 30, 2015, with \$13.9 billion in unfunded liabilities. A key reason for this underfunding is the fact that actual employer contributions to KTRS in recent years have been significantly less than the full amount required to meet the system's financial obligations, with only 61% of the required employer contribution made in 2015.

The recently enacted 2016-2018 state budget made a significant investment in state pension systems by providing an additional \$1.1 billion in new funding over the biennium (see chart on page 11).



DISCLOSE PENSION FUNDING

A key finding of the Public Pension Task Force review of the Kentucky Employees Retirement System in 2012 was that repeated underfunding by the General Assembly was a major reason Kentucky's system became one of the worst funded in the country. Kentucky's budget process (from proposal to final passage) fails to indicate whether employer contributions for retirement are adequate to meet the systems' liabilities.

The budget does not set forth the total amount that actuaries have determined is needed to adequately fund Kentucky's pension systems (known as the actuarially required contribution or ARC), nor does the budget clearly account for all funds being provided to the systems. As a result, it is not clear to the public, or even policymakers in some cases, the total amount of the employer contribution in the state budget and whether that amount is sufficient to ensure the retirement systems have adequate revenues to pay pension benefits and to pay down any outstanding unfunded liability.

Critical changes are needed in Kentucky's budget

process to ensure public disclosure of funding levels of the state's pension systems. The Chamber proposes statutory changes requiring that the budget the Governor submits to the General Assembly:

- clearly sets forth the total amount of employer contributions (the ARC) that actuaries have determined is necessary to fully fund the retirement systems.
- specifies the source of the funds for employer contributions for the budget biennium (state General Funds, federal funds, agency funds, etc.).
- clearly states the adequacy of funding being provided as a percent of the ARC (100% of the ARC, 85%, etc.).

As the budget moves through the General Assembly, an actuarial analysis of the retirement contribution should be required before the budget can be considered on the floor of either chamber. This analysis would determine whether funds provided in the budget for the retirement systems are adequate and certify the percentage of the ARC being funded.

The proposal also would address another problematic finding of the Public Pension Task Force: that some assumptions made by the actuary for the retirement system were determined to be incorrect. (And it is worth noting that the assumptions for both KRS and KTRS are made by the same actuary.) The creation of a Consulting Actuarial Group would help to remedy this problem by providing independent expertise to inform pension funding decisions. This group, similar to the existing Consensus Forecasting Group that estimates state revenues, would conduct an annual review of Kentucky's pension systems to determine:

- whether the enacted employer contribution to the systems is adequate based on actual experience.
- the accuracy of assumptions made by actuaries for the retirement systems on which the contribution rate is based; this includes assumptions such as the rate of return on investments, the rate at which employees are retiring, health insurance costs, the average compensation and pay raises of state employees (on which the amount of pension benefits are based), etc.

- the financial impact on the system of actuarial assumptions not being met. To ensure transparency, the Consensus Actuarial Group would annually report its findings to the Public Pension Oversight Board created by the 2013 pension reform legislation.

The Chamber also supports adding members to the KRS board with investment experience and promoting transparency by publicly posting investment fees. KRS also should be required to operate under the same procurement and personnel rules as the rest of state government.

MAINTAIN SENSIBLE DEBT LEVELS

The future of Kentucky's finances depends in large measure on its ability to manage debt in a way that is disciplined and effective. Borrowing for long-term capital projects of broadly recognized economic and social value is an appropriate use of public debt. However, debt must be limited to a level that is sustainable and does not adversely impact the overall credit rating of the state.

In recent years, Kentucky has turned increasingly to issuing bonds to sustain the growth in government spending. Total state debt in Kentucky measures more than \$3,407 for each of the state's 4.4 million people, placing Kentucky 25th in state debt per capita.

The Chamber believes the level of state debt should be closely monitored. Projects that have a related revenue stream or can create budgetary savings should receive priority consideration, and every project considered for financing should have a defined, supportable plan for repaying the debt service.

CONTINUE JUSTICE CODE MODERNIZATION

Kentucky made important progress with the enactment of corrections reform legislation in 2011 and juvenile justice code reforms in 2014 to protect public safety while establishing a system to control spiraling corrections costs. The Chamber will continue to monitor this important work moving forward as part of the new-

ly formed Kentucky Smart on Crime which focuses on reducing recidivism, making communities safer, increasing our workforce and saving taxpayer dollars. We also encourage the General Assembly to continue reviewing the Kentucky Penal Code with the goal of creating more alternatives to incarceration for low-level, non-violent crimes and focus on jail time for more serious offenses.

SB MONITOR AFFORDABLE CARE ACT

The Patient Protection and Affordable Care Act (ACA) represents a wholesale change to our nation's health care system. The Chamber is concerned that employers and employees are facing significant premium increases, and businesses with more than 50 employees who have been providing voluntary health insurance are now faced with mandated coverage, new structures on benefit design and increased taxes or penalties. Businesses with fewer than 50 employees that voluntarily provide health insurance as a benefit are also experiencing changes in benefits and costs. The Chamber will continue to look for opportunities to ensure that employers in Kentucky can provide affordable, accessible health care to their employees and not be burdened by overreaching regulations and penalties under the federal law.

SB MONITOR MEDICAID EXPANSION

Kentucky expanded Medicaid eligibility by executive order to persons with annual incomes up to 138% of the federal poverty level (\$27,310 for a family of three) beginning in January 2014. The federal government will pay 100% of the state's additional cost for the expansion through 2016. However, the state is required to begin paying 5% of the costs beginning in 2017, rising in steps each year to 10% in 2020.

Original projections of the number of Kentuckians who would be eligible for Medicaid under the expansion have proven to be substantially low. Originally, the Kentucky Cabinet for Health and Family Services estimated 164,000 additional Kentuckians would be eligible under the Medicaid expansion in FY 2014, and that number



would grow to more than 209,000 by 2017 and beyond. Currently, there are more than 443,000 Kentuckians enrolled in Medicaid under the expansion.

The cost of the Medicaid expansion in the recently enacted 2016-2018 state budget is \$74 million in FY 17 and \$173 million in FY 18 for a total of \$247 million over the biennium. These costs are estimated to rise to more than \$500 million in the next biennium. In an effort to address these growing costs, the Governor has

submitted a waiver request to the federal Department of Health and Human Services to allow Kentucky to make a number of changes to the Medicaid program, including the imposition of monthly premiums and a community service requirement for selected populations. The Kentucky Chamber will monitor the progress of the proposed waiver by the Governor and commends the administration for tackling the challenges of Kentucky's Medicaid program.

The Kentucky Chamber, since the publication of its initial "Leaky Bucket" report in 2009, has advocated that the Medicaid program be sustainable to protect critical state investments in education and other vital programs.

The Governor's proposal will begin an important public dialogue on this issue, and we will be calling on our members to share their views about the best way forward. We believe it is important to have input from all sectors, especially those representing the health care community.

MODERNIZE MEDICAID

Kentucky's Medicaid program now covers more than 1.3 million people with a total annual budget of more than \$10 billion in FY 2016 (includes state and federal funds). Though the escalating trend in spending has decreased since the implementation of Medicaid managed care, the rising cost of Medicaid is pulling funds away from education, further compounding the problem because, as research shows, better education is linked to better health. The key challenge is finding a way to slow unsustainable Medicaid spending increases without inflicting harm on Medicaid recipients and health care providers.

The Kentucky Chamber supported the statewide expansion of Medicaid managed care. Although the implementation has not been seamless, studies suggest that Medicaid managed care contracts are saving the state money over the traditional fee-for-service model, and the program has saved \$1.3 billion in total funds since its implementation. In addition to continuing to monitor the implementation and oversight of the managed care

approach, we recommend some additional concepts to make the Medicaid program more closely resemble a private insurance model:

- **Wellness Activities:** A best practice identified by the National Governor's Association Center for Best Practices is for states to incorporate more wellness activities into Medicaid programs. The Kentucky Chamber supports offering financial incentives to Medicaid recipients who maintain healthy behaviors.
- **Program Review:** The Chamber encourages a top-to-bottom, data-driven review of the Medicaid program conducted by a nationally recognized consulting firm with expertise in Medicaid. The review should focus on an evaluation of the scope of services covered by Medicaid compared with other states as well as outcomes for Medicaid patients.
- **Program Administration:** The Chamber believes additional areas that should be explored for possible savings include:
 1. Improving the "error rate" – reducing overpayments to providers and ensuring the correct determination of recipient eligibility.
 2. Ensuring that child support orders require non-custodial parents with access to health insurance to provide coverage for their children (as permitted by Kentucky law).
 3. Increasing the use of generic drugs by Medicaid recipients.
 4. Revisiting the use of significant co-pays for recipients at higher income levels.
 5. Ensuring the managed care contract companies honor the timely payment rules and pay providers for the correct services in a timely manner.
 6. Encouraging and promoting personal responsibility and quality and cost-conscious decision making to ensure Medicaid recipients choose the correct level of care.

REVISE PREVAILING WAGE LAWS

As pressing budget issues persist, it is time lawmakers get serious about examining Kentucky's prevailing wage law. While total repeal of the state prevailing wage law has long been and remains a goal advocated by the Chamber, we support a series of steps that would make Kentucky's economic and infrastructure development more competitive in the near term:

- Kentucky's prevailing wage laws must be made more representative of local wages by utilizing more effective methods of data collection than the current hearings process.
- The definition of localities should be replaced with one that would reduce the number of unrelated counties grouped together.
- If no changes are made to make the wage determination process more representative of local wages, then federal prevailing wages should be adopted wherever they exist.
- Kentucky should reinstate a prevailing wage exemption on education projects. By once again allowing an exemption for these projects, greater investments can be made in technology and improved facilities and in the classroom.

STOP EXPANSION OF COLLECTIVE BARGAINING

The Chamber is firmly opposed to any local or state-wide expansion of public employee collective bargaining. The expansion of public employee collective bargaining can lead to inefficient administration of public duties, increased costs to taxpayers and an increased likelihood of interruptions of essential government services to the detriment of all Kentuckians.

A 21ST CENTURY INFRASTRUCTURE



GOAL: To create and maintain a modern infrastructure to capitalize on the state's strategic advantages and to advance its energy agenda.

SB DEVELOP & MAINTAIN INFRASTRUCTURE

Kentucky must realize our global competitors are building infrastructure at an impressive rate. To take full advantage of Kentucky's favorable geographic location and improve the ability of Kentucky companies to compete, we must place a greater emphasis on building and maintaining our state's infrastructure. Our focus must include energy, water, sewer, broadband and transportation systems.

MAINTAIN TRANSPORTATION INVESTMENTS

Kentucky's transportation network of roads, airports, riverports and railroads connect Kentucky businesses to the national and international marketplace by providing multiple safe, cost-effective ways to move goods and deliver services. Kentuckians depend on the state's transportation network every day for safe, reliable access to education and employment. The Kentucky Chamber strongly supports legislation at the state and federal levels that provides consistent long-term funding for maintenance and improvements on the transportation infra-

structure. We also encourage the administration to take advantage of the recently passed Public-Private Partnership (P3) legislation to encourage private investment in the construction and maintenance of our infrastructure.

EXPAND WIRELESS & BROADBAND

In a 21st century global economy, our telecommunications infrastructure is crucial. The progress we have seen in Kentucky in recent years, in terms of accessibility to and adoption of broadband internet, has been remarkable. In fact, from 2013 to 2015, more than 800,000 Kentuckians gained access to broadband. Seventy percent of those new connections were in rural Kentucky, a significant ratio that is due to the substantial investment of private risk capital by Kentucky's telecommunications providers. The Chamber supports efforts to ensure these statistics continue to move in the right direction by removing barriers to widespread wireless and broadband investments in the Commonwealth and opposes policies at the state and federal levels that would impede or hamper investment in digital infrastructure.

SB ENSURE AFFORDABLE ENERGY RESOURCES

Kentucky must recognize that to retain and attract new industries it must have access to energy resources that are competitive with other geographic areas of the country. The Kentucky Chamber supports the construction of new and the modernization of existing energy infrastructure. These projects create new sources of tax revenue and jobs and enhance access to competitive energy supplies. Investment in energy infrastructure is critical for continued access to growing domestic supplies of natural gas, natural gas liquids, refined products and crude oil. Specifically, the Chamber encourages the construction of natural gas, natural gas liquids and oil infrastructure to more efficiently extract, process, transport and utilize our resources.

Further, the Chamber supports consideration by utilities of all electricity sources when planning for future needs of customers, but nuclear energy is currently not part of the consideration. State law prevents construction of nuclear power plants until there is a means of disposal of high-level nuclear waste approved by the U.S. government. The U.S. government has not approved such a facility, so nuclear power plants in the U.S. store spent fuel on-site. Kentucky's current prohibition on storage in effect prohibits nuclear power as an option. The Chamber strongly encourages the federal government to identify an approved repository for high-level nuclear waste disposal but also accepts on-site storage of spent fuel as a temporary solution until the federal government takes action.

Finally, in addition to providing ongoing, strategic investment in the Commonwealth's energy infrastructure, policymakers must also ensure the costs to support and maintain this infrastructure are allocated fairly among all users of the system. How customers use this infrastructure is changing as the adoption of distributed energy resources (DERs) – such as privately-owned solar generation – increases across the Commonwealth. Existing policies that, years ago, were originally adopted to incentivize the implementation of new technologies, such as distributed solar



generation, should be re-examined to ensure all the costs to support and maintain reliable operation of the energy infrastructure are shared fairly.

SUPPORT COST-EFFECTIVE ENERGY STRATEGIES

The Kentucky Chamber supports the development of cost-effective strategies that promote energy efficiency and alternative resources to foster energy independence and economic growth. The Chamber supports efforts to promote manufacturing of energy efficiency and alternative energy products. However, we continue to recognize the vital importance of Kentucky's fossil resources including coal and natural gas and the impact those resources have on the economy of the Commonwealth and the U.S. as a whole.

The Kentucky Chamber believes a comprehensive national energy policy should focus on investing in energy production innovations including biomass, natural gas and coal technologies and avoid arbitrary mandates and punitive policies. Such mandates and policies serve to drive up costs and stifle innovation which places the citizens and businesses of Kentucky at a distinct economic disadvantage with neighboring states.

The Chamber strongly believes cleaner air should be accomplished through the use of efficiencies at our power plants and grid system as opposed to mandated equipment which makes power plants less efficient and mandates for specific energy sources. Policies that spur technological innovation would continue to protect the economy of the Commonwealth while securing our nation's economic and energy future.

ENSURE AFFORDABLE WATER & WASTEWATER SERVICE

The Kentucky Chamber supports appropriate efforts, including ongoing investment, to ensure efficient, equitable and sufficient water supply and wastewater service for communities across the Commonwealth. The Chamber recognizes wastewater system upgrades are of particular concern due to the financial hardship that upgrading them can place on small systems and their customers. With that in mind, and where appropriate,

the Chamber supports consolidating wastewater systems in order to address such challenges in a more efficient, economical manner that meets the needs of Kentucky's communities.

The Chamber also supports the consideration of public-private partnership solutions in the water and wastewater sectors, as appropriate. The Chamber supports appropriate interconnectivity agreements among municipalities and water providers throughout the state to ensure water needs are met.

AGGRESSIVE JOB CREATION



GOAL: To create and implement a customized economic development program that recognizes the potential of Kentucky's distinct regions and industry sectors and encourages and rewards entrepreneurship and innovation.

To achieve substantial employment growth and significantly increase the per-capita income of Kentucky, we must aggressively pursue pro-growth policies with regard to Kentucky's tax code as well as the labor, legal and regulatory climate. Kentucky must capitalize on its advantages, but also honestly assess weaknesses and take swift action to address them.

SB CREATE A COMPETITIVE TAX CLIMATE

Several studies have noted the need to reform Kentucky's tax code, but there has been a vacuum of leadership willing to work to enact significant reforms. The Chamber supports efforts to make needed changes to the tax code and has provided several constructive ideas with the assistance of tax experts within the Chamber. If Kentucky is going to truly compete, our tax code must be improved. Business leaders tell us the tax system is too complex and compliance is too costly. Numerous economic development experts say our code continues to create a competitive disadvantage because it punishes economic productivity. A shift from income-based taxes

to consumption taxes can 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. Since taxes significantly impact business decisions that lead to job creation and retention, the Chamber supports comprehensive tax reform in accordance with the following principles:

- Support growth and competitiveness: Kentucky's state and local tax system should support growth-oriented tax policies that improve the competitiveness of Kentucky businesses in the national and global marketplace.
- Reduce the cost of capital: The tax code should encourage investment as it is the key to increased growth and productivity and higher wages for Kentuckians.
- Simplify the tax code: The tax code should be simplified with the goal of reducing compliance costs for the private sector. Complex taxes impose costs on businesses that either reduce the return on investment or are passed on to consumers and workers.

SB ENFORCE TAX CODE TRANSPARENCY

To attract and retain more businesses and jobs in Kentucky, it is vitally important the public and business community have confidence that our tax code will be consistently and fairly enforced. Kentucky's tax code should be administered in a transparent and equitable way to benefit the taxpayers of Kentucky. The Chamber supports legislation which promotes much-needed transparency, efficiency and equity in the administration of the state tax code.

Promote fairness. Kentucky's tax system should promote fairness by creating a level playing field on which Kentucky businesses can compete. Double taxation, or pyramiding, should be prohibited, and tax expenditures should be carefully studied to determine effectiveness. Taxpayer rights should be enhanced and enforced to promote fundamental fairness in the application of tax laws.

Revenue through growth. Changes in the state tax code should be undertaken to increase fairness and competitiveness, not just to generate more tax revenue. While tax changes cannot guarantee tax neutrality for every Kentucky business, the goal must be to ensure a competitive tax code that grows existing businesses and attracts new businesses to Kentucky.

Focus on spending. To keep taxes competitive, it is critical to examine expenditures and align them with economic realities. Reforming the tax code must be coupled with a continued commitment by the legislature to reform and prioritize government spending. Tax policies must be guided by a well-researched, balanced approach that provides for necessary public investments and expenditures while avoiding policies that could serve as disincentives to private-sector employment and investment.

Kentucky's lawmakers are to be commended for holding the line on new or increased taxes during the Great Recession, which heightened the state's national profile and better positioned Kentucky and its employers for recovery. However, legislators have

a number of opportunities to change our tax code in ways that will have an immediate impact on Kentucky's ability to attract and retain jobs.

SB REPEAL OR PHASE-OUT THE INVENTORY TAX

Property taxes on business inventory, long abandoned by nearly every other state, serve as a serious disincentive to business growth because they tax the investment itself rather than the outcome or profit from that investment. Furthermore, some types of inventory are exempt by law or enjoy exemption because of location while other, similar inventory does not receive the same treatment.

ADOPT A SINGLE SALES FACTOR FORMULA

Kentucky's combined state and local corporate income tax is among the highest in the country. To become more competitive, Kentucky should join five of its neighboring states in adopting a single sales apportionment formula.

Under Kentucky's current double-weighted sales factor apportionment formula, companies are penalized for creating jobs and making additional investments in the Commonwealth. By moving to a single sales factor formula, Kentucky will be viewed as a more attractive option for companies making significant capital investments and creating new jobs.

SB REVISE THE LIMITED LIABILITY ENTITY TAX

To increase fairness, employers should have the ability to offset pass-through credits against taxes on income from other businesses and other years. In addition, more clarity is needed to determine what business expenses qualify as cost of goods sold (COGS) in the limited liability entity (LLET) tax gross profits calculation to make it easier for businesses and tax preparers to comply. To simplify compliance and increase fairness, the Chamber urges the General Assembly to align Kentucky's COGS definition with that of the COGS definition for federal tax purposes.

SUPPORT LOCAL OPTION FLEXIBILITY

The Kentucky Chamber supports an amendment to the Kentucky Constitution that would allow cities and counties, with voter approval, to enact a local sales tax with a sunset provision, dedicated to funding local projects or to enact a local sales tax in order to repeal or reduce other local taxes that negatively impact businesses. We encourage the discussion of this and other local tax issues to be included in the broader dialogue centered around tax reform and competitiveness.

SUPPORT AGGRESSIVE ECONOMIC DEVELOPMENT

While not a substitute for comprehensive tax reform, the Chamber supports strategic investment in incentive programs designed to encourage the growth of high wage jobs, long-term investment in strategically defined industry sectors and promotion of small businesses. Further, the Chamber supports the enhancement of entrepreneurial development incentives to encourage innovation and competition in the global marketplace. To strengthen Kentucky's incentive program, lawmakers should act on initiatives to expand the Kentucky Investment Fund Act angel investor tax credit to individuals and the Kentucky Reinvestment Act to include technology and headquarters reinvestment projects. To ensure maximum effectiveness, accountability and continuity, the Chamber supports maintaining the public-private partnership board governance structure under which the Cabinet for Economic Development operates.

ENACT EXPANDED GAMING

To better compete with surrounding states and enhance economic development, the Chamber strongly urges the General Assembly to support a constitutional amendment to allow citizens to vote on expanded gaming. Allowing additional gaming would create jobs, enhance tourism and would help recoup hundreds of millions of tax dollars lost annually to casino gaming in neighboring states.

OPPOSE DISCRIMINATORY LEGISLATION IN THE NAME OF RELIGION FREEDOM

Kentucky's business community is focused on succeeding in today's competitive marketplace - locally, regionally and globally. To flourish, Kentucky companies must develop and retain a diverse, inclusive and skilled workforce. With such goals in mind, the Kentucky Chamber works tirelessly for pro-growth policies that will attract and retain employers and talent for our state.

We know other states have passed, or are considering passing, controversial legislation in the name of religious freedom that will negatively impact their economic activity, both short and long term.

We oppose and discourage any discriminatory legislation that would hinder any individual's or organization's desire to do business in or with the Commonwealth. The Chamber's mission is to foster a positive environment that enables business growth in Kentucky, and we believe such legislation to be bad for business.

FOCUS DEVELOPMENT ON TARGETED SECTORS

SB DISTILLING INDUSTRY. Kentucky's legendary distilling industry has a significant impact on the state's economy, producing 95% of the world's bourbon and contributing \$3 billion in gross state product while generating \$166 million a year in tax revenue. The Chamber strongly supports initiatives to protect and grow this signature industry.

For Kentucky to maintain its dominance in the distilling industry and attract new distilleries, the General Assembly must update its archaic alcohol tourism, tax and hospitality statutes to take advantage of this thriving homegrown industry. In addition, Kentucky's bourbon industry is supported by small business retailers that provide specialized product knowledge and ample selection of craft spirits and wines to consumers. The Chamber opposes changing the current retail quota license system to allow the sale of wine in grocery stores because it would have a negative impact on our signature industry and damage consumers' product access, education and choice.

EQUINE INDUSTRY. Kentucky's equine industry is world renowned, with an impact of more than \$4 billion on Kentucky's economy and more than 80,000 to 100,000 full-time equivalent jobs. Kentucky is struggling, however, to retain its status as the "Horse Capital of the World" due to its inability to compete with other racing states that use alternative gaming revenues to increase purses and breeding incentives. States such as Pennsylvania, Louisiana, Indiana and West Virginia have been successful in attracting Kentucky horse owners and breeders and industry-related jobs. The Chamber supports programs and initiatives to protect and enhance the growth of the equine industry, including innovative tax approaches, purse increases, increased funding for breeder incentive programs and other assistance to allow our signature equine industry to remain competitive.

SB ENERGY. Kentucky is well known for its abundant coal resources, and the state's low energy costs are among our most compelling competitive advantages when recruiting new businesses. Kentucky's industrial electric power costs ranked fourth lowest in the nation as of March 2016 while the average retail price for residential customers was the seventh lowest in the country. Low utility rates attract jobs and investment to the Commonwealth and help offset our less competitive business elements. We must protect our energy rates from overbearing federal regulations, fuel mandates and tax policy changes that will raise rates and neutralize Kentucky's competitive energy prices. Consideration should be given to exempting energy costs for manufacturers from any local option sales tax adopted by voters.

HEALTH CARE. Many areas of Kentucky are underserved by health care professionals, contributing to poor access and higher medical costs for Kentucky's citizens. Kentucky lacks sufficient numbers of physician specialists, nurses, physician's assistants, pharmacists, dentists, mental health professionals and allied health personnel. This lack of skilled professionals contributes to fewer regular check-ups, poorer health and higher costs to the medical system over the long term. Addressing this situation can help increase employment and simultaneously contribute to a healthier Kentucky. To help

address this need, the Chamber supports a comprehensive state strategy to increase the number of health care professionals trained in Kentucky as well as innovative approaches to encourage them to practice here.

MANUFACTURING SECTOR. Kentucky's central location, historically low energy rates, navigable waterways and relatively low cost of doing business have made the Commonwealth home to a number of manufacturers. With over 238,000 Kentuckians employed in the business of manufacturing goods in Kentucky, it is imperative that Kentucky's economic development strategies work to maintain these critical advantages to protect and grow manufacturing jobs.

TOURISM. Visitors are attracted to Kentucky to experience our bourbon distilleries, rich history, horse farms and race tracks and numerous sporting and outdoor attractions. The tourism industry boasts a \$13.7 billion impact to Kentucky's economy, and the reach of the industry is statewide. Visitors spending money in Kentucky have spurred the creation of 186,200 jobs as of 2015 generating \$3.1 billion in wages. The Kentucky Chamber recognizes the importance of our tourism industry and supports the investment in critical infrastructure such as state parks as well as the adoption of policies and programs that allow our attractions to flourish.

SB GROW KENTUCKY'S EXPORTS

As 95% of today's market opportunities are located outside the United States, Kentucky must recognize and capitalize on its export advantage in international trade. Its geographic location in the United States, its status as the operational headquarters for an international logistics provider (UPS) and its trained and growing transportation workforce positions Kentucky to be a leader in the export of Made-in-America products. In fact, Kentucky exported more than \$25.2 billion of goods in 2013, ranking 18th among the 50 states in total exports. The Chamber has partnered with the Kentucky World Trade Center and encourages and supports efforts by state leaders to provide export training and promote the benefits of global trade to our business community.

The Chamber supports 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.

LABOR CLIMATE

ENACT RIGHT-TO-WORK LEGISLATION

The Chamber strongly supports legislation to prohibit requiring any worker to join a union as a condition of employment. Union membership should be a matter of personal choice, and the freedom not to affiliate with a labor union is no less deserving of protection than the freedom to affiliate. States with right-to-work laws report faster per capita income growth, faster growth in manufacturing and non-agricultural jobs, greater capital expenditures, lower unemployment and fewer work stoppages. As Kentucky struggles to recruit new businesses and retain existing and expanding businesses, failure to enact right-to-work legislation has allowed the Commonwealth to cede competitive ground to other states. In fact, Kentucky is the only Southern state not to have enacted right-to-work legislation, and, with Indiana and Michigan's relatively new right-to-work laws, stands as a conspicuous outlier in this much needed area of reform.

SB OPPOSE INCREASED EMPLOYER MANDATES

State policymakers must support employers as they invest in the Commonwealth's workforce. To enhance workforce flexibility, the Kentucky Chamber opposes state and local wage mandates, safety regulations and additional standards that exceed federal requirements. When state or local governments enact regulations and mandates beyond what are necessary to provide proven, uniform protections, the added cost of doing business decreases Kentucky's overall competitiveness, particularly with our border and peer states. State government should closely scrutinize regulations already on the books to ensure effectiveness and provide consistent enforcement so businesses can operate in a predictable climate.

SUPPORT PAYCHECK PROTECTION

Although requiring employers to deduct taxes from an employee's pay is a common and accepted practice, forcing businesses to administer payroll deductions to support the political activities of unions without compensation is a significant and unjustified intrusion into the administrative affairs of a company. The Chamber supports legislation that repeals the employer mandate to withhold union dues from an employee's salary.

IMPROVE WORKERS' COMPENSATION SYSTEM

The Chamber believes Kentucky's workers' compensation system should be fair to the employee and employer and designed to return the employee to work as soon as medically appropriate. Employers should be incentivized, rather than punished, to provide opportunities that allow the employee to return to work when light duty accommodations can be made. To that end, the Chamber supports legislation and policies that ensure a balanced and equitable system of handling claims for workers who are injured while working, require objective medical findings, protect the exclusive remedy doctrine and minimize litigation. Moreover, the Chamber supports legislative and regulatory efforts to control rising medical and prescription drug costs and eradicate prescription drug abuse related to workers' compensation claims. Kentucky must enact workers' compensation subrogation legislation that protects Kentucky employers from being penalized for the negligent acts of third parties who injure their employees, allows Kentucky businesses to remain competitive with businesses from other states and brings Kentucky workers' comp subrogation laws in line with every other state.

LEGAL CLIMATE

PROMOTE AN EQUITABLE CIVIL JUSTICE SYSTEM

The increasing cost of civil litigation, whether through legal fees, higher liability insurance premiums, defensive business practices or simply reduced investment opportunities, is a significant burden for Kentucky's employers. These costs are not only hurting



businesses and their employees, but also consumers as they are passed on in the form of higher prices and fewer choices. Kentucky must turn back the clock on expansion of employer civil liability. According to the most recent Institute for Legal Reform report, in 2015, Kentucky ranked 39th among the states for our legal liability climate, a lower ranking than in previous years. To stem the costly tide of an increasingly and unnecessarily litigious environment, the Chamber supports reasonable limitations on civil liability and a constitutional change that would allow the General Assembly to enact caps on awards for non-economic damages. Additionally, Kentucky businesses should be permitted to challenge state statutes or appeal the actions of a state agency by filing suit in the circuit court in the county where the business is located. These needed reforms will have a stabilizing influence on our tort system, making the state more attractive to employers and potential employers alike.

IMPROVE MEDICAL LIABILITY CLIMATE

The rising costs associated with medical malpractice liability are taking a significant financial toll on the health care industry, resulting in increased costs for consumers and a continued inability to attract and retain sufficient numbers of physicians in all regions of the Commonwealth. The high price of liability insurance and the lack of reasonable tort limitations in Kentucky have contributed to the shortage of medical professionals. To curb

this trend, the Chamber supports allowing voters to consider a constitutional amendment that would permit the legislature to consider comprehensive tort reform. State and federal lawmakers should pass reasonable limits on damages and require alternative dispute resolution to help reduce escalating malpractice insurance premiums and the resulting burden passed on to consumers in the form of higher prices, fewer health care providers and fewer choices. Since 2000, numerous states have passed ballot initiatives to amend their constitutions, and 16 states have passed a cap on non-economic damages. The Chamber also supports the establishment of a medical review panel process that would provide an independent, expert review of proposed claims against health care providers. Medical review panels have been successful in other states, including Indiana, to provide another layer of accountability for providers by providing expert findings that are admissible in court. Legitimate claims against providers are validated while meritless claims are quickly exposed before clogging the court system.

PROTECT INTELLECTUAL PROPERTY

When manufacturers use stolen intellectual property (IP) to cut their business costs, they gain an unfair competitive advantage that results in reduced revenues and job growth for responsible Kentucky and U.S. manufacturers. IP theft is a particularly serious problem in emerging export markets with a weak rule of law that encourages illegal and unethical business practices. The Chamber encourages federal and state policymakers to enact policies that will improve business competitiveness by promoting and defending robust intellectual property rules globally while strengthening enforcement efforts in the United States and abroad. Protecting IP in the form of patents is critical to protect innovation, but it is also necessary to deter frivolous patent claims by so-called patent trolls who use the court system as their personal ATM, extorting businesses with dubious claims of patent infringement. The Chamber strongly supports efforts to inhibit patent trolls while balancing the need to protect patents.

REVISE STATUTE OF LIMITATIONS LAWS

Kentucky should review and revise the statute of limitations laws to ensure they do not place an inordinate burden on employers, create an uneven playing field to encourage frivolous litigation, are consistent with surrounding states and allow Kentucky to remain competitive in attracting and retaining businesses.

ALLOW 'DEED OF TRUST' METHOD

Currently, Kentucky allows mortgage foreclosures exclusively through a judicial process, which proves time-consuming and costly to the lender, the borrower and the local community. In addition, a judicial process often results in vacant and abandoned buildings for an extended period of time, burdening citizens and communities with declining values for surrounding properties that result in decreased tax revenues and increased criminal activities in and around vacant properties. More than 30 states offer some form of non-judicial foreclosure which allows lenders and borrowers to voluntarily resolve the foreclosure process through private transactions, as specified by statute. The Kentucky Chamber supports the state allowing this "Deed of Trust" method which will expedite the foreclosure process to get homes rehabilitated and back on the market as soon as possible.

ENERGY LEGISLATION

ENCOURAGE SENSIBLE REGULATORY APPROACH

The Kentucky Chamber of Commerce believes economic growth, energy independence and environmental protection are compatible and complementary goals. We recognize that legitimate uses of the environment should be protected and business activities may affect environmental quality. To achieve rational regulatory objectives, the Chamber encourages legislative and administrative actions that satisfy the following criteria: scientific validity, technical feasibility and economic rationality.

The need for government action should be established on the basis of objective information on which meaningful consensus can be achieved. Such informa-

tion should demonstrate that any proposed action would cost effectively result in the avoidance of environmental harms or the creation of environmental benefits.

To achieve the true objective of environmental regulation, government must consider technical feasibility in setting standards. In addition, government should be a conduit for information on available control technologies for businesses but not control the supply/demand of the marketplace. Government action and requirements for compliance should reflect a proper balance of the benefits provided by a standard and the cost to society of achieving it. In setting standards, an agency should consider their impact on jobs and low income groups and the ability of business to operate profitably within the confines of any legal framework. Also, state government, utilities and businesses should work hand-in-hand to maintain a process to balance ratepayers' desires for competitive rates through the least-cost option with incentives for energy production innovations, clean coal technologies and energy efficiency.

The Kentucky Chamber supports efforts by the Kentucky Energy and Environment Cabinet to ensure existing environmental laws and regulations are applied and enforced in a consistent, non-discriminatory manner at both public and private facilities. In addition, the Chamber urges the Cabinet to aggressively assert its authority as primary administrator of delegated environmental programs in cases where federal agencies attempt to overstep their oversight role or demand action inconsistent with past state regulatory actions or determinations.

Currently, federal agencies including the Environmental Protection Agency (EPA) and Office of Surface Mining Reclamation and Enforcement (OSMRE) are issuing an unprecedented number of federal mandates that will have a significant impact on the businesses and residents of Kentucky due, among other things, to the impact of those mandates on utility rates as a result of the cost of compliance and loss of existing coal-fired power supplies. Those attempts at regulation by the federal agency, in some cases with questionable legal authority, include but are not limited to:



- EPA regulation of carbon dioxide from new and existing electric generating units; standards for new coal-fired power plants require use of carbon capture and sequestration technology that is not yet commercially viable; carbon dioxide limits for existing units cannot be met by the current fleet of power plants in Kentucky;
- EPA revisions to National Ambient Air Quality Standards for sulfur dioxide, ozone, particulate matter and nitrogen oxides (regardless of whether the updates are currently required based on the schedule established by the Clean Air Act), as well as revisions to the implementation of the standards that could drastically increase the number of non-attainment areas and increase the difficulty of planning for attainment of the new standards;
- EPA first-time regulation of hazardous air pollutants from coal-fired power plants through imposition of maximum achievable control technology requirements under the Mercury and Air Toxics Standards program;
- EPA changes in water regulations and interpretations of existing rules without close examination of all costs and benefits; EPA should ensure any

new water regulations (such as the Waters of the United States), or changed interpretations of water quality requirements, are flexible, efficient and recognize the role of the states in addressing their own water quality issues;

- EPA new selenium recommended criterion which is lower than Kentucky's proposed standard for water column in flowing water bodies, and the importance of maintaining the precedence of fish tissue data over water column concentrations where available;
- Extension of the President's Climate Action Plan to further regulate volatile organic compounds (VOCs) and methane from the oil and gas industry through updates to the new source performance standards for new and modified sources; and development of rules for existing facilities;
- OSMRE Stream Protection Rule that provides duplication of water quality regulation and excessive new data collection and analysis requirements; and
- Continued abuse of agency authority by the EPA as the agency moves to implement new requirements by regulating through guidance without following the rulemaking process.

The Chamber supports postponement of rules where legal challenges are present until the courts complete their review of the case and any appeals. Costly regulations such as those impacting electric utilities require significant investment that cannot be refunded to the ratepayers when a rule is vacated.

The Chamber supports rigorous rulemaking processes whereby stakeholders such as the business community are involved and have adequate time to review and comment on proposed rules. It is imperative the General Assembly and administrative offices of Kentucky, including the Energy and Environment Cabinet, continue to weigh in on the federal rulemaking processes and use their influence to impact the outcome of these regulatory programs. Allegations of the use of "sue and settle" tactics whereby environmental activist

groups and organizations reportedly collaborate with the EPA to file suit over regulatory issues and then enter into court approved settlements to take certain actions without engaging in customary rulemaking procedures is a concern to the business community and should be monitored. The General Assembly and agency representatives should continue to be vigilant to avoid similar efforts in the Commonwealth as such activities undermine confidence in the rulemaking process.

The U.S. Fish & Wildlife Service (USFWS) implements the Endangered Species Act (ESA) and is required to consider candidate species within a one-year timeframe. The Chamber recommends the ESA be modified to allow additional time to consider these candidate species rather than restricting the timeframe to one year. This will enable USFWS to prioritize its listing process, create good science and manage its resources while protecting endangered and threatened species. In addition, the Chamber recommends discussion as to whether or not the ESA should be modified to allow the delegation of this program to an appropriate state agency that has exhibited the resources and expertise.

The U.S. Army Corp of Engineers (USACE) will reissue nationwide permits. This program provides for streamlined permit actions that affects all industries in Kentucky. The Chamber will engage the USACE in developing and ensuring the business community's interests are represented in these discussions.

ENCOURAGE COOPERATIVE FEDERALISM

Decisions and policies that are best for a state or local community are more likely to occur when national, state and local governments interact in a cooperative manner to solve common problems. The Kentucky Chamber fully supports the application of cooperative federalism principles with respect to the appropriate utilization and recognition of state and local primacy rights when implementing energy and environmental programs.

The Chamber fully supports the Kentucky General Assembly and Energy and Environment Cabinet in identifying more strategic and better planned statutory/regulatory actions by the state. We fully support working with local governments to address issues and avoid imposing duplicate and conflicting requirements – or needless regulations that would not yield meaningful improvements to environmental quality while increasing burdens on the regulated community. Improved application of cooperative federalism principles can result in timely and consistent enforcement of existing regulations and assure that Kentucky's policymakers hold the key decision-making role in matters affecting our state. The Chamber applauds actions taken by the state to combat federal overreach when cooperative federalism is warranted but not implemented.

STRIVE FOR ENERGY INDEPENDENCE AND A PRO-ENERGY ECONOMIC POLICY

The Kentucky Chamber is encouraged by the General Assembly's recent efforts to foster Kentucky's energy independence. The Chamber recognizes energy conservation and efficiency as high-priority energy strategies. The Chamber also strongly supports incentives for businesses that go above and beyond existing environmental standards and for those who are pro-active in promoting conservation, efficiency and alternative energy. State government should join with business to find creative solutions to help reduce the up-front costs associated with implementing conservation and efficiency measures.

SUPPORT FUTURE OF STATE'S COAL INDUSTRY

Kentuckians have long benefited from low-cost utility rates thanks to the proximity of Kentucky's abundant coal resources in our Central Appalachian and Illinois Basin coal fields. Recently, federal policies and changing energy demands have crippled the coal economy in the eastern and western Kentucky coal fields which has had a negative impact on the entire state. Since the summer of 2011, Kentucky has witnessed the loss of approx-

imately 12,300 of its coal mining jobs. For every one direct coal mining job lost, three other indirect jobs are also lost, which brings the total of job losses to about 37,000. In 2015, Kentucky produced approximately 61.4 million tons of coal, the lowest amount of production since 1954. To help support the future of Kentucky's coal industry, the Chamber supports:

- efforts that will help Kentucky position itself as the leading exporter of coal to international markets.
- research opportunities that will find alternative uses for coal beyond base load power generation.
- careful legal review of the rules that regulate carbon dioxide emissions from coal plants and elimination or revision of the rules to ensure new coal plants can be built without relying on technology that isn't commercially viable (carbon capture and sequestration) and that existing plants aren't forced to retire prematurely.
- support rulemaking and legislation that encourages efficient regulation and beneficial use of coal combustion residuals (CCR) by aligning state criteria to federal criteria, providing clear authority to the state to oversee and enforce regulatory programs and by establishing that beneficial use is the preferred method to manage solid waste including CCR and providing clear exemptions for specific beneficial uses.

SB PROMOTE SENSIBLE REGULATIONS

In considering standards for the protection of human health and the environment, federal agencies undertake an exhaustive process of reviewing available data to set standards at an appropriate level. The Chamber opposes the adoption of more stringent state and local programs that would adversely affect Kentucky's ability to remain competitive in the global economy. When state and local governments engage in significant revisions of environmental regulations, we strongly encourage the use of a stakeholder process for development of these programs. Any resulting regulatory framework must be based on sound science and be both economically

rational and technically feasible to achieve the laudable objective of a cleaner environment. Uniformity among federal, state and local programs helps save businesses valuable resources in compliance procedures.

The Chamber opposes local government authority to enforce federal and state environmental requirements. To the extent that regulatory programs already exist at the local level, it is incumbent upon the local agency to administer a meaningful appeals process to provide adequate consideration of disputed issues prior to civil court action. The Chamber supports stability in regard to the makeup of Kentucky's Public Service Commission. This non-partisan group, appointed by the Governor and confirmed by the Senate, has helped establish Kentucky's low-cost utility rates for many years. The Chamber opposes any effort to politicize the membership of this commission, which will create instability and a potential increase in rates.

SB REFORM VIOLATION NOTICE PROCEDURES

Current administrative enforcement procedures allow little flexibility or discretion on the part of inspectors. Generally, any and all excursions of existing regulations and requirements result in the immediate issuance of a "notice of violation." With the exception of immediate threats to health, safety or the environment, inspectors should have an alternative to issuing an NOV for noncompliance and the authority to waive fines for first-time offenders. There is currently no end date for punitive administrative action stemming from an NOV. The Chamber urges the General Assembly to place reasonable time limits on punitive action following the issuance of NOVs by state agencies.

SB MAINTAIN AIR PERMITTING EFFICIENCIES

In the past, the Chamber has supported the Cabinet's position on the need for an increase in the Title V permit emission fee so the needs of the Title V permit holders can continue to be met in a prompt and efficient manner. As the program moves forward, it is important

the Division of Air Quality maintain the level of service to the business community as air permit approvals are often a key component in implementing expansions of existing businesses and in obtaining new industrial development. However, just as our members have to do, the Division and the Cabinet should continue to look at cost-control measures and efficiencies that can be used to reduce any shortfall in revenue and create efficiencies throughout the program. Considering emission trends, the Chamber believes the Cabinet should explore with stakeholders additional funding mechanisms for the Title V program in such areas as permit and permit renewal application fees. Potential for double counting of emission fees should be avoided.

SB MAINTAIN WATER PERMITTING EFFICIENCIES

It is equally important the Division of Water maintain the level of service to the business community to ensure water permit application backlogs are reduced and do not create problems with approvals, which are often a key component in implementing expansions of existing businesses and in obtaining new industrial development. The Chamber supports methods that will allow an expedited water permitting process when warranted. For permits that are especially complicated due to the nature of the pollutant being discharged, the Chamber encourages the Cabinet to use alternative permit requirements or establish a variance already allowed by statute in order to avoid unnecessary delays while still being protective of water quality.

FEDERAL PRIORITIES



The Kentucky Chamber not only advocates on behalf of business at the state level, but also in the nation's capital where congressional and executive-branch decisions have a direct impact on you and your business.

Free enterprise creates jobs, opportunity and a successful business climate. The Kentucky Chamber advocates for federal policies that will result in economic growth, fewer government regulations and encourage policymakers to expand – not limit – job growth and economic opportunity through the decisions they make.

TAX AND ENTITLEMENT REFORM

The Chamber urges Congress to address the serious fiscal challenges that continue to exacerbate the annual budget deficit and growing national debt. To protect the long-term fiscal health of the United States, it is imperative Congress pass tax and entitlement reforms that will fix the structural imbalance and begin to pay down the national debt. Permanent pro-growth tax reforms that will broaden the tax base and lower rates will give businesses the certainty needed to compete globally. Along with tax reforms that will grow the economy and revenue, responsible reforms to America's entitlement programs (many

of which are presently unsustainable) are needed to ensure we do not continue to bury our citizens and children in more and more debt. The Chamber is encouraged by the recent bipartisan effort in Congress to deal with Social Security reform in a balanced way.

REGULATORY REFORM

The Chamber recognizes the need for smart federal regulations to ensure workplace safety and to protect public health. At times rules are necessary to avoid states regulating industries in the absence of federal oversight. But with the huge cost of compliance and an increasing number of complex rules, it is clear our regulatory system isn't working the way it should. Many regulations stifle economic growth and impose unnecessary costs that businesses have to pass along to their customers. Lawsuits are often filed due to the questionable legality of certain rules. The Chamber supports postponement of rules where legal challenges are present until all appeals have been settled.

Businesses deserve a regulatory system that is fair for everyone, takes into account the views of communities and businesses, evaluates the impact the rules have, and protects our economic and personal freedoms.

IMMIGRATION REFORM

The Chamber supports comprehensive immigration reform that creates:

- A workable temporary worker program for highly-skilled and lesser-skilled workers as well as the agriculture industry;
- A federal employment verification system that is reasonable and workable for employers;
- A legal status for the estimated 11 million undocumented people here, allowing them to emerge from the shadow and create a stable workforce;
- Improved enforcement to protect our borders while facilitating the flow of trade and travel.

EDUCATION

The Kentucky Chamber supports education policies that will prepare students, our future workforce, with the skills the workplace demands. That's why the Chamber advocates for legislation and regulations that address shortcomings in our education system. It is vital that students leaving our public school systems be college or career ready, that higher education be accessible and affordable, and that employers have access to a workforce that meets their needs.

Federal law should give states the ability to implement education policies that will drive innovation in our schools to promote opportunities for work-based learning opportunities such as internships and youth apprenticeships. The development of curriculum, standards and accountability systems must include meaningful input from businesses.

A strong education system is crucial to preparing young people for good jobs and bright futures. The Kentucky Chamber will continue to support policies that help ensure Kentucky, and our nation, can develop and sustain a globally competitive workforce.

ENERGY AND ENVIRONMENTAL POLICY

The Chamber supports the development and expansion of American energy resources to improve energy security and create jobs in the United States.

Reliable and affordable energy is essential to running a business and fueling economic growth and competitiveness. We support investments that will allow Kentucky to maintain its role as an energy leader and create further export opportunities for our coal and natural gas industries. The U.S. is on track to become a net energy exporter, an accomplishment that would place the U.S. at an economic advantage while enhancing our security.

The Chamber has opposed federal regulations that threaten the Commonwealth's low cost energy advantage and our ability to expand business. Specifically, rules aimed at reducing greenhouse gas emissions threaten Kentucky's electric power fleet and deter the extraction of viable natural gas reserves. These rules could limit the economic viability of power plants and wells, thereby limiting supplies of fossil fuels and forcing the state to rely on more costly alternatives.

The Chamber supports the development of regulations that are stakeholder driven and based on scientific evidence, technical viability and economic rationality. For example, the Chamber opposes the regulation to control carbon dioxide from new coal plants because compliance with the rule would require the use of environmental controls that are not commercially viable or result in retirement of economically viable units without any significant environmental benefits. Further, the Chamber supports legislation that would give the Environmental Protection Agency (EPA) more time to consider if new criteria air pollutant standards are warranted before promulgating the standard. The Chamber also believes additional time is necessary for fish and wildlife officials to adequately collect and review data before listing a new species as endangered and threatened.

We support policies that allow Kentucky regulators, instead of outside interest groups and regulators, to make decisions that are best for the Commonwealth. The Chamber has opposed federal regulations, including one directed at the effects of coal mining, that were developed with limited

involvement of state regulators and stakeholders. Further, the Chamber opposes “sue and settle” tactics where a special interest group sues the EPA to enter into a settlement that then directs the EPA into a course of action not vetted through the traditional stakeholder process. The Chamber has supported legislation to improve the transparency of these arrangements.

HEALTH CARE

The Chamber supports strategies and solutions to encourage health care reform that lowers cost, improves quality, expands access to health care and protects American jobs and the employers who create them. It has been more than five years since the passage of the Affordable Care Act, and the Chamber continues to push for further reforms that are needed to lower health care costs and improve care. Within the ACA, the Chamber supports restoring the 40-hour work week, repealing taxes such as the excise tax (also known as the Cadillac tax), medical device tax and health insurance tax which all increase premiums and ultimately cost jobs.

The Chamber supports raising awareness of positive wellness initiatives, such as worksite wellness programs, which improve health outcomes, lower insurance costs and increase productivity.

The Chamber opposes cuts on the federal level to Medicare and Medicaid programs.

INTERNATIONAL TRADE

The Chamber supports policies to open trade with promising markets abroad and to remove barriers that shut U.S. exports out of foreign markets. Promoting international trade for companies in Kentucky and other states will generate economic growth and job creation.

The Chamber supports the Trans-Pacific Partnership, which will put fairness and accountability at the heart of our trade relationship with the Asia-Pacific region and open markets for American goods and services.

The Chamber also supports the Transatlantic Trade and Investment Partnership, which would remove trade barriers between the United States and European Union, help level the playing field and boost economic growth and jobs.

RELIABLE AND SECURE INFRASTRUCTURE

The Chamber supports efforts to improve the quality of America’s infrastructure, including investments in transportation, energy, waterways and wireless and broadband access. Transportation and energy infrastructure directly impact our ability to compete in the global economy.

The Chamber supports a comprehensive plan to ensure our transportation system does not crumble. This includes not only raising the gas tax, which hasn’t been increased since 1993, but encouraging the use of public-private partnerships and permitting streamlining for transportation projects so they can be completed in a timely, cost-efficient manner.

The nation’s transportation system fuels economic development, creates jobs and enhances our overall competitiveness.

LEGAL REFORM

Frivolous lawsuits are a drain on our economy and undermine true justice for legitimate victims. The threat of frivolous lawsuits stifles growth, investment and competition and is bad for business. The Chamber supports comprehensive tort reform to end lawsuit abuse and ensure businesses receive the fair and equitable justice system they deserve.

INTELLECTUAL PROPERTY

The Kentucky Chamber and its member companies are very protective of intellectual property laws; however, there have been increasing abuses by so-called patent trolls. Generally, there has been a perception that patent trolls mainly target tech companies. The truth is that they target a broad range of American businesses: large and small, tech and Main Street,

manufacturers, realtors, restaurants, convenience stores, auto dealers and more.

Protecting intellectual property is very important to entrepreneurship and job creation. This is why the Kentucky Chamber strongly supports reforms to prevent abuses of our system and advocates for a strong patent reform bill that includes:

- reforming abusive demand letters
- making trolls explain their claims
- protecting innocent customers
- making patent litigation more efficient
- stopping discovery abuses
- making abusive trolls pay
- providing less expensive alternatives to litigation

OVERTIME REGULATION

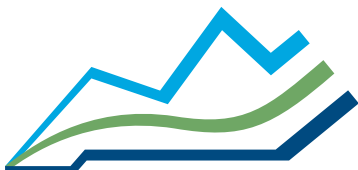
The Kentucky Chamber supports legislation that would stop the Department of Labor's misguided proposed overtime regulation from going forward

and sets out the conditions for reissuing a new overtime proposal.

The proposed regulation would double the salary threshold under which employees would have to be paid overtime for hours worked beyond 40 per week from \$23,660 to \$50,440. This is a major increase which will force employers to decide whether to reclassify millions of employees to nonexempt status or increase their salaries to keep them exempt.

Reclassifying employees will mean they will lose the ability to set their own hours or to work from home since that time will be compensable and tracking it will be impossible. Many employees who have been reclassified consider it a demotion and resent the change.

The Kentucky Chamber believes this proposed rule will greatly interfere with businesses' ability to manage their workforces for growth.



MEMBERSHIP IS CRITICAL.

Thanks to Kentucky Chamber members, the Commonwealth's business community has achieved many legislative successes over the years. Because the Chamber represents a wide range of businesses, legislators listen when we speak on your behalf.

The Kentucky Chamber uses membership dollars to encourage:

- A healthy, skilled workforce
- A sustainable state government
- 21st century infrastructure
- Aggressive job creation

DEDICATED REPRESENTATION.

We represent you before the Kentucky General Assembly, government agencies and the courts to curb burdensome regulations, reduce taxes and create a profitable business environment.

OUTSTANDING RESOURCES AND TRAINING

Chamber seminars, events and publications keep you on top of all the complexities of legislation, regulations and business management.

INSIDE INFORMATION

Our members are the first to know and to understand through the well-researched facts and analyses in Chamber newsletters and e-updates and on our news site, kychamberbottomline.com.

CHAMBER POWER BUYS

Kentucky Chamber members have access to discounts on health insurance, search engine optimization, office supplies, wellness programs, shipping services and other programs vital to running a business.

If you are not a member, but would like to be, contact our membership department at 502-695-4700 or visit kychamber.com/join-now.



Kentucky Chamber

Uniting Business. Advancing Kentucky.

The Kentucky Chamber of Commerce provides leadership as a catalyst, consensus-builder and advocate to unite business and advance Kentucky.

464 Chenault Road, Frankfort, KY 40601 | 502-695-4700

kychamber.com | twitter.com/kychamber | kychamberbottomline.com