

Wish List vs. Results

Chamber Tallies Score on 2013 Priorities

By Rebecca Patrick

Famed poet Robert Browning once penned that a man's reach should exceed his grasp. Hence, setting goals and evaluating the success of trying to achieve them is necessary for any person – or organization – to move forward.

Last November, the Indiana Chamber released its wish list of public policy priorities for the 2013 General Assembly. *BizVoice*® recently revisited these key objectives with the organization's advocacy team for a progress report.

Diverse victories

A prudent, structurally-balanced state budget that balances and properly prioritizes the state needs



Bill Waltz, vice president of taxation and public finance: “The administration, the House and the Senate all made important contributions as the process progressed. They acted prudently, created a good mix of priorities and passed a budget that will maintain the sound fiscal status that Indiana currently enjoys. The strong budget was possible because of frugality in recent years and the return of revenue levels that have not been seen since before the recession.

“The state's \$30 billion budget rightfully has a strong focus on jobs and economic development. Additional investments made in education, workforce development and infrastructure needs are essential. Targeted tax cuts, including the long overdue elimination of the state inheritance tax, will benefit working Hoosiers and small business owners.”

Protecting and further enhancing, where possible, the 2011 education reforms, including those involving school choice/the voucher program and charter schools



Derek Redelman, vice president of education policy: “Some of the unnecessary restrictions on students are now removed, including having to attend a public school before being eligible for a private school voucher. That's a significant expansion of the state's school choice program and will allow more students and parents to select the best educational option for their family. Yet, there are issues like the continuing ban on kindergarten eligibility – the only ban like it in the country – that will be bringing us back for more legislation in future years.

“Also passed in 2013 was a bill improving and strengthening our charter school law in the areas of funding eligibility and debt as well as accountability – both for the charter schools and their authorizers.”

Establishment of a new state-sponsored research institute to help spawn innovation



Cam Carter, vice president of economic development: “A new Indiana Biosciences Research Institute was funded with a \$25 million start-up appropriation to help move university-based academic research in the life sciences to commercialization. The new institute, a part of Gov. Pence's 'Roadmap for Indiana' plan, coupled with more robust support from the 21st Century Fund should be a boon for entrepreneurial firms seeking either start-up or bridge funding, as well as technical support in attempting to establish new technologies and job-creating businesses.”

Increased refinement to performance-based funding at public higher education institutions, as well as continued focus on better student output

Redelman: “Performance funding was expanded from 5% of state aid to 6%, but not to the 7% that the Commission for Higher Education requested and we supported. On the student side, performance incentives for STEM (science, technology, engineering and math) degrees were

continued, while new incentives were implemented through student aid to assist degree completion.”

Improving the state’s unemployment insurance system regarding eligibility and spurring re-employment



David Wulf, vice president of employment law and labor relations policy: “Claimants are now required to report in person to a Department of Workforce Development office to participate in re-employment and eligibility assessment activities. This will engage them more personally to try to get them back to work.”

Sent to be studied

Publicly-funded preschool initiatives for low-income families

Redelman: “There is critical need for improved preschool opportunities, especially for low-income children whose families may not have the means to provide a high-quality preschool experience or to provide needed learning opportunities in the home.

“The business community helped lead the way for the preschool pilot program, but unfortunately the bill met stiff resistance in the Senate, where a concern was raised about funding any program that, if scaled to include all kids, would

Common Core Snapshot; Battle Continues

By Kevin Brinegar

When the Indiana Chamber published its top legislative priorities last November, having to vigorously defend the state’s Common Core academic standards before the General Assembly seemed rather unlikely.

The State Board of Education, with advice from the Indiana Education Roundtable, adopts such education policies and the Legislature has traditionally left the decisions to the discretion of those groups. Yet, Indiana got swept up in a national movement by ultra conservative groups and individuals to define Common Core as a federal government program – which it’s not – and a detrimental one at that!

In June, prominent Republican and former Arkansas Gov. Mike Huckabee joined a chorus of national leaders from both ends of the political spectrum in voicing his support for Common Core. In a letter to Oklahoma legislators, Huckabee called the program “near and dear to my heart” and stated that conservative criticism of it was “short-sighted.” Needless to say, debate on this policy both in Indiana and throughout the country is far from finished.



What you need to know:

The basics. The Common Core standards spell out what students are expected to learn at each grade level in math and English, plus the skills they’ll need for college or a career. Common Core was developed by governors and state superintendents. A total of 46 states are currently participating in Common Core.

The standards are NOT currently paused or halted in Indiana. Per the recently-passed legislation – and despite the perception of many – Common Core actually remains in place as Indiana’s academic standards and will continue to be implemented. Schools will be expected to teach the standards, which were adopted by the State Board of Education and rolled out to schools in 2010. What is temporarily halted is the transition to testing of Common Core. The mandated

State Board review will allow Indiana education leaders to further refine and enhance the measures. Simply put, the new law states that “any standards adopted by the State Board before May 15, 2013, remain in effect until the State Board adopts (or readopts) education standards.”

The next steps. The 2013 state law triggers a series of reports, meetings and approvals. The Indiana Department of Education was required to file a report by July 1, 2013, on the process of adopting state academic standards and on the adoption of Common Core specifically. No later than

September 1, 2013, the Indiana Office of Management and Budget must submit a cost analysis of both implementing Common Core and not implementing Common Core (since much of it has already taken place).

This summer and into early fall, attention shifts to the state’s Legislative Council study committee, which, after three public meetings, must file its own report by November 1, 2013. Once these three groups have finished their work, the State Board of Education will hold three public hearings and must either readopt Common Core or adopt another set of “college and career-ready” standards by July 1, 2014. It’s important to note that our previous state standards – which have been highly touted by Common Core proponents and opponents alike – are not considered to be college and career ready.

While the Indiana Chamber doesn’t agree that actual new adoption procedures are necessary, several positives could result. Further review of the Common Core standards will hopefully provide the general public with a better understanding of what Common Core does and doesn’t do. Plus, it will give the state the opportunity to determine which, if any, additional standards should be adopted. The Common Core multi-state agreement permits Indiana to add up to 15% of its own standards to the program.

Resource: An informational Common Core “myth vs. fact” sheet is available at www.indianachamber.com/commoncore

cost far more than what the state currently could afford (though that clearly was not the bill's intent). Additionally, several conservative legislators opposed it on the belief that the state should not expand its role beyond the grade levels that it already serves.

"In the end, the bill survived mostly in name only with the issue being sent to an interim study committee for discussion. However, thanks at least in part to the continued efforts, the state budget bill was passed with a \$2 million matching program that will augment current childcare programs for the poor, with extra emphasis on quality curriculum."

Next Time

Reinstating the wellness tax credit for businesses



Mike Ripley, vice president of health care policy: "It was an unfortunate decision to cut this incentive in 2011. The Small Business Wellness Tax Credit encouraged some small employers to start a wellness program and made it more feasible for them to take that step.

"Despite various meetings with House Republican leadership and staff, the wellness tax credit bills went nowhere. Senator Brandt Hershman (R-Buck Creek), who had repealed the language previously and was not fond of the tax credit, did, however, indicate that the issue might be discussed this summer. During

this interim period and next legislative session, we will continue pushing for the restoration of this tax credit."

Exempting the state's taxation of machinery and equipment

Waltz: "Personal property tax relief was, is and will remain a priority. The Indiana Chamber worked before session to get various pieces of legislation considered and drafted. Five bills concerning personal property tax were introduced and all received a committee hearing, which gave us the opportunity to present a volume of information revealing the nature and scope of Indiana's dependence on personal property tax.

"As expected, the bills attracted a great deal of resistance from local officials who saw them merely as bills that would reduce their local tax base and budgets at a time when they are already struggling with revenue losses due to the tax caps. This resistance was the death knell for all of these bills and even forestalled consideration of scaled-back compromise proposals. Nonetheless, the bills were successful in bringing attention to the larger problem.

"While this was not to be the year for addressing personal property, the airing of the larger issue and vetting of specific proposals served to make the long-term objective of personal property relief more attainable. These were positive steps and helped forward the cause of educating fellow legislators and the general public on the detrimental impact of taxing capital investments in machinery and equipment."

Roundtable

Continued from page 56

pockets of the General Assembly. The term "education fatigue" was invoked by some legislators as a reason for not wanting to tackle additional K-12 reform measures – wanting to instead adopt the wait-and-see approach on recently-passed initiatives.

Yet, when you look at Indiana's performance in education and its rankings against other states and countries, it seems the state cannot afford to take a pause on education activity and should continue beating the drum on improvements.

The panel acknowledges the sentiment, but questions the rationale.

"The term gets to the sense that Sen. Long (who coined it at a press conference) felt existed within his caucus, which explains why the Senate was resistant to the House version of the voucher expansion and why we saw some other education things not move forward this year," Bradner surmises.

Torr says it's clearly a factor for "a faction of our caucus, along with some sophomores (especially). It's kind of a combination of the districts they represent and maybe their own beliefs. They were tired of dealing with those issues and just wanted a rest from it."

And this "fatigue" often stems from the feedback received from constituents opposed to what's going on – especially teachers "who don't necessarily get the straight story from the source they get it from," Torr concludes.

Regardless of the reason cited, Brinegar stresses, "We can't afford to use that concept as a copout.

"I come at this from the perspective as someone who has been working on education reform in several different capacities for 32 years. I worked on (Gov. Orr's) A-plus education plan as a staff member in 1987. I've served on Indiana's Education Roundtable since it was formed," he illustrates.

"So I take a little exception, or an offense really, to having sophomore senators telling me they are tired or fatigued on education reform."

GiaQuinta puts it simply: "You can't get tired. You've got to keep moving forward and keep continuing to look at these things."

Parting thought

As the discussion was wrapping up, Bradner reflected on what may have been the defining choice of the entire 2013 Legislature: Speaker Bosma's decision to postpone the same sex marriage amendment debate.

"Given what happened in four states in 2012, Indiana's role, if that ends up on the ballot in 2014, could be tremendously important. I think the cost of that campaign could end up rivaling the Governor's race. When you hear people talk about the sort of friendlier nature of this year's legislation, it has a lot to do with that decision being put off."

Brinegar echoes that belief. "It was in many ways a tone-setter for the session, 'We're not going to address this major social issue. We're going to stay focused on jobs and the economy.' In hindsight, that decision by Bosma was pretty important."