

# JOINT POSITION/POLICY PAPERS

## Coalition of Montana Chamber – 2012-13

Endorsing Chambers: Billings, Bozeman, Butte, Great Falls, Helena, Kalispell, and Missoula

### **TAXES**

**Accommodations Tax** - The Chambers oppose any bill, which attempts to de-earmark or diminish the tourism promotion fund. The Chambers support the concept of the additional 3% accommodation tax levied in 2003 being dedicated to tourism promotion through a formula agreed upon by the Department of Commerce Promotion Division, CVB's, Tourism Regions and Tourism partners

**Tourism BID** - The Chambers support the current law as written and passed in the 2007 session. It allows for Tourism Business Improvement Districts that enable communities to widen and increase their ability to tailor a comprehensive tourism promotion program for their community. The Chambers oppose any attempt to modify the TBID enabling law needs to be discussed.

**Business Equipment Tax** - The Chambers support continuing reduction and elimination of the business equipment (personal property) tax as a part of a statewide tax reform package

**Income Tax** - The Chambers believe Montana's income tax should be based on federal taxable income, rather than federal adjusted gross income. Montana's tax should be competitive with that of surrounding states. Additionally, the Chambers support the extension of the Montana Endowment Tax Credit as it currently exists.

**Corporate Tax Records** - The Chambers strongly believe that corporate and individual income tax records should only be viewed by employees of the Department of Revenue and oppose any exchange of this information among state agencies.

**Capital Gains** - The Chambers support legislative efforts to reduce the Montana tax rate on capital gains.

**Coal Trust** - The Chambers support continued use of Coal Tax Trust Funds for economic development of our state. One example is to fund revolving loan funds for expansion and growth of established businesses. The Chambers recommend maintaining the current funding formula.

### **Inheritance**

The Chambers support finding an equitable compromise to the recent federal estate tax legislation. We support keeping the current rate after the 2012 sunset.

### **Big Box Tax**

The Chambers are opposed to a progressive receipts tax (Big Box Tax) and are also opposed to a gross receipts tax.

### **Realty Transfer Tax**

The Chambers oppose the creation of a realty transfer tax.

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### **LABOR AND EMPLOYMENT**

#### **Minimum Wage**

The Chambers do not support the annual raise based on a CPI (Cost Price Index) based outside of Montana. We do support including a tip credit.

#### **Living Wage**

The Chambers believe in the ability of market forces to set wages and benefit levels. . We encourage workers to further job skill levels to increase value in the workplace and increase their salary levels. We oppose mandated increases in the minimum work age level or the creation of livable wage legislation.

#### **Workers Compensation**

The Chambers support the exclusive remedy doctrine for workplace injuries with the inherent trade off of legislative benefits for the injured worker without having to prove negligence.

The Chambers support continued broad reform as necessary to make Montana more competitive with other states.

#### **Incumbent Worker Training**

The Chambers support incumbent worker training funding for up to \$2000/worker for businesses with less than 20 employees.

#### **Termination/References**

The Chambers support legislation that clearly defines proper and improper terminations, the function of probation in employment, and the legal liability for an employer or employee who breaks these rules.

We believe that employers should be able to exchange previous work experience without risk of liability, doing so in good faith and reasonable, with either the potential employer or the previous employer.

### **ECONOMIC DEVELOPMENT**

#### **Infrastructure**

The Chambers support legislation that will help fund updates and expansion of our infrastructure to accommodate new and expanding businesses and industry, which in return will help to create sustainable jobs.

#### **Natural Resources**

The Chambers support responsible development and exportation of natural resources for economic growth, including logging, mining, oil, and gas to grow and enhance Montana's economy.

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The Chambers recognize that pipelines carry Montana's natural resources to markets. Construction of pipelines across Montana will provide jobs, transfer stations, and add to the overall tax base in Montana

The Chambers recognize the economic benefits of coal development and railroads in the State of Montana and the contributions the coal industry makes to our state and local economies. Railroads provide crucial service to domestic and international markets for Montana's petroleum, manufacturing, timber, farming, mining, and coal industries. Railroads provide employment, purchase local goods & services, invest in infrastructure and pay taxes that support state and local government. The Chambers support mitigation strategies that would address the potential impacts such as train whistles and delays at crossings.

### **Water Rights**

The Chambers support legislation that allows for protection of current water users while allowing for reasonable review of new water right applications. Water is vital for new and existing industry, expanding cities and towns, agriculture, energy production and recreation.

The Chambers recognize that water is vital for new and existing industry, expanding cities & towns, agriculture, energy production, firefighting, recreation and a healthy environment. The quality and quantity of Montana's water must be protected to meet the State's multiple needs. The Chambers support legislation that protects current water users while allowing for reasonable and timely review of applications for new water uses, including transfers of water from historical uses to new uses.

### **Research:**

The Chambers support the need to research and provide sustainability through all economic sectors including appropriate natural resource processing.

### **Energy:**

The Chambers support legislation that will keep Montana responsible and sustainable energy production leading toward energy self-sufficiency.

### **Tax Increment Financing Districts:**

The Chambers oppose changes to the Tax Increment Financing District regulations that would decrease the amount of funds flowing into the TIF. The Chambers will oppose laws or rules, which may limit or hamper cities' or counties' abilities to adopt and use the Tax Increment Finance Districts and Business Improvement Districts. (RHONDA will get MACO position?)

### **Housing/Land Use:**

The Chambers support the housing industry, the jobs this industry creates and the affordable workforce housing this industry provides to Montana's growing communities. The Chambers support streamlining governmental review of subdivisions and permitting to enable the private sector to continue to provide safe and affordable workforce housing.

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### **Housing/Land Use (cont.):**

The Chambers note that the mitigation of agricultural land without considering the relationship between our agricultural producers and our growing cities is unfair to both interests. The Chambers support clarifying language that would protect the economic interests of our cities and our agricultural producers.

The Chambers support the reform of the current SLR statutes. Reform is needed to protect Montana's recreation, tourism, accommodation, and economic development interests while reasonably providing protection for the public health, safety, and welfare through zoning.

The Chambers believe that Eminent domain is essential to economic development in Montana. It ensures that the state can provide for the needs of its citizens, such as transportation and utility corridors. Eminent domain also protects property owners by ensuring that if their property is needed for a public use, their loss will be minimized and they will be justly compensated. In order to promote growth and development in Montana, the Chambers support the existing eminent domain laws.

### **Return of Federal Lands**

The Chambers encourage the State of Montana to adopt a policy requesting the transfer and management of Federal Lands, where appropriate, to the state of Montana.

### **K-12 EDUCATION**

The Chambers support business involvement in all aspects of public education, and partnering with public education at all levels. Specifically, we support expansion of vocational training opportunities. Further, the Chambers support funding education on a formula that will benefit small and large school districts. At present, the basis entitlement is distributed on a per school district formula where a large school district with a number of school buildings receives the same basic entitlement as a district with one or two buildings. School districts in energy impacted areas in particular are seeing substantial increases in students from year to year, however funding for these students from the state is based on the previous ANB enrollment unless enrollment exceeds 6%. We feel that funding should be based on current ANB count, either actual or estimated. We support a basic entitlement that distributes funds on either a per school building or on a per pupil basis. The Chambers also support local control of the expenditure of funds and curriculum content. We encourage business involvement in all aspects of public education, including business partnering with public education at all levels. We also support funding for students who turn 19 and are still in school as well as raising the dropout age from 16 to 18. The business community is a stakeholder in the quality of public education. Public education has the responsibility to prepare well-educated graduates who are ready to continue their education or enter the workforce. Finally, we support efforts to increase graduations rates from our public schools.

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### **HIGHER EDUCATION**

The Chambers support development of an adequate and predictable funding formula that will enable the higher education system to deliver affordable and quality education for all students. This support includes continuation of a formal long-range capital building plan and funding for the higher education system. We also support modification of incentive programs to allow units to retain monies generated from research efforts and administrative savings. Finally, we support efforts to keep tuition affordable for Montana residents/students.

The Chambers support an effective, accessible, and affordable workforce education and training system. As emphasized by the statewide Board of Regents' CollegeNOW initiative, the two year colleges play a critical role in this effort. Montana's technical colleges are lagging behind obtaining state funding for major upgrades and modernization to help meet tightening skilled labor needs, both regionally and throughout Montana. The Chambers believe that new facilities offering additional post-secondary workforce training and taking its equal place in the statewide 2-year post-secondary system is absolutely critical for our business community's economy as well as our current and future workforce.

### **GOVERNMENT COMPETITION/ADMINISTRATIVE POLICIES**

The Chambers support using the most efficient and effective means of providing government services. The Chambers support streamlining governmental services, privatizing services when beneficial and consolidation of government units whenever effective. The Chambers support bidder preference to be allowed under reciprocity only.

Government shall not have an unfair advantage when providing the same service as a for-profit corporation.

### **TRANSPORTATION**

The Chambers support continued investment in strong transportation infrastructure including the complete utilization of the state's allotment available through the federal highway bill. The Chambers also support the continuation of the EAS subsidies. The 1978 Airline Deregulation Act promoted the continuation of the EAS, stating "The maintenance of a comprehensive and convenient system of continuous airline service for small communities and for isolated areas, with direct federal assistance where appropriate and necessary.

The Chambers recognize that railroads provide crucial service to domestic and international markets for Montana's petroleum, manufacturing, timber, farming, mining, and coal industries. Railroads provide employment, purchase local goods & services, invest in infrastructure and pay taxes that support state and local government. The Chambers support mitigation strategies that would address the potential impacts such as train whistles and delays at crossings.