



By Rebecca Patrick

# Legislative State of Mind

## Chamber Offers 'Top 10' Priorities

**H**istoric education reforms led the way for 2011 legislative achievements. Debate over equally monumental economic development and job creation measures figures to grab the spotlight this year. Chief among them: Making Indiana the 23rd state to adopt a right-to-work law that prohibits forcing people to join a union in order to get or keep a job.

On November 21, the day before Organization Day, Speaker of the House Brian Bosma and Senate President Pro Tem David Long announced that passage of a right-to-work law would be their "top priority" in the new session. (See page 20 for a detailed look at right-to-work).

While one can never predict the Legislature's twists and turns (witness last year's 35-day walkout by House Democrats), one thing is certain: The 2012 session is shaping up to be memorable. In addition to the right-to-work battle, there are several unique factors at play.

A short session already means there is a much more limited timeframe, but on top of that the attention of the sporting world and beyond will be trained on Indianapolis as the city hosts Super Bowl XLVI. That means Statehouse activity is expected to be even more fast-paced in the weeks leading up to the February 5 game, as work will be virtually impossible for legislators to carry out during much of Super Bowl week. This reinforces – even more so than in normal short sessions – that likely only key policies will get fully addressed.

Meanwhile, it's Gov. Daniels' last year in office. How aggressive will he be with his agenda and what bold steps might he take to further define his legacy? (Daniels released his legislative agenda following the deadline for this issue of *BizVoice*®).

The Indiana Chamber, on behalf of its member companies and their employees in all 92 counties, has identified key public policies to help maintain and promote a pro-jobs, pro-economy climate. Below is the organization's list of top priorities for the 2012 General Assembly:

### Economic Development

- **Support the state adopting a right-to-work statute banning the practice of requiring union membership or financial support as a condition of employment.** Would remove a significant impediment to investment and job creation. Would help Indiana continue to distinguish itself from neighboring states and to build a national leadership position in economic development.

### Education

- **Support protecting the 2011 reforms involving charter school expansion, school choice, merit pay for teachers and teacher collective bargaining.** These new laws are the most significant enhancements to the state's education system in more than 20 years; they put the focus where it should be – on students and increasing their potential for academic achievement. We need to make sure these reforms stay intact and are executed as intended.
- **Support expanding school accountability.** Our system, while improving greatly under current state leadership, still offers far too many loopholes for perpetual failure.

### Energy

- **Oppose renewable energy mandates.** Indiana already has significant renewable energy development without benefit of a mandate, which would present unreasonable costs to power consumers and utilities.

### Health Care

- **Support ban on smoking in the workplace.** Smoking is detrimental to employee health and

productivity, and contributes to higher premiums for businesses providing employee health benefits.

- **Oppose any health care mandates or assignment of benefits (AOB) policy.** Mandates and AOB both serve to increase the cost of health care premiums for employers and their employees.

## Labor Relations

- **Support work share component incorporated into state's unemployment insurance system.** Would allow employees to collect reduced wages and partial unemployment benefits – as opposed to losing their jobs; is a temporary and practical alternative to layoffs.

## Local Government

- **Support common sense simplification and reforms to**

**local government structures and practices.** The current local government system lacks high standards against nepotism and allows for too many conflicts of interest. This will result in a more effective system and better use of taxpayer dollars.

## Taxation

- **Support elimination of the state inheritance tax.** Only 1% of the state's revenue pool comes from this tax, but the consequences are much higher. Why? This tax serves as a big deterrent for high income individuals to remain in Indiana (and spend money) or keep their assets here.
- **Support exempting the taxation of machinery and equipment.** Indiana needs to be on a level playing field with surrounding states – some of which have already made this move or are considering it now.

## Members Weigh In on Variety of Issues

By Charlee Beasor

**N**ear the start of any legislative session, advocacy organizations such as the Indiana Chamber, legislators and more announce their lists of priorities.

While members serve on the committees that help create the Chamber policy positions, what about some of those individuals of member organizations? *BizVoice*® spoke with several company representatives from around the state to find out their top topics for 2012.

Larry Pile, director of human resources at Deaconess Health System in Evansville, lists a decision from the Indiana Court of Appeals regarding no-fault attendance policies as a main worry.

The appellate court recently upheld a decision from the Review Board of the Indiana Department of Workforce Development awarding unemployment insurance benefits to a terminated employee (due to excessive absences). The ruling allowed the employee to collect the benefits as the company did not make exceptions for extended personal illness and verified emergencies in its no-fault attendance policy and it was therefore deemed unreasonable by the courts.

"It would no longer be considered discharge for just cause due to violation of attendance policy. If that doesn't get fixed by the Legislature, it's going to cause many employers a lot of difficulty. The very purpose of a no-fault attendance policy is to not make the employer the sheriff or arbiter of what would be an acceptable excuse," Pile explains.

His main concern is the fact that all managers will need to be trained to make judgment calls on the attendance policy in a fair and consistent way – costing organizations valuable resources and time.

Pile also emphasizes the need for Indiana to become the country's 23rd right-to-work state.

"I think right-to-work is an important initiative that needs to be pursued. We're non-union, so it's not as pressing an issue for us, but it's certainly one that is beneficial to the state," he indicates.

Jay Ricker, chairman of the board of Anderson-based Ricker Oil Company, is backing a bill that would allow for

the sale of cold Indiana-based microbrew beer through the company's convenience stores, as Indiana law prohibits cold beer sales outside of liquor stores.

"I think we have 40-some of 50 stores that have licenses to sell wine and beer, but by law we are not allowed to sell cold beer," Ricker notes. He also says the company is not advocating for Sunday liquor sales, just the sale of cold beer in the stores.

Also on Ricker's radar screen, the possible evasion of sales taxes on gasoline by some retailers.

Calvin Davidson, project manager for Ray's Trash Service in Clayton, lists the issue of municipalities taking business from a company without any sort of reimbursement as one of his top concerns. He cites an example of a town annexing a piece of property that a company provides service to – essentially taking away customers through the annexation process.

"What's troubling about that is that's business that has value. Municipalities, at a swipe of a pen, can take your business without compensating you for it," he stresses. "I know there's something that can be done – there's legislation in other states about this – and similar legislation in utility (regulations)."

Davidson sees this issue as impacting companies and eventually employees if business is taken away.

For Dennis Leffler, owner of Peru's Leffler Tire Recycling, it's more of a national focus as the economy and keeping small businesses competitive are at the forefront of his priorities.

Leffler lists zero trade deficit, fair trade and fair taxation as some of the top issues he supports and sees employers responding better to incentives than penalties.

"Penalizing the people that are succeeding – it's never going to work in a system long term. Employers don't react well to penalties; that is going about it the wrong way," he expresses.

**Resources: Calvin Davidson, Ray's Trash Service, at [www.raystrash.com](http://www.raystrash.com)**

**Dennis Leffler, Leffler Tire Recycling, at (765) 472-2693**

**Larry Pile, Deaconess Health System, at [www.deaconess.com](http://www.deaconess.com)**

**Jay Ricker, Ricker Oil Company, at [www.rickers.net](http://www.rickers.net)**