

BUSINESS PRIORITIES 2021 Legislative Session

The Voice of East Valley Business

Representing 5,000 member firms with a collected voice at the State and Federal levels since 1999.

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Four key areas influence the East Valley Chambers of Commerce Alliance's (commonly known as the Alliance) specific positions contained within this document and are considered crucial to build Arizona's economy.

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LOWERING THE COST OF DOING BUSINESS

For Arizona to position itself for a stronger economic future, government should enhance economic activity and reduce the costs of doing business. State policies should provide a consistent and predictable environment to promote business growth and should not exceed federal requirements. Tax policy must enhance the business environment to promote job growth, diversification, and business expansion.

DEQUIPPING A TRAINED WORKFORCE

East Valley businesses need a skilled and educated workforce as they respond to and prepare for continued innovation and automation. A demand-driven design of career pathways for students and workers is essential in filling the skills gap, retaining talent, and building the talent pipelines in alignment with our businesses. Due to the expansion and contraction of occupations and industries in the East Valley, lifelong learning is needed to obtain new and necessary skills throughout a career, which may include a combination of certifications, credentials and microcredentials, and degreed opportunities. Additionally, a realignment in learning modalities is needed as student, educators, and employers discover the benefits of varied, personalized educational experiences and platforms.

INCREASING PRIVATE SECTOR JOBS

Long-term economic competitiveness is critical to Arizona's success. Business revenues drive job growth and government budgets. Arizona must implement policies to position itself to be the state of choice for relocating and growing companies, which includes a vibrant education system. Future emerging technologies regulations must not place undue harm on the current business environment.

EFFICIENT AND EFFECTIVE GOVERNMENT

Streamlined, transparent and improved government processes are crucial to the success of Arizona and its businesses. Government decisions are best left to those closest to the governed unless detrimental to the business climate. Initiative reform that reflects the will of Arizona citizens and businesses, not out of state interests, as well as public pension reform will create efficiencies and help restore the public's faith in government.

The Alliance Priorities

The following legislative priorities outlines a variety of issues that directly impact the ability of East Valley companies to grow their businesses. These statements hold true at many levels of government. The Alliance is an organization that advocates a united voice at the State and Federal levels through collaborative efforts with the Dorn Policy Group. Each Chamber individually advocates at their local municipal level and this document is not designed to supersede the local chamber's ability to do so; instead, it is shared as an outline of important matters that affect East Valley businesses.

PROTECTING EMPLOYER'S WORKPLACE POLICIES

- Expedited passage of a law that gives businesses liability protection from lawsuits specifically related to the unprecedented COVID-19 outbreak.
- Responsible legislative and administrative reforms that ensure the effectiveness of the Arizona unemployment insurance program that reduce business costs. State unemployment insurance is paid by the employer and should create a bridge to further employment not an incentive to remain unemployed.
- Employer's rights are under siege and Arizona needs to take a strong stand to implement protections that will maintain Arizona's status as a "right-to-work" and "employment-at-will" state.
- Preserving a business's ability to implement and enforce its workplace policies and workforce pay/ benefits without unnecessary government intrusion or regulation, including out of state efforts to diminish Arizona employers' rights through ballot initiatives.

ELECTION REFORM

• Refer to the voters a modification of Prop 105 that establishes a supermajority threshold permitting legislative changes to unintended consequences of initiative measures passed at the ballot including a requirement of voter ratification every ten years.

EDUCATION

- Having an innovative and competitive K-12 education marketplace that includes traditional district schools, public charter schools, and online learning with simplified, stable, equitable funding.
- Continued measurement of our state's education outcomes from early childhood through college and career.
- Stable, consistent, and appropriate education funding that enhances economic development, CTED programs, graduation rates, and school safety.
- Lowering the cost of doing business through improved transparency processes dealing with consistent audits for all public school systems, construction costs, and open bids.

TRANSPORTATION

• Securing the statutory authority from the Arizona Legislature to allow reauthorization of the Regional Transportation Plan.

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Economic Development

- Additional job creation measures including workforce training, retraining, and fiscally responsible tax incentives.
- Programs and agreements that include fair trade opportunities for U.S. businesses easing their ability to compete globally, including the EX-IM Bank.
- Protection of Arizona's image as a favorable environment for business location and expansion, job creation and tourism.
- The Defense and Aerospace industry as an economic engine for Arizona. A fiscally responsible defense budget must protect national security while eliminating automatic sequestration budget reductions, which has a devastating impact on Arizona's defense industry.
- Increased funding for business attraction, retention, expansion, tourism marketing, film, and multi-media attraction.
 - Economic development incentives that improve Arizona's competitive position for business attraction, retention, and expansion.
 - Workforce development measures such as certifications, credentials and microcredentials, and degreed opportunities.





Education (K-12)

The Alliance SUPPORTS

 Having an innovative and competitive K-12 education marketplace that includes traditional district schools, public charter schools, and online learning with

simplified, stable, and equitable funding. Continued measurement of our state's education outcomes from early childhood

 Stable, consistent, and appropriate education funding that enhances economic development, CTE programs, graduation rates, and school safety.

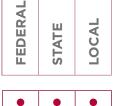
through college and career.

- Lowering the cost of doing business through improved transparency processes dealing with consistent audits for all public school systems, construction costs, and open bids.
- Developing a revised, comprehensive K-12 funding formula that will address critical issues including, but not limited to the following: teacher shortages; school construction; facility maintenance;



incentive pay for teachers; student testing outcomes; graduate rates; dropout rates; reading levels; workforce readiness; modernized student tracking systems pertaining to attendance counts; Career and Technical Education (CTED).

- An innovative, world-class school system, that uses rigorous education standards and assessments with an emphasis on STEAM, history, civics, and business education. Our graduates should be nationally recognized, college and career ready, financially literate and prepared to compete aggressively in the global marketplace.
- New approaches to funding Arizona's public education system that provide adequate resources by thoroughly evaluating State Trust Lands maximization, equity of cross-delivery models pursuant to financial reporting, student transportation, special needs students' requirements and reconsideration of districts' access to property taxes.
- The Arizona Education Progress Meter, which elevates a set of widely accepted education indicators by which Arizonans can measure our state's progress in education from early childhood education through college and career.





















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Education (Post-secondary)

- Strengthening public universities with a stable funding model based on the state funding half of the cost to educate resident students, supporting critical capital projects, and enhanced flexibility to ensure access for qualified students, world-class research capabilities and an excellent workforce preparation.
- Community colleges creating affordable work and education pathways. The districts should have the ability to invest in appropriate non-tax revenue opportunities arising from entrepreneurial research by faculty, staff, and students to assist in achieving an affordable education.
- Strategic investments in Arizona State University, such as the College of engineering and Science and Technology Centers, that enhance the Arizona economy, and comparable investments in community colleges and other public universities.
- Equitable funding of Arizona's state universities.
- Continued emphasis on the importance of job training and workforce development to support the needs of Arizona employers and small businesses.



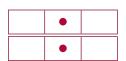


The Alliance SUPPORTS

- Refer to the voters a modification of Prop 105 that establishes a supermajority threshold permitting legislative changes to unintended consequences of initiative measures passed at the ballot including a requirement of voter ratification every ten years.
 - Reauthorization of state voter-approved initiatives every ten years.
 - The establishment of a supermajority threshold for voter protection of measures passed at the ballot.
 - Reforms to the Prop 105 system that allows 2/3 of the legislature to change a ballot measure rather than 3/4 without the need to further the purpose.
 - Permitting legislative changes to initiatives with voter ratification.



- Raising accountability/transparency requirements for ballot initiative campaign management and signature collectors:
 - Increased penalties and enforcement against committees that have committed campaign finance violations.
 - ° Increasing the number of required signatures.
 - ° Statutory mechanisms that discourage paid petition circulators.
 - Establishing regional requirements for signature collection in comparable proportions to that of statewide offices allowing for broad-based consensus amongst the electorate.
 - Requiring legislative council to review and title initiatives prior to signature collection.
- Clearly communicating the implications of Arizona's Voter Protection Act.
- A referendum suspending automatic spending increases for voter-protected funds in a fiscal year when revenues do not meet projections.

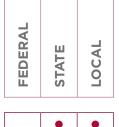


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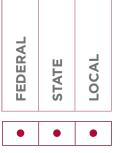
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Energy and the Environment

- State energy policies that encourage the continued development and maintenance of statewide energy infrastructure such as generation, transmission, and distribution facilities in order to ensure safe, affordable, and reliable energy supplies.
- Policies that recognize the complexity of energy resource planning decisions by Arizona utilities; the existing regulatory framework and unique processes by which utilities are governed; and the critical importance of retaining utilities' ability to control costs which ensures affordable and reliable power for consumers.
- Water management efforts to protect Arizona's Colorado River entitlement including the implementation of the Colorado River Basin Drought Contingency Plan, the advance storage of water underground for use during future water shortages, and the reconsultation of the Colorado River Interim Guidelines for the Lower Basin Shortages and the Coordinated Operations of Lake Powell and Lake Mead.
- Reasonable air, water quality and energy efficiency policies that provide practical, multiple options for business and that do not exceed federal requirements.



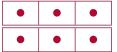
EVCCA Business Priorities 2021 Legislative Agenda



 Facilitating the active management and thinning of Arizona's federal and state forest lands to improve and protect watershed health through support for continued collaboration efforts with state and federal agencies such as the Four Forest Restoration Initiative, public-private partnerships, investment in forest restoration projects, economic development programs to support the attraction, retention and expansion of forest products industry.



- Maintaining Arizona's primacy and role under the Clean Air Act as the state works with the EPA to meet federal regulations.
- Appropriate legislation, regulation and policies that recognize value in the electric power grid as an asset requiring consistent maintenance, improvement, and support through investments by all of those who use and operate the grid.
- Policies that distribute system costs equitably by creating mechanisms that recover grid costs from distributed generation customers, enhances cost transparency, and minimize cost shifting between consumer classes to ensure all customers pay a fair and equitable share of costs to maintain the grid and to keep it operating reliably at all times.



- Cost-effective "green" initiatives including clean and renewable energy.
- Appropriate action to ensure an adequate supply, necessary infrastructure and transmission of gasoline, broadband, electricity, natural gas, water, and other critical resources to fuel our state's economic vitality.
- Measures to protect and maximize the full use of Colorado River water within Arizona including water conservation efforts to protect water levels in Lake Mead, implementation of the Lower Colorado River Basin Drought Contingency Plan (DCP), and water banking.



operating.

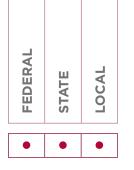
Arizona.

 Programs and rates that encourage customers to manage their peak power usage to help control overall system costs and maintain affordable power in

not limited to the generation, transmission and distribution assets already

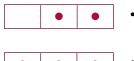
The protection of Arizona's critical energy infrastructure, including but

 Arizona in developing a State Implementation Plan in response to federal carbon emission reduction requirements under the EPA Clean Power Plan and the Clean Air Act. The Alliance urges the EPA to give deference to Arizona's reasoned policy and technical determinations developed through extensive stakeholder collaboration, thereby ensuring low cost electric power for Arizona businesses, and protecting Arizona generation assets.



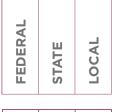
• The 1980 Arizona Groundwater Management Act. Arizona's water needs are vastly different from those of the northeast U.S. and are best left to State management. The Alliance also supports statewide development of long-term sustainable water supplies, coordination between active management areas and encouragement of direct groundwater recharge projects and promotion of water conservation on a State level.

The Alliance OPPOSES



- Policies that prevent consumers and businesses from accessing natural gas for their home-comfort and business needs.
- Mandates to achieve "green" initiatives.





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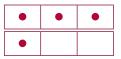
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Government Processes

The Alliance SUPPORTS

• Reasonable efforts to reduce costs within the correctional system and reforms to reduce recidivism by providing skills training to improve the reintegration of those leaving prison into the workforce.



• Reasonable measures that ensure proper agency implementation of law.

appropriate data and service delivery to taxpayers and customers.

• Federal agencies operating within their boundaries as directed by Congress. All rules and regulations should be thoroughly vetted as to their economic implications under the Administrative Procedures Act.

Modernization of the Department of Revenue allowing the agency to provide





- Incrementally reducing state and federal debt, obligations, and unmitigated growth of current entitlement programs.
 - Streamlining Arizona Corporation Commission processes to allow for online reporting, elimination of publication requirements, and same-day or next-day service.
 - Streamlining government processes including paper reductions, process improvements, placing statutorily required public notices online and rightsizing government.



- Effective communication between government departments and modernization of service delivery to businesses including cost-effective computer system upgrades.
- The abolition of publicly funded elections at the state and local level.
- Legislation that provides information and security designed to shield businesses from cyber-threats while protecting their rights to privacy. Cybersecurity information-sharing legislation must include robust safeguards for businesses that voluntarily exchange threat data with their peers and government partners.



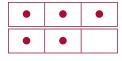
• Privatizing state services if they can be comparably and appropriately delivered at equal or less cost.



• Policy and appropriations being accomplished by elected legislators, not through unnecessary ballot measures, executive orders, or multi-state coalitions.

Increasing the terms for state senators from two to four years with staggered

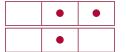




- Outreach to the regulated community prior to regulation removal.
- Common sense reforms of over-burdensome OSHA (Occupational Safety and Hazard Act) regulations.

elections.

• A uniform state system of lobbying registration and reporting rather than multiple local systems.



- Special district compliance with Arizona Open Meeting laws.
- Efforts to improve upon gaming compacts with tribes to ensure Arizona taxpayers receive a greater percentage of gaming revenues to fund statewide public needs.
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- Prospective reforms to state pensions that create solvency within the systems and do not harm taxpayers.
- Modernization of technology and processes within the Arizona Department of Economic Security.

The Alliance OPPOSES

- Rollovers and sweeps of dedicated funds as a mechanism for balancing the budget.
 - Regulatory fee increases that are used as revenue generation and not reflective of administrative cost recovery.
 - Inappropriate government regulatory reform that has the potential to slow development or permit processes at the local level.
 - Efforts to increase localized wage and benefit laws and requirements that are more stringent than state and federal mandates.



Health Care



The Alliance SUPPORTS

- An environment that promotes investment in the health care industry's human resources and development of technology to address provider shortages and improve patient outcomes. This includes, but is not limited to loan repayment programs, expansion of available Graduate Medical Education (GME) positions and innovative delivery systems.
- Access to competitive health care programs that will fix the current problem of rising health care costs, loss of providers and loss of benefits within plans.
- Reasonable Arizona Health Care Cost Containment System (AHCCCS) payment rates that cover hospital costs and would minimize hidden/shifted health care costs to employers.
- Encouraging innovative measures, such as purchasing of plans across state lines, plan portable incentives, and use of electronic information and telecommunication technologies which ensure access, coverage, and result in lower health insurance costs for businesses.



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- Patient-centered clarity in the medical billing process that treats all consumers equally.
- Focused efforts on solutions to behavioral health issues.

The Alliance OPPOSES



• Health insurance coverage mandates.

Immigration

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- Congressional legislation and other actions to properly seal our porous borders, respond to the labor needs of the economy in an expeditious manner, and resolve the issues of illegal immigrants already living in the U.S. We support comprehensive immigration policy reform that:
 - Strengthens border security by guarding the physical border and better tracking of expired visas.
 - Offers a secure, reliable system for employers to verify the legal work eligibility of employees that is a federally based, user-friendly, low-cost, non-discriminatory method to ensure they are complying in good faith with the law.
 - Establishes a market-based immigration process to support a wide range of workforce needs and to respond quickly to the employment demands of U.S. businesses.
 - Develops criteria and establishes a guest worker/visa program for illegal immigrants already in the U.S. with no other criminal or arrest record in both the U.S. and their countries of origin, which is based on strictly enforced criteria, including payment of penalties.
 - ° Reimburses states for the costs of incarcerating, educating, and providing health care for individuals in the country illegally.





Land Management

The Alliance SUPPORTS

advances the mission of those facilities.

State Trust Land.

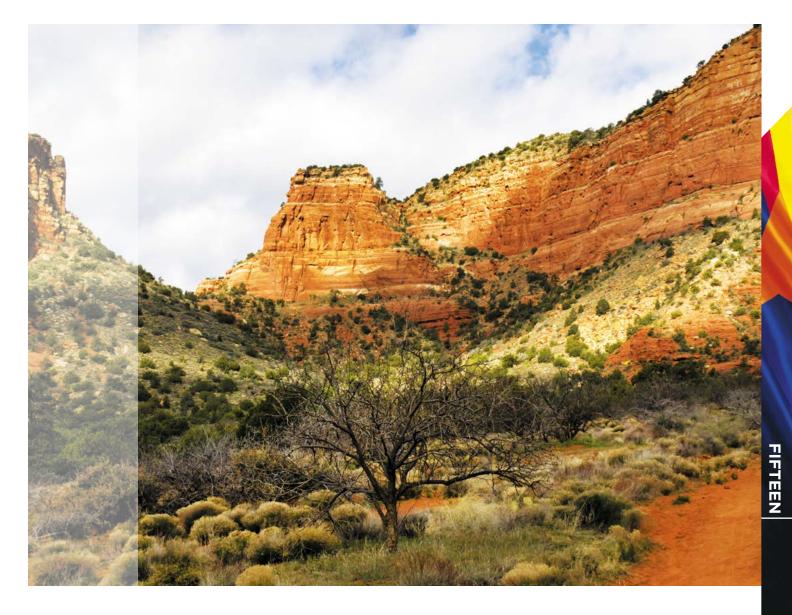


• Reasonable reforms to the State Land Department that would modernize its operations and maximize the economic return for the State Trust Land beneficiaries.

• A balanced approach to development, recreational use, and preservation of

Appropriate zoning and land use around military installations and airports that

 Increased collaboration and coordination between counties and municipalities and the State Land Department in local planning and land use decisions and property disposition timetables.



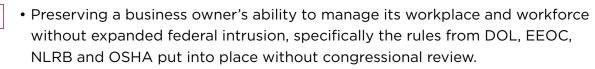
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Protecting Employer's Workplace Policies

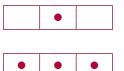
The Alliance SUPPORTS



- Employer's rights are under siege and Arizona needs to take a strong stand to implement protections that will maintain Arizona's status as a "right-to-work" and "employment-at-will" state.
- Preserving a business's ability to implement and enforce its workplace policies and workforce pay/benefits without unnecessary government intrusion or regulation, including out of state efforts to diminish Arizona employers' rights through ballot initiatives.

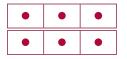


- Medical care and administrative reforms that attempt to decrease workers' compensation costs.
- Responsible legislative and administrative reforms that ensure the effectiveness
 of the Arizona unemployment insurance program that reduce business costs.
 State unemployment insurance is paid by the employer and should create a
 bridge to further employment not an incentive to remain unemployed.



- Reforms that ease or relieve the burden on business of the Proposition 105 (2018) paid medical leave requirements.
- Policies that foster, but not mandate, mentoring and apprenticeship opportunities.

The Alliance OPPOSES



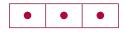
- Changes to workers' compensation benefits that increase costs to employers.
- Excessive and unnecessary government intrusion on the workforce, including changes in qualifications for exempt employees, creation of a joint employer for purposes of collective bargaining, and easing the way for "Ambush Elections."
- Mandating apprenticeship programs in contracts or development agreements.

Taxes

The Alliance SUPPORTS

- Passing clear and concise tax law that allows businesses to understand their liability without subjective agency interpretation.
- Correcting Department of Revenue online tax submission processes to eliminate arbitrary penalties for businesses.
- Continued efforts to address business concerns regarding the TPT process and improve online reporting processes.
- Raising the business personal property tax exemption threshold as an economic stimulus mechanism for small businesses.
- Research and development tax credits to encourage industry innovation and ensure a globally competitive position.
- Clarity in the statutory definition of "tangible personal property."
- The abolishment of tax supported funds if they are not used for the intended purpose.
- Expediting consideration of the annual conformity legislation to allow businesses to prepare tax returns.
- Responsible, well-balanced tax reform which promotes the long-term fiscal strength of the state and places Arizona in a competitive position. Any legislative amendments or referendums regarding taxation should promote a strong, viable business climate in Arizona.
- Reducing business property taxes in order to remain globally competitive.
- Creating financing mechanisms to improve Arizona's competitive position for business attraction, retention, and expansion.

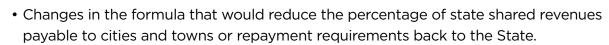
The Alliance OPPOSES



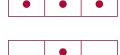
• Passage of measures that limit flexibility in funding decisions that adversely impact the business community.



• Business tax increases including the elimination of current business tax credits or business tax exemptions.

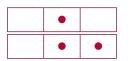
















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Tort Reform

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- Expedited passage of a law that gives businesses liability protection from lawsuits specifically related to the unprecedented COVID-19 outbreak.
- Discouraging nuisance lawsuits, allowing for a cure period, and encouraging compliance.
- Significant tort reform measures including limits on damages to reduce the costs of health care and health insurance. Health care related tort reform will encourage attraction and retention of a qualified health care workforce.
- Legal reforms that allow for appropriate compensation for substantiated damages and reduce nuisance litigation and costs to Arizona businesses.



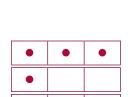
Transportation

The Alliance SUPPORTS

- Reauthorize a federal infrastructure plan and identify long-term financing solutions to modernize America's infrastructure system.
- Securing the statutory authority from the Arizona Legislature to allow the reauthorization of a comprehensive Regional Transportation Plan.
- Use of innovative transportation solutions such as public-private partnerships that improve movement of people and goods and fosters job creation and economic development.
- Connecting employees and goods to job centers through a multimodal transportation system with international, statewide multiregional transportation options, with predictable funding sources.
- Continued funding of the regional freeway system with priority given to the Williams Gateway SR 24, expansion of the 101 and 202 and widening of the Broadway Curve and the I-10 to Casa Grande.
 - The planning, development of the Interstate 11, proposed Southeast Valley I-10 north/south reliever and other international trade routes through Arizona.
 - The fair and consistent development and implementation of regulations pertaining to rights-of-way and public utility easements.
 - More state and federal transportation dollars appropriated to the Phoenix-Mesa-Scottsdale metropolitan statistical area and northeast Pinal County based on revenue generated, vehicle miles traveled and population.
 - The regional airport system as an economic catalyst.
 - Arizona receiving its equitable share of federal transportation dollars.
 - Appropriate transportation technology policies that allow for regional innovation and efficiencies.

The Alliance OPPOSES

- • Efforts to reduce funding that will negatively impact airport operations or expansion.
- Any sweep of the Highway User Revenue Fund.
- Any shifting or repealing of funds currently designated for the development and maintenance of the East Valley regional transportation system. Transportation project construction should be based on programmed projects, congestion relief and air quality compliance.







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Who We Are

Representing 5,000 member firms from the Apache Junction, Carefree Cave Creek, Gilbert, Fountain Hills, Mesa, Queen Creek, Scottsdale, and Tempe Chambers of Commerce since 1999.

APACHE JUNCTION CHAMBER

(CD 4; LD 16) Denise Hart, President/CEO Steve Byfield, Roadhaven Resort Warde Nichols, ASU Polytechnic

CAREFREE CAVE CREEK CHAMBER

(CD 4, 6; LD 1, 15) Patty Villeneuve, President/CEO Steve Morse, State Farm

GILBERT CHAMBER

(CD 5; LD 12, 17) Sarah Watts, President/CEO Jeff Mirasola, CenturyLink Jon Olson, Republic Bank of Arizona

FOUNTAIN HILLS CHAMBER

(CD 6, LD 23) Betsy LaVoie, President/CEO Scott Schlossberg, Farmers Insurance

MESA CHAMBER

(CD 5, 9; LD 16, 17, 18, 25, 26) Sally Harrison, President/CEO Matt Ligouri, Southwest Gas John Hetrick, SRP

QUEEN CREEK CHAMBER

(CD 4, 5; LD 12, 16) Chris Clark, President/CEO Warde Nichols, ASU Angela Askey, Arizona Central College

SCOTTSDALE CHAMBER

(CD 6; LD 15, 23, 24) Mark Stanton, President/CEO Lynndy Smith, Acronis SCS Cheri Valentino, Scottsdale Chamber

TEMPE CHAMBER

(CD 9; LD 18, 26) Anne Gill, President/CEO Dawn Hocking, TCH Raveen Arora, The Dhaba

DORN POLICY GROUP, INC.

Tom Dorn Eric Emmert Carly Daniels Cole Libera Bea Rocklin Phone: 602-606-4667



Districts in EVCCA Member Regions

APACHE JUNCTION CHAMBER (CD 4; LD 16)

CAREFREE CAVE CREEK CHAMBER (CD 4, 6; LD 1, 15)

FOUNTAIN HILLS CHAMBER (CD 6; LD 23)

> GILBERT CHAMBER (CD 5; LD 12, 17)

MESA CHAMBER (CD 5, 9; LD 16, 17, 18, 25, 26)

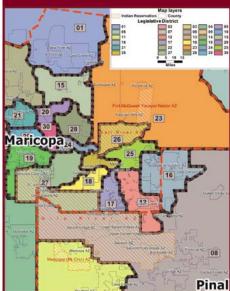
QUEEN CREEK CHAMBER (CD 4, 5; LD 8, 12, 16)

SCOTTSDALE CHAMBER

(CD 6; LD 15, 23, 24)

TEMPE CHAMBER (CD 9; LD 18, 26)

LEGISLATIVE DISTRICTS



CONGRESSIONAL DISTRICTS





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