

Caucus leaders weigh in on key 2019 priorities in an Indiana Chamber Legislative Preview panel discussion moderated by Abdul-Hakim Shabazz of IndyPolitics.



# 2019 LEGISLATIVE PREVIEW

## Chamber Priorities = Economic Impact

By Rebecca Patrick

“It’s going to be tight” is the prevailing sentiment for the state budget in the upcoming biennium. Most of the money is expected to be earmarked to adequately fund increased Department of Child Services and K-12 education demands. That means getting much of anything through the 2019 Legislature that contains a price tag will be an uphill battle.

Yet, could the lack of available money make a cigarette tax hike more appealing to legislative leaders and the Governor?

“It’s certainly possible and something we will be making the case for. There is nothing else the state could do to infuse the revenue stream that would have the impact of increasing the cigarette tax by \$2 per pack,” declares Indiana Chamber President Kevin Brinegar.

“While we agree with what Gov. Holcomb has said in past years that funds collected should go to related health care programs – to cover smoking cessation and Medicaid costs – we also believe any additional money could go to where the state has the greatest need.”

### Smoking and marijuana

Efforts to decrease the smoking rate of Hoosiers – through the per pack tax increase and raising the smoking age to 21 – are on the Indiana Chamber’s list of legislative priorities for 2019.

“Smoking is costing employers and the state more than \$6 billion annually in lost productivity and health care. Research has shown that significantly increasing what a pack of cigarettes costs and upping the legal age to smoke do yield positive results,” Brinegar explains.

Indiana House Speaker Brian Bosma, participating in a panel discussion at the Chamber’s Legislative Preview, reversed course from last year and emphasized that the age component might find increased support this time.

Brinegar surmises, “Large tobacco companies are now coming out in favor of raising the age to 21. More localities and states are doing it, and notably, the military is on board as well.”

A mitigating factor, he says, is the collective realization of the negative impact vaping is having on teens.

### Indiana Chamber Priorities:

- Additional workforce development funding to expand on the initial efforts of the Next Level initiatives
- Further evaluation of the state’s various education and workforce programs, with prioritization on training for the current job market
- Significant investment in Indiana’s water infrastructure and prudent planning for future needs
- Decreasing the state’s smoking rate through raising the cigarette tax and the legal age limit for smoking and purchasing cigarettes
- Adopting a meaningful bias crimes statute, with the overriding goal being to remove Indiana from the short list of states without one
- Making the completion of at least one career-technical education credit a high school diploma requirement beginning with the class of 2023
- Maintaining and enhancing our attractive tax climate, with particular attention on reducing government reliance on business personal property tax and thus lessening the burden to businesses
- Opposing the legalization of medical marijuana (as well as recreational)
- Increased investment/efforts to deploy broadband in rural parts of the state
- Transparency in asbestos trust claims so it’s known if a claimant has already been awarded money from a trust before a monetary judgement for the same health issue is made against the business
- Moving up the effective date for making the state superintendent of public instruction an appointed position to 2021



Before the General Assembly's Interim Study Committee on Public Health, Mike Ripley (top) outlines the Chamber's opposition to marijuana legalization. Workforce development continues to be an urgent Chamber priority, says issue expert Jason Bearce at a November press event announcing the creation of the Institute for Workforce Excellence.



"They are getting hooked on nicotine, which is prompting a hard look at age requirements for these e-cigarettes and traditional cigarettes."

The one item on the Indiana Chamber priority list where the organization is going on defense relates to medical marijuana; the group is opposed to that in addition to recreational use.

"The effects of marijuana on job performance and employers are very real. You can have decreased complex motor skills, trouble with attention span, loss of

short-term memory and problems thinking properly," shares Mike Ripley, Indiana Chamber vice president of health care policy and employment law.

"Employers also use drug screenings in hiring, random testing, for cause and as follow-up to treatment. Therefore, we believe legalizing medicinal marijuana will increase access and increase the number of positive drug tests, further negatively impacting Indiana's workforce."

Ripley also stresses that the Federal Drug Administration (FDA) has not approved

the valid use of marijuana – a sticking point for Chamber members.

"Its consistent effectiveness and safety have not been proven yet through clinical trials, which we support taking place. Separately, the Chamber currently backs the use of isolated components of marijuana, cannabinoids or similar extracts for solely medicinal purposes if approved by the FDA for specific illnesses and diseases."

It's worth noting, he concludes, that of the 33 states that legalized medical marijuana, 10 quickly opted to also approve it for recreational use.

## Workforce and talent attraction

The Indiana Chamber continues to advocate that the state Legislature take the next steps in skilling up the workforce.

"We've had years of employers telling us that leaving jobs unfilled and finding qualified workers are among their biggest challenges – and it's only becoming a more pressing issue," Brinegar relays.

"Many good efforts have been tried by the state, education institutions and businesses, but it's not having enough of an impact," he offers. "It's prudent that the state evaluates its existing programs. We have to pinpoint what will most help retrain workers for the current job market and how best to get the word out. There's no magic answer, but we must achieve better results."

In 2018, the General Assembly passed legislation to require K-12 schools to offer computer science by the 2021-22 school year. Building on that, the Indiana Chamber wants to make a career-technical education credit, such as a computer science course, a high school diploma requirement beginning with the class of 2023.

On a related note, the Indiana Chamber announced the formation of the Institute for Workforce Excellence at the end of November; it's "dedicated to helping businesses attract, develop and retain" the talent they need. See details on page 12.

In the upcoming session, the Indiana Chamber also will be pushing for the state to pass a bias crimes law.

"It's not only the right thing to do, it is important to helping our employers recruit and retain talented employees. Indiana is a welcoming place and we must enact every policy possible to convey that message to those outside our state," Brinegar begins.

"As we work to attract top talent from all over the U.S. and the world, individuals need to know that their friends and families will be safe from discrimination."

The Indiana Chamber will be endorsing

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Chamber President Kevin Brinegar and the government affairs team conducted a series of previews around the state on the 2019 legislative session.



A panel discussion on utilities and infrastructure brought together the Chamber's Greg Ellis (left) and two legislators: Rep. Ed Soliday (R-Valparaiso) and Sen. Jim Merritt (R-Indianapolis).



Bill Waltz (left) meets with Sen. Brian Buchanan (R-Lebanon), who is a member of the Tax and Fiscal Policy Committee.

**Kevin Brinegar**  
**President and CEO**

Top targets for 2019:

- Enacting a bias crimes law
- Reforms to decrease state's smoking rate
- State and local government finance
- Workforce development efforts

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**Jason Bearce**  
**Vice President, Education and Workforce Development**

Top targets for 2019:

- Evaluation of the state's various workforce development programs and increased funding
- K-12 and higher education, including diploma requirement of career-technical education credit
- Moving up the date for appointing state superintendent
- Preschool expansion

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**Greg Ellis**  
**Vice President, Energy and Environmental Policy; Federal Relations**

Top targets for 2019:

- State water plan
- Environmental permitting concerns
- Broadband expansion
- Energy matters
- Alcohol regulation

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**Mike Ripley, Vice President, Health Care Policy and Employment Law**

Top targets for 2019:

- Reforms to decrease state's smoking rate
- Opposition to legalizing marijuana (medical and recreational)
- Transparency for asbestos trust claims
- Employment law and labor matters

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**Bill Waltz, Vice President, Taxation and Public Finance**

Top targets for 2019:

- State budget matters
- Local government finance and township reform
- Enhancing Indiana's tax climate

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“as broadly defined a law as possible, yet recognizing that the overriding goal is for a bill to pass and Indiana to take itself off the very short list of states (five) that do not have one.”

Speaker Bosma recently has indicated that a generic hate crimes law, without a specific listing of applicable groups, is the most likely starting point.

### Water supply, broadband and more

For years, the Indiana Chamber has been “intently focused” on the state’s water supply, including commissioning a comprehensive 2014 study.

Greg Ellis, the group’s vice president of energy and environmental policy, says a recent report by the Indiana Finance Authority underscores both the urgency and massive investment that has to happen sooner rather than later.

“Water has obvious health and safety implications, plus it’s such

an economic necessity for business operations. A focus on regional resources, proper planning and funding is essential. The state has done its homework and has good data, so now it’s time to act and fast track a water plan.”

Additionally, Ellis mentions another essential infrastructure component: intensified efforts to get broadband into more rural communities, which is also a priority for Gov. Holcomb.

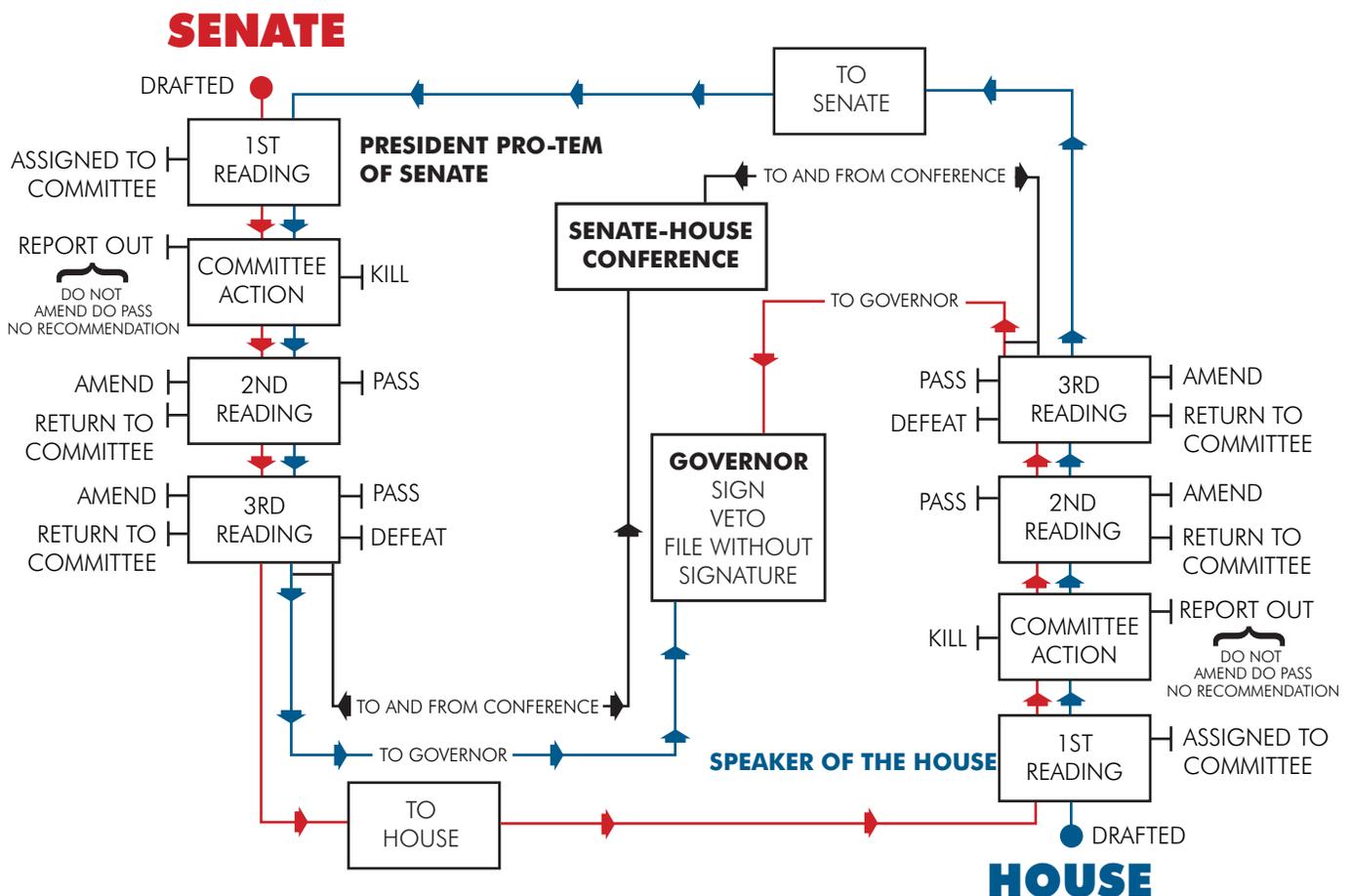
“Advanced communications technologies go hand in hand today with economic prospects, making it imperative that broadband is available for all Hoosier businesses and residents.”

The Indiana Chamber also seeks to have the effective date moved up for making the state superintendent of public instruction an appointed position. Recent law has the Governor appointing a superintendent in 2025, but with Superintendent Jennifer McCormick having announced she’s not seeking re-election, the Indiana Chamber believes there is no reason to wait beyond her current term.

## How a Bill Becomes a Law

A question sometimes asked is: Why is it so difficult to pass legislation in the Indiana General Assembly?

This graphic outlines the process, displaying the many steps that must be accomplished for a bill to move from introduction to the desk of the Governor for his signature. A setback at any of these stages typically means defeat (although work-around procedures sometimes allow for consideration in another bill, etc.).



**RESOURCE:** View the Indiana Chamber’s 2019 key legislative initiatives (top priorities and additional areas of focus) at [www.indianachamber.com/priorities](http://www.indianachamber.com/priorities)