

# Capitol Gains<sup>2009</sup>

Achieving More at the Statehouse

130

130. That's the number of bills we advocated on during the 2009 Kansas Legislative session. We were successful in 100% of our efforts to protect recent gains on behalf of our members.

The Kansas Chamber, by leveraging member input and grassroots activism, is leading the effort to make Kansas the best state in the country to do business.



**THE KANSAS**  
**CHAMBER**



# Achieving More for Our Members

## Our 2009 Victories on 5 Key Issues

### Taxes – No Increases in Business Taxes

**Our Position** – Lower taxes allow businesses the crucial financial strength to grow, develop products, invest in employees and increase profits. Strong businesses create a strong economy.

**The Challenge** – The state's budget deficit was the defining issue of the 2009 legislative session. Legislators considered a variety of ways to raise state revenue to meet the budget deficit, such as modifying recent tax policies and introducing new taxes including:

- Several bills threatened the implementation of the 2007 **Franchise Tax** elimination legislation. Any of them would have led to an employer tax increase.
- Multiple bills threatened to repeal the 2006 phaseout of the **Estate Tax**, putting Kansas at a competitive disadvantage with surrounding states.
- Legislation was drafted to halt or reverse the **Corporate Income Tax** phase-down passed in 2008.
- Measures to **fully decouple from tax-related provisions** of the federal stimulus package were defeated, providing bonus depreciation and expensing incentives permitting companies to become more competitive.
- Legislation was introduced that would have imposed a **Sales Tax on Services** and had a detrimental impact on Kansas consultants and professionals.

**The Outcome** – The Kansas Chamber, through its relationships with legislators, coalition members and other advocates, ensured the defeat of every measure to introduce or modify these taxes. Millions of dollars and thousands of jobs were protected in the process.

### Energy & Regulatory Affairs – Stable Regulatory Climate

**Our Position** – A stable and fair regulatory environment is essential to driving Kansas business investment. Market-driven policies must be utilized before mandates.

**The Challenge** – The Kansas Chamber and its 55-member coalition played a critical role in keeping the regulatory uncertainty created by the Holcomb Power Station denial a priority for legislators this session. The Kansas Chamber was instrumental in crafting energy policy that restores regulatory stability.

- The **Comprehensive Energy Plan** stabilized the Kansas regulatory climate by ensuring that permits will be granted if state requirements are met. It placed Kansas businesses on a playing field that is no more restrictive than federal requirements, and it addressed the issue of emergency powers to limit inappropriate executive actions.

**The Outcome** – The Chamber's coalition and a multifaceted grassroots campaign resulted in overwhelming bipartisan passage of the Comprehensive Energy Bill before then-Governor Sebelius vetoed the measure. With a likely veto-override and our continued efforts on the issue, Governor Parkinson approved an agreement containing the regulatory stability pieces essential to Kansas businesses.

The Kansas Chamber was the first business group to encourage the legislature to reduce government spending. Our leadership protected business interests while encouraging efforts to address the deficit.

## Human Resource Issues – No Workers' Comp Increases & Trust Fund Solvency

**Our Position** – We work to cut employers' costs and oppose policies that aim to punish all businesses for the misdeeds of few.

**The Challenge** – With unemployment on the rise, human resource issues have come to the forefront. Efforts to reform the workers' compensation system would have increased employer costs significantly. The solvency of the Employment Security Trust Fund was in question and received substantial consideration.

- Considered **Workers' Compensation** changes would have increased benefit caps and some financial awards, raising all employer premiums significantly.
- Qualified training programs for high-demand occupations will now be eligible for unemployment benefits, securing federal stimulus dollars through the **Unemployment Compensation Stimulus** that will reduce the tax increase businesses will begin paying in 2010 to build back the trust fund.

**The Outcome** – The Kansas Chamber led a broad coalition to help defeat workers' compensation legislation. The Chamber was instrumental in ensuring a balanced legislative remedy for drawing down federal stimulus funds for unemployment benefits, while protecting the integrity of the trust fund.

## Health Care – No New Health Insurance Mandates

**Our Position** – Market-driven solutions will drive down health care costs and reduce the financial burden to business.

**The Challenge** – Health care mandates require insurers to cover more benefits for more people, at a higher cost to employers, resulting in a growing number of uninsured.

- Numerous legislative proposals aimed at mandating selective benefits that would have broadened basic coverage, added new expenses and raised employer costs were considered in one or both chambers.

**The Outcome** – The Kansas Chamber led efforts to prevent the unnecessary expansion of health care benefit packages. Not one health mandate bill was signed into law.

2009

## Economic Development – New Tools to Grow Kansas Business

**Our Position** – Kansas needs to leverage all available resources to attract businesses and investment to our state. A robust business climate will bring companies to Kansas and grow the businesses that are already here.

**The Challenge** – Funding for many programs and initiatives that provide vital economic development funding were suspended or completely eliminated due to the budget deficit. However, two economic development tools were created or expanded:

- The **PEAK (Promoting Employment Across Kansas)** bill allows companies to keep employee withholding taxes for a certain number of years provided they meet job creation and wage thresholds and move out-of-state jobs to Kansas.
- The **IMPACT (Investments in Major Projects and Comprehensive Training)** program provides businesses with funds to pay trainee wages. Employers are able to hire and train more people and nurture a better workforce.

**The Outcome** – The Kansas Chamber was key in ensuring the passage of PEAK and IMPACT with a strong majority in both houses. Both measures provide much-needed tools to attract high-wage jobs to Kansas.



Legislative session protected millions of dollars for Kansas businesses.

# There is Strength in Numbers.



We set our annual agenda based on **member input**. This year members were surveyed on 7 key agenda issues, and feedback data showed legislators exactly where the business community stands.

We involved 34 local and regional chambers and 218 pro-business organizations in Kansas Chamber-led coalitions. **Including other organizations in our efforts** allowed business an even louder voice and larger presence at the Statehouse.

We **communicated our efforts** through more than 68,000 pieces of mail, 19 breaking news e-mails and legislative summaries, 12 Kansas Business Minute audio packages and 185 Twitter updates to keep our members informed and engaged during the legislative session.

**We were at the Statehouse**, influencing and advocating for our members, so they could focus on running their businesses. Our 4-person legislative team had a constant presence and testified more than 40 times during the entire 89-day 2009 legislative session.

**Join us. Add to our numbers. Add your influence.**  
*Working together, we can achieve more.*

*The Kansas Chamber was successful in advancing its member-driven legislative agenda during the 2009 session. By working with the 165-member Kansas Legislature and our state's executive branch, we secured policies that will benefit Kansas businesses. We continue to lead the way toward making Kansas the best state in America to do business.*

*Learn more about our legislative agenda and our successes at [KansasChamber.org/Numbers](http://KansasChamber.org/Numbers).*

*Visit us at [KansasChamber.org](http://KansasChamber.org) to listen to the Kansas Business Minute, learn more about the issues that face you and your business and sign up for our e-mail updates. Follow us at [Twitter.com/KansasChamber](https://twitter.com/KansasChamber). Become involved. Help us achieve more.*



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