

DEMOCRATIC 2019 GOVERNOR'S RACE

VOTER'S GUIDE TO BUSINESS ISSUES

A KENTUCKY CHAMBER OF COMMERCE PUBLICATION



INFORM YOURSELF. VOTE SMART.

KNOW THE ISSUES

AHEAD OF THE 2019 gubernatorial primary elections, the Kentucky Chamber of Commerce has put together a voter's guide for the citizens of the Commonwealth. With all of the noise in political campaigns, it can be hard to compare the candidates in races on their stances. So the Kentucky Chamber has compiled the stances of all candidates in both primary elections, four Republicans and four Democrats, on the issues important to the business community and the state. The following stances have been gathered through responses by each candidate to a policy survey from the Kentucky Chamber as well as various public remarks made by the candidates. Some candidates did not respond to the Chamber's request for their positions, which is reflected in the voter's guides. As a non-partisan organization, the Kentucky Chamber does not endorse in statewide races but our organization hopes this voter's guide gives the people of the Commonwealth the information they need before heading to the polls **Tuesday, May 21**.

MEET THE CANDIDATES



ROCKY ADKINS

PARTY Democrat

OCCUPATION House Minority Floor Leader

> HOMETOWN Sandy Hook

RUNNING MATE Stephanie Horne



ADAM EDELEN

PARTY Democrat

OCCUPATION Former State Auditor/ Solar Energy Entrepreneur

> HOMETOWN Lexington

RUNNING MATE Gill Holland



ANDY BESHEAR

PARTY Democrat

OCCUPATION Kentucky Attorney General

> HOMETOWN Louisville

RUNNING MATE Jacqueline Coleman



GEOFF YOUNG

PARTY Democrat

OCCUPATION Retired Engineer

HOMETOWN Lexington

RUNNING MATE Josh French

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The Kentucky Chamber logo on each page indicates the Chamber's position on each topic. Each issue page features the stance of the Kentucky Chamber as well as all candidates in the gubernatorial primary races.

KENTUCKY CHAMBER OF COMMERCE • MAY 2019 2



JOB CREATION



THE KENTUCKY CHAMBER BELIEVES PROMOTING LONG-TERM ECONOMIC DEVELOPMENT AND JOB GROWTH SHOULD BE A TOP CONSIDERATION WHEN STATE REVENUE POLICIES ARE ADOPTED. IT IS CRITICAL THAT KENTUCKY BE SUCCESSFUL IN ITS EFFORTS TO PROMOTE BUSINESS RECRUITMENT, CREATION AND EXPANSION.

ROCKY ADKINS

"Kentucky's economy is changing, and we must work to bring 21st century jobs, like those in the aerospace industry and other high-demand sectors, to our state. Aerospace exports brought \$12.5 billion to Kentucky in 2018, growing over \$1 billion from the previous year. This means opportunity for Kentuckians. We must offer job-training programs and affordable post-secondary education opportunities so people gain the skills necessary to secure these jobs."

ANDY BESHEAR

Beshear campaign did not return survey. On his website, Beshear states: "We should be investing in our workforce and focusing on the areas in which Kentucky is uniquely positioned to lead, like agritech, automation, data analytics and healthcare."

ADAM EDELEN

"I believe that we can attract new business by becoming a state that thinks forward, not backward when we talk about job creation and attracting new business. Top companies are looking to do business in places that provide renewable energy options, that have reliable broadband access, and that provide equal and inclusive environments for all their employees. Kentucky has failed to keep up and, in many cases, backslid on these key deliverables for companies thinking about locating here.

"But my strategy isn't just about attracting the next big out-of-state corporation. It's about helping create an economy where every Kentuckian has the opportunity to build a business and grow jobs where they live. That has to mean creating a fairer, simpler, and more navigable tax system that doesn't tie up new business-owners in red tape and bureaucracy. And it requires a firm commitment to an education system that is affordable and effective from Pre-K to higher education so that we have people ready to work in quality jobs across the Commonwealth."

GEOFF YOUNG

"Repair and improve our infrastructure. Support energy efficiency in all sectors of Kentucky's economy. Promote worker-owned businesses and cooperatives. Lower taxes on the poor and raise taxes on the super-rich. Fund public education. Legalize all forms of cannabis for medicinal and recreational purposes."



PUBLIC PENSIONS



THE KENTUCKY CHAMBER SUPPORTS REFORMS TO THE STATE'S RETIREMENT SYSTEMS TO ENSURE FINANCIAL STABILITY.

ROCKY ADKINS

"In 2013, the legislature implemented reforms to strengthen the faltering retirement system. Those reforms are working, and the numbers prove it. To solve this pension problem we must keep the reforms we made in 2013 and fully fund it. In addition, we need to identify a dedicated fund source for our pension system. We need to review the \$13 billion in annual tax breaks and close enough loopholes to shore up our pension system."

ANDY BESHEAR

"We've made a promise to our teachers, police officers, firefighters and other public employees that they'll be able to retire with dignity, and under my watch, Kentucky will keep that promise," Beshear stated on his campaign website."

ADAM EDELEN

"Our state pensions should be run for the benefit of those they support and those who pay into the system. As State Auditor, I audited the Teachers' Retirement System and found it had been well run and politically independent for 75 years. Further, the Teachers' Retirement System avoided investments in hedge fund investments and the use of placement agents.

"On the other hand, the Kentucky Retirement System has for too long been plagued by frequent use of placement agents and hedge funds. Also, the KRS has been governed by a board of appointed political hacks. As such, no one who donates a dime to my campaign will be eligible to serve on a pension board.

"The problem our pensions face is that, for 20 years, employees paid into the system and state government didn't. Instead, state government missed payments to these pension funds in order to balance the budget. We need to reform the system and start putting more money into the system, including finding new revenue sources such as expanded gaming and comprehensive tax reform.

"However, we must be honest with Kentuckians: a problem that took 20 years to create isn't going to be solved in one year."

GEOFF YOUNG

"Tax the super-rich; comprehensive tax reform."



TAX REFORM



THE CHAMBER URGES CONTINUED IMPROVEMENTS TO KENTUCKY'S TAX CODE TO INCREASE COMPETITIVENESS.

ROCKY ADKINS

"There are \$13 billion of tax loopholes in the Kentucky tax code, which is about \$2 billion more than our entire general fund budget. Fair and comprehensive tax reform that leads to only 10 percent of that \$13 billion will give the state \$1.3 billion to fund necessary programs, without losing any competitive advantage in recruiting or retaining business and industry. We also need to look at ways to generate revenue through medical marijuana, hemp, and other new industries."

ANDY BESHEAR

Did not return survey.

ADAM EDELEN

"Kentucky's tax system continues to give more away in exemptions and deductions than it collects. This is a recipe for inefficiency and waste that benefits lobbyists and their clients rather than hardworking Kentuckians and local businesses."

GEOFF YOUNG

"Tax the super-rich and large corporations. Legalize and tax marijuana."



INFRASTRUCTURE



KENTUCKY'S TRANSPORTATION NETWORK OF ROADS, BRIDGES, 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. THE CHAMBER STRONGLY SUPPORTS LEGISLATION THAT PROVIDES CONSISTENT LONG-TERM FUNDING FOR MAINTENANCE AND IMPROVEMENTS TO TRANSPORTATION INFRASTRUCTURE.

ROCKY ADKINS

"Investing in our infrastructure not only serves our citizens; it also is the first step in attracting new businesses and industries that will grow our economy. We must work to improve our roads and bridges, invest in our water systems, and ensure everyone has access to high-speed internet. Economic development is not an overnight deal; it's a long-term investment. We have made progress, but there is no doubt that we must make new investments in our infrastructure in the coming years. I will bring all stakeholders to the table to create a viable plan for the commonwealth."

ANDY BESHEAR

Did not return survey.

ADAM EDELEN

"Kentucky used to have some of the best roads in the country, and their decline is simply bad for businesses and families. It's absolutely necessary to ensure improved transportation infrastructure in Kentucky, and I'm open to the fuel tax as one option for funding it.

"We can't end our infrastructure conversation with bridges and roads though. I'm committed to ensuring that every Kentuckian has the tools they need to find opportunity in our changing economy, which must include broadband access."

GEOFF YOUNG

"Invest in repairing our roads and bridges, improve access to the internet, invest in energy efficiency and renewable energy technologies."



EARLY CHILDHOOD



THE KENTUCKY CHAMBER BELIEVES THE STATE MUST INVEST IN EARLY CHILDHOOD EDUCATION AND MAKE GREATER INVESTMENTS IN ENHANCED CHILD CARE PROGRAMS FOR KENTUCKY'S DEVELOPING YOUTH.

ROCKY ADKINS

"My administration will work to increase access to preschool so more children can succeed in school and in life. Early childhood education is the key to building a world-class workforce. Research shows that investing in early childhood education is one of the most cost-efficient approaches to increasing education, improving health and economic outcomes, and lowering the cost of special education and social programs. Investing in early childhood education is essential to our commonwealth and I will work to ensure more children have access to high-quality early learning experiences."

ANDY BESHEAR

Did not return survey.

ADAM EDELEN

"I believe Kentucky needs to move towards providing access to Pre-K and early childhood education for every Kentucky family. It makes clear sense from an economic and governance perspective. Quality Pre-K pays for itself many times over in reduced costs to our criminal justice and health care systems, as well as higher future tax revenues. It also gives more parents the freedom and flexibility to continue a career without facing exorbitant childcare costs.

"Second, this step is simply the right thing to do. I'll be a governor who isn't afraid to act when I see a clear and proven policy that will give Kentucky kids and families more opportunities. It's the kind of leadership the Commonwealth deserves."

GEOFF YOUNG

"Make it available to all children."



WORKFORCE



BEYOND WHATEVER IMPROVEMENTS ARE NEEDED IN THE DESIGN AND DELIVERY OF GOVERNMENT WORKFORCE PROGRAMS, KENTUCKY'S BUSINESS COMMUNITY HAS AN IMPORTANT ROLE TO PLAY IN ENSURING THE AVAILABILITY OF A SKILLED WORKFORCE. EMPLOYERS' CAN MAKE A CRITICAL DIFFERENCE IN THE QUALITY AND EFFECTIVENESS OF THE SERVICES WORKFORCE PROGRAMS DELIVER.

ROCKY ADKINS

"While we are making progress, there is still much improvement that can be done. We must continue to create innovative programs like the Ignite Institute in Northern Kentucky. This model of education and training provides a hands-on experience that will produce a highly-trained and highly-educated workforce. As governor, I would look at these types of models throughout the state," Adkins stated in the Chamber's policy survey. "I will jumpstart our workforce and create new career paths for Kentuckians by providing two years of tuition-free community college or technical school for all high school graduates and adults who don't already have a credential. This initiative is an economic investment that will spur growth and provide job training for companies that are currently looking to fill spots. Seventeen other states, including West Virginia and Tennessee, already have this policy in place."

ANDY BESHEAR

"In a global economy, it's vitally important that skills training continue after high school. As governor, I'll promote apprenticeship training and work to ensure that Kentuckians can afford community college, technical school or college. In order to attract businesses to our state, we need an educated and highly-trained workforce," Beshear states on his campaign website.

ADAM EDELEN

"As explained below, I support an education and workforce development system that is truly relevant to our needs. Further, I'm confident that with an ability to create effective partnerships between industry, labor, and our higher education systems, Kentucky can invest in making a path to a quality career accessible for all," Edelen stated in the Chamber's policy survey. "First, we can no longer start thinking about workforce and higher education after our kids finish high school. I'll work to make the transition to careers, community/technical colleges, and four-year universities. Kids should have a better idea of their options and real opportunities to prepare, starting in high school. Second, I want to ensure that higher education is affordable and accessible to every Kentucky student so that no one is unnecessarily forced down a path that leads only to low wage, low benefit jobs that do nothing to grow the economy here."

GEOFF YOUNG

"'I'm not aware of major problems in the Department of Workforce Investment," Young stated in the Chamber's policy survey. Young said his plan for improving the state's workforce, is to "Improve our public education system and resist efforts to undermine it by partisan politicians who oppose public education."



LEAKY BUCKET



THE KENTUCKY CHAMBER'S "LEAKY BUCKET" PUBLICATION DOCUMENTED UNSUSTAINABLE SPENDING IN CORRECTIONS, MEDICAID AND PUBLIC EMPLOYEE BENEFITS. EACH CANDIDATE WAS ASKED HOW THEIR ADMINISTRATION WOULD WORK TO CONTAIN COSTS IN THESE AREAS?

ROCKY ADKINS

"I would ensure that expanded Medicaid remains in place. Research shows that expanded medicaid lowers health care costs to the state over time. I would make sure that we have the experts at the table who can streamline operations and eliminate inefficient processes within government."

ANDY BESHEAR

Did not return survey.

ADAM EDELEN

"In corrections, we need real criminal justice reform that reduces incarceration, both in the near and long term. In the short run, we can contain costs by reforming cash bail, reforming probation and parole, and ending overly harsh punishment for possession of recreational marijuana. In the long run, we must reduce crime recidivism by partnering with communities on reentry, making the expungement process more accessible, and championing felon re-enfranchisement.

"Regarding Medicaid, I support a plan that would generate funds and draw down more federal funding by reducing and leveling tax rates across medical providers. I will also support continued oversight of Kentucky's MCOs to ensure they are working to provide the best service at an affordable cost.

"I believe public employee health and retirement benefits are a key tool to attract committed and talented individuals to take up some of the toughest jobs in government, which often pay far less than the private sector. While I'm committed to improved management of our pension system, I do not believe that cutting our way out of this problem is the right way forward."

GEOFF YOUNG

"Reduce the number of prisoners by legalizing marijuana and releasing all prisoners whose sentences are based on convictions for mere possession."



HIGHER EDUCATION

INVESTMENTS IN HIGHER EDUCATION SHOULD BE DIRECTLY TIED TO PERFORMANCE AND HELPING ENSURE THESE INVESTMENTS CORRELATE WITH A WELL-PREPARED WORKFORCE. WITH A FOCUS ON LIFELONG LEARNING, THE CHAMBER WORKS TO ENSURE THAT KENTUCKY'S ECONOMY BENEFITS FROM A PREPARED, PRODUCTIVE AND DIVERSE WORKFORCE.

ROCKY ADKINS

"Our families need access to affordable higher-education opportunities. That is why I introduced a plan for two years of tuition-free community college or technical school for all high school graduates and adults who don't already have a credential, regardless of income."

ANDY BESHEAR

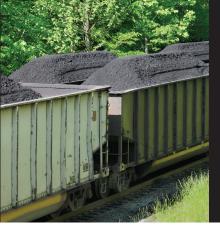
"For far too many Kentuckians, a college education is financially out of reach. And crushing student loans are burying many of those who do go to college under a mountain of debt," Beshear states on his website. "As governor, I'll fight to lower the costs of attending Kentucky's public universities and community and technical colleges."

ADAM EDELEN

"The only two states that have failed to return higher education funding to pre-recession levels are Kentucky and South Carolina. At the same time that we've made cuts, we've asked our institutions of higher education to respond to changing performance measures and incentives that don't meet the needs of our students. I believe we should ensure our universities are spending money effectively, but also recognize we can no longer pass on rising costs in the form of tuition hikes that leave education less and less accessible for poor and middle-class Kentuckians."

GEOFF YOUNG

"Tax the super-rich, legalize marijuana and tax it."



ENERGY



THE KENTUCKY CHAMBER BELIEVES AFFORDABLE ENERGY RESOURCES ARE KEY TO SUSTAINING ECONOMIC GROWTH AND INVESTMENTS SHOULD BE MADE IN COST-EFFECTIVE STRATEGIES TO UTILIZE OUR NATURAL AND ENERGY RESOURCES MORE EFFICIENTLY.

ROCKY ADKINS

"Coal mining has supported Eastern and Western Kentucky families for generations. It has played an essential role in our past and our present. We need to invest in a diversified energy economy in the coalfields in the future. I sponsored the Kentucky Energy Independence National Leadership Act, which brought the coal and environmental industries together along with the academic community to implement energy incentives to attract new technologies of the future. This bill increased the utilization of renewable energy sources such as wind and solar, and created the Center for Renewable Energy Research and Environmental Stewardship at the University of Louisville, now known as the Conn Center. This brought research and development money into Kentucky to advance new energy technologies of the future. It also promoted conservation and incentives for energy-efficient construction. We must work to maintain low-energy costs to keep a competitive advantage for the industrial manufacturing sector."

ANDY BESHEAR

"Climate change is real, and Kentucky needs an all-the-above energy policy that includes renewables and clean-coal technology," Beshear states on his campaign website.

ADAM EDELEN

"I believe that Kentucky has much more to gain than to lose by accepting that climate change is a reality and taking clear steps to build a modern energy portfolio incorporating renewable energy. With the experience of bringing together private sector stakeholders to build a 100MW solar farm in eastern Kentucky on a reclaimed mine site to create hundreds of jobs, I'm the only candidate who can communicate a vision for our energy future and also knows how to make real change happen. And, I'm confident that this transition to renewable energy does not have to come at the cost of ratepayers. Renewable sources are now cheaper than most fossil fuel electricity."

GEOFF YOUNG

"Promote energy efficiency first, followed by solar energy and other renewable energy technologies."



CASINO GAMING



THE CHAMBER SUPPORTS AMENDING THE CONSTITUTION TO EXPAND GAMING IN ORDER TO CREATE JOBS, GENERATE MUCH-NEEDED REVENUE, AND STOP THE SIPHONING OF TAX DOLLARS BY OTHER STATES, WHILE PROTECTING OUR SIGNATURE INDUSTRIES.

ROCKY ADKINS

"I voted to put casino gaming on the ballot. It's an issue that I believe should be left up to the people of Kentucky."

ANDY BESHEAR

"Kentucky can't afford to fall behind our neighboring states who are moving forward with the rest of the country on expanded gaming. We lose out on hundreds of millions of dollars a year. As governor, I will work to legalize sports betting, casinos, fantasy sports and prepare for online poker, and use the revenue from these activities as a dedicated funding stream for our public pension system," Beshear states on his campaign website.

ADAM EDELEN

"I believe that Kentucky should embrace expanded gaming and sports betting, and ensure that any such expansion brings significant revenue to the state."

GEOFF YOUNG

"If people want to waste their money, they should be free to do so."



BIGGEST CHALLENGE FACING KENTUCKY

THE KENTUCKY CHAMBER ASKED ALL 2019 GOVERNOR'S RACE CANDIDATES WHAT THEY FEEL ARE THE BIGGEST CHALLENGES FACING THE COMMONWEALTH IN THE COMING YEARS.

ROCKY ADKINS

"We must work to revitalize the rural areas of our state by diversifying our economy, while keeping the economic engines of our state running. We are training a 21st Century workforce in Kentucky right now and we need to attract businesses to our state that will provide the jobs our people need and deserve. We have been working over the last thirty years to put the pieces of the puzzle in place from infrastructure to education to generate economic development in our state and the time has come to put them all together."

ANDY BESHEAR

Did not return survey.

ADAM EDELEN

"I believe that the biggest challenge facing Kentucky over the next is keeping up with a national and global economy that is modernizing at a breakneck pace while wages continue to stagnate and education costs keep rising. I'm prepared to be the first truly modern governor for Kentucky who's focused on preparing our people for the jobs of today and the future. We have to begin by ensuring every single Kentuckian has access to broadband internet. There's no excuse for hundreds of thousands of Kentuckians lacking this resource necessary to succeed in today's economy. Second, I'll be a governor focused on higher education that is both affordable and geared towards training for 21st-century jobs in advanced manufacturing, clean energy, and new technologies."

GEOFF YOUNG

"Comprehensive tax reform."



LEADERSHIP STYLE

THE KENTUCKY CHAMBER ASKED ALL 2019 GOVERNOR'S RACE CANDIDATES HOW THEY WOULD DESCRIBE THEIR LEADERSHIP STYLE, ESPECIALLY IN THE CONTEXT OF WORKING WITH THE LEGISLATURE.

ROCKY ADKINS

"I am the current Democratic Leader in the Kentucky House of Representatives and have been part of House leadership since 2003. I have worked across the aisle for 32 years to pass bipartisan legislation in Frankfort."

ANDY BESHEAR

Did not return survey.

ADAM EDELEN

"I'm proud to have led from the front, both in public service and in my business. I've always focused on bringing people together to accomplish a common goal, and am proud of what that's achieved. Recently, it's helped us finance the largest solar project in Appalachia, that will put hundreds of unemployed coal miners back to work and bring over \$100m in investment to Eastern Kentucky. And in working with the legislature, I always say that even when you disagree about most things it doesn't stop you from coming together to achieve something. As State Auditor, I worked effectively to pass several pieces of transformative legislation through Republican-controlled chambers, including reform of our \$3b system of special taxing districts, cybersecurity enhancements, and legislation to examine Kentucky's rape kit backlog."

GEOFF YOUNG

"I will talk with everyone about the most critical issues, including abortion; I am a strong supporter of Planned Parenthood and the Roe v. Wade supreme Court decision. I will build coalitions across party lines."



LEGAL LIABILITY



THE CHAMBER SUPPORTS COMMONSENSE LIABILITY REFORMS TO LIMIT THE DEVASTATING ECONOMIC IMPACT MERITLESS LAWSUITS HAVE ON KENTUCKY EMPLOYERS AND HEALTH CARE PROVIDERS.



*Some candidates did not explain their yes or no answer to this question. If a candidate added comments on the issue, those remarks are listed below.



ROCKY ADKINS

No. "We must work to protect our providers, but it's imperative that we maintain a patients' right to a trial."

ADAM EDELEN

No. "The US and Kentucky constitutions are clear that the determination of liability belongs in the hands of judges and juries. While frivolous lawsuits should be called out and avoided, I don't support reform efforts that would hamper the ability of those who've been wronged to seek justice."



BAIL REFORM



THE CHAMBER SUPPORTS REFORMS TO KENTUCKY'S BAIL SYSTEM, TRANSITIONING THE SYSTEM TO FOCUS ON THE OFFENSE AND OFFENDER AND NOT ON THEIR FINANCIAL MEANS.

ADKINS BESHEAR





GEOFF YOUNG

Yes. "The system we have now looks too much like debtor's prisons."



SMOKE FREE

PUBLIC PLACES IN KENTUCKY.

THE KENTUCKY CHAMBER SUPPORTS LEGISLATION TO MAKE KENTUCKY SMOKE-FREE BY PROHIBITING SMOKING IN ALL INDOOR WORKPLACES AND





PUBLIC AFFAIRS TEAM



Policy

Kate Shanks Vice President, Development

Dave Adkisson

President & CEO







Travis Burton

Political Affairs

Director,



Jacqueline Pitts Director, Communications

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Manager,



Alaina Holcomb Marketing Design Coordinator, **Communications**



Diana Taylor Senior Policy Consultant



John Cubine Senior Policy Consultant



Bob Gray Senior Policy Consultant



YOUR SOURCE FOR NEWS.

A majority of the laws and regulations affecting Kentucky businesses are passed in Frankfort, not Washington.

You can't be at the Capitol on a daily basis, but we can. With the goal of closely monitoring the progress and facts of business-related legislation in Kentucky and delivering behind the scenes knowledge of state government, The Bottom Line breaks down complex policy issues for the business community.

Stay up to date at kychamberbottomline.com.



THE KENTUCKY CHAMBER OF COMMERCE PROVIDES LEADERSHIP AS A CATALYST, CONSENSUS-BUILDER AND ADVOCATE TO UNITE BUSINESS AND ADVANCE KENTUCKY.

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