

FEDERATION

MINNESOTA CHAMBER OF COMMERCE

2019 Federation Priorities

Tax Competitiveness

We support a pro-growth tax system that improves competitiveness, reduces complexity, improves predictability and stability, and increases accountability. Minnesota's state and local tax systems should be changed to ensure they cultivate innovation, attract investment and foster job growth and retention. Minnesota must enact a more competitive, pro-growth, simplified tax system and lower tax rates so Minnesota is no longer in the top ten states for high taxes.

Key Priorities:

- Return any state revenue gains realized from federal tax conformity by enacting state tax reform that improves Minnesota's tax competitiveness.
- Reduce corporate and individual income tax rates so Minnesota is no longer in top ten highest tax rate states.
- Enact tax relief for pass-through entities by reducing rates for business income and adopt federal conformity with expensing rules.
- Implement federal estate tax conformity.
- Protect research-and-development tax credit.
- Reduce state property tax levy so Minnesota businesses no longer have property tax burdens that are among the nation's ten most burdensome.
- Improve taxpayer procedural protections and administration.

Control Health Care Costs

Ensure access to quality, affordable health care in the commercial market by reducing health care taxes and mandates; expanding product and coverage options for employers and individuals; increasing market competition and stability; encouraging outcome-based payment and delivery reform; and improving consumer engagement and transparency of cost and quality.

Key Priorities:

- Improve care outcomes and reduce costs by aligning Minnesota's Health Records Act with HIPAA (Health Insurance Portability and Accountability Act).
- Oppose making government sponsored health insurance options like MinnesotaCare available to any Minnesotan through a "Buy In" option. This will increase costs and lead to further instability of the commercial market, particularly the individual and group markets. Instead, strengthen and continue the stabilize the individual market through an extension of the state's reinsurance program, which has led to back to back premium decreases in the individual market.

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Preserve Private Sector Employers' Benefits (Pre-emption)

Minnesota employers are nationally recognized for providing the best places to work. In today's tight labor market, they provide competitive benefits that help attract and retain talent, tailored to the unique needs of their industries and workforce. . Local governments are right to impose certain requirements on public sector workplaces and local government employees, but enacting employee wage, benefit and scheduling mandates on private employers is outside city authority. We will aggressively pursue opportunities to advance statewide pre-emption of local mandates. We will advance and protect employer efforts to develop their own distinctive approaches to competitive employee benefits. We oppose attempts by state policymakers to implement mandates at the state level without including reasonable exceptions for the variety and nuances of the many workplaces across Minnesota.

We support broadly sharing employers' best practices so all businesses in the state are aware of voluntary approaches to compete for and retain the best employees and maintain progressive workplaces. State and local policymakers should be encouraging this trend and not imposing one-size-fits-all mandates that don't work for employers or workers.

Full Dedication of Transportation Related Revenues

The 2017 legislature passed the largest transportation funding bill in nearly a decade. Nearly \$2 billion of transportation related sales taxes will be captured and directed to the state's transportation system over the next 10 years. This includes 100% of the revenues generated from the sales tax on rental cars and approximately 60% of revenues generated from the sales tax on auto parts. The Minnesota Chamber has been a strong advocate for the investment of these transportation related General Fund resources in transportation infrastructure and services. We support full dedication of the auto parts sales tax to transportation.

We are committed to a multi-modal system, including investment in transit. We will work with the Legislature to resolve the long-term funding challenges around the metro bus system, and support greater Minnesota transit as well.

Workforce Solutions

We will work to accelerate private sector solutions to help Minnesota employers attract and retain the skilled workers needed to compete. We will work to continue to build and deploy programs through the Center for Workforce Solutions in partnership with our Federation partners, like the Business Education Networks. Legislative solutions should focus on ensuring existing funding and programs meet the needs of Minnesota employers and diversity of industries in our state.