



Pro-Economy Policy Agenda

The Quad Cities Chamber of Commerce is the economic and community development organization serving the whole Quad Cities region. We are committed to advocating public policies that enhance our economic competitiveness, increase investment, and benefit our members and communities.

This document outlines our 2017 priorities for all levels of government, in accordance with our Public Policy Platform. The Business Advocacy Council (BAC) is the policy committee that represents the interests of our members and communities. This agenda is driven by the BAC and input from our members, and is approved by the Chamber's Board of Directors.

Business Climate and Economic Competitiveness

Approve a Responsible Budget

Adopt annual and multi-year budgets in a timely manner, and ensure that all obligations are fully funded in order to create stability and allow businesses and agencies to properly plan.

- **(IA)** Fully fund the commercial property tax backfill.
- **(IL)** Provide full payment of the Local Government Distributive Fund.

Ensure Competitive Taxes

It is important to ensure that our region is able to compete with other regions around the country, and that no community within our region is disadvantaged. We encourage policymakers to look at income, property, and sales tax rates in their totality when considering any change to tax levels.

- **(IA)** Support tax reform that would simplify and streamline Iowa Tax Code.
 - Eliminate federal deductibility and incorporate it into the tax rate.
- **(IL)** Exercise caution when considering a statewide property tax freeze, which could lead to unintended local tax increases.

Ensure Responsible use of Taxes

It is vital to maintain the public's faith in government by ensuring that are taxes spent wisely, for their intended and legitimate purposes. Responsible use of existing tax dollars is a prerequisite to any discussion and consideration of new tax levels.

- **(IL)** Examine additional shared-service opportunities and consolidation of units of government to increase efficiency and effectiveness of tax dollars.

Support Economic Development and Revitalization Incentives

Incentives are crucial for business attraction and retention and revitalizing existing or struggling areas and structures. We support government programs, tools and investment that foster economic growth and encourage regional cooperation among our communities.

- **(IA, IL, Fed)** Historic Tax Credits:
 - **(IL)** Create Quad Cities River Edge Redevelopment Zone for eligibility of state Historic Tax Credit and other economic development tools.
 - **(IA, Fed)** Ensure adequate funding for Historic Tax Credits.
 - **(IA, IL, Fed)** Ensure adequate funding for Brownfield and Greenfield Credits.
- **(IA)** Fully fund the High Quality Jobs Program.
- **(IA)** Continue tax increment financing (TIF) as a tool for our local communities.
- **(IL)** Reapprove Enterprise Zones for Quad Cities' communities.
- **(IL)** Ensure adequate funding for the Economic Development for a Growing Economy (EDGE) Tax Credit.
- **(Fed)** Increase funding for Small Business Administration programs and ensure coordination among economic development programs to maximize effectiveness.
 - HUB Zones
 - Small Business Development Centers
 - Coordinate programs between and within DOC, EDA, USDA, and others agencies.
- **(Local)** Ensure that TIF is used properly, in-accordance with its intent and in a way that enhances the region's economy.

Encourage Consistent Minimum Wage

In order to ensure a vibrant and stable economy, it is important to have a consistent minimum wage throughout our region that reflects the quality of the Quad Cities' workforce, and allows businesses to remain competitive.

As a bi-state region composed of six counties and many municipalities, the ability of states, counties, or communities to set different minimum wage standards creates barriers to regional competitiveness and makes compliance for businesses and non-profits more difficult. While the Chamber supports fair pay, we recognize there is a difference between minimum wage and living wage jobs. It is important to create an economy in which career jobs are able to provide for one's livelihood, but part time and entry level jobs play an important role in that same prosperous economy.

Our ultimate goal is for Congress to adopt a fair minimum wage that will ensure stability and competitiveness in our region. We encourage our states to adopt policies that support that goal. When considering minimum wage:

- Limit the capacity for different minimum wage rates.
- Ensure any increases allow time for business and market adjustment.
- Index increases to avoid partisan polarization that results in large and sudden increases.
- Be mindful of the difference between minimum and living wages.
- Consider differences in cost-of-living between different regions.

Invest in Energy

Government investment in energy is arguably one of the most important investments that can be made. It impacts operational costs and business opportunities, and ensures we live in a safe and healthy environment. We support policies that ensure access to safe, reliable, and cost-effective energy.

- **(IA, Fed)** Continue to invest in incentives such as wind and solar tax credits as well as the Renewable Fuel Standard.
- **(Fed)** Invest and improve access and management of the energy grid.
- **(Fed)** Implement a Federal Investment Tax Credit for nuclear generation. Nuclear energy is vital to our economy and reducing carbon emissions. It is the only clean energy source not afforded any tax credit.
- **(Fed)** Streamline and expedite the process for hydropower licensing through the Federal Regulatory Commission. Increase investment and direct coordination of hydropower development on existing water infrastructure.

Address Flood Insurance Rate Mapping Problems

While it is important to ensure responsible development with respect to flooding, there is currently no process or recourse to address discrepancies or problems that arise from flood maps. As a result, our cities are suddenly prohibited from developing land which had been secured and planned for development, and homeowners face insurance rate increases of up to 600%.

- Establish a formal process and direct involved agencies to work with each other and communities, businesses, and homeowners to appeal maps and mitigate flooding impact. Currently, it is unclear whether this decision should be made by state or federal agencies (FEMA, the DNRs, and the USACE).
- **(Fed)** Reform Biggert-Waters Act by spreading insurance rate increases over multiple years and ensure rates accurately reflect the flood damage risk.

Enact Pension Reform

(IA) While the Iowa Public Employees' Retirement System (IPERS) provides predictability and stability to city budgets, the Municipal Fire and Police Retirement System of Iowa (MFPRSI) does not. With a fixed employee contribution, cities only know that they will pay no less than 17% under the current system, but do not have a fixed ceiling. Since the 2008 economic collapse, Iowa cities that are part of MFPRSI have had to make contributions as high as 31%.

- Ensure MFPRSI provides the same predictability and stability as IPERS for cities.

(IL) Pension funding consumes 25% of the State's budget, and large portions of local taxing bodies' budgets as well. Despite the Supreme Court's ruling against pension reform in 2015, strong reforms on future pension can and need to be made to relieve the budgetary strain.

- Reduce required funding of pensions from the current 90% to federally mandated 70%.
- Consider reforming the automatic 3% COLA. Such reforms might include increases on the base salary only (not compound) or matching the federal COLA for Social Security.
- Examine retirement age requirements and tiers for positions across the state.

Ensure Equality for Micro-Distilleries

(IA) Local and regional breweries, wineries, and distilleries are important businesses that enhance our communities' desirability and livability. Current laws limit sales of product, greatly disadvantaging micro-distilleries and preventing them from locating and growing in Iowa.

- Remove or raise the current cap on product sales for micro-distilleries.

Continue Workers Compensation Reform

(IL) Despite reforms passed by the General Assembly in 2011, workers compensation costs to businesses continue to be 30 % to 60% higher in Illinois than in neighboring states.

- Focus on lowering costs by identifying and addressing the cause(s) for high rates, and consider addressing causation.

Lower Home Rule Threshold

(IL) Home Rule is an important authority for our communities, as it grants our citizens greater authority and control over how their taxes are spent. Currently, the population threshold of 25,000 severely disadvantages our smaller cities and towns.

- Lower the threshold to 5,000 to allow for more communities to control public resources and investments.

Reform Election Policies

To ensure good and practical government, it is vital that our elections and political processes are conducive to debate and accountability.

- **(IL)** Reform the redistricting process which occurs after every census by ending the practice of gerrymandering and adopting a non-partisan, transparent, and fair system.
- **(Local)** Approve for referendum vote whether to end partisan elections in East Moline.

Provide Access to Foreign Markets and Trade

Enact trade agreements that allow local business access to foreign markets. Access to markets is crucial, since manufacturing is the largest sector of our economy.

- Pass the Trans-Pacific Partnership (TPP) Agreement.

Crackdown on Unfair Foreign Practices

The U.S. should address practices such as currency manipulation or 'dumping', and should pressure the World Trade Organization to enforce trade rules. These infringements place our businesses at an unfair disadvantage.

Plan and Develop Sites

Our cities need to engage in long-term planning and invest in infrastructure to develop ready sites for economic development in collaboration with each other and the private sector.

Education and Workforce

Invest in Education

Workforce availability continues to be the biggest concern for most businesses in our region though the high quality and skill of our workforce remains one of our region's best selling

points. If our economy is to continue to grow and develop to meet the needs of tomorrow's jobs, we must invest in education and workforce training at all levels. It is crucial to ensure our schools have enough and top-quality teachers, support, and the tools needed to provide a first-rate education, beginning with early childhood.

- **(All)** Continue to emphasize STEM, common core, and development soft-skills and other fundamentals such as personal finance management.
- **(All)** Adopt policies and promote opportunities that foster year-round learning.
- **(IA, IL)** Reform the funding formula to ensure school districts are equally funded by student.
- **(IA)** Allow school districts to spend into their cash reserves.
- **(IA)** Extend the infrastructure sales tax to 2050.
- **(IL)** Provide funding to maintain and improve school infrastructure.
- **(Local)** Encourage career education and exposure to employment opportunities in all fields.
 - Schools should partner with businesses to provide exposure to a wide-array of careers via guest speakers, field trips, and other activities.

Fund Continuing Education Programs

Invest in opportunities for workers to receive certificates, apprenticeships, associates degrees, postgraduate degrees, and other postsecondary credentials that make our workforce adaptable and nimble in a changing economy.

- **(Fed)** Restore the year-round PELL Grant.
- **(IL)** Continue funding for Monetary Award Program (MAP) Grants.
- **(Fed, IA, IL)** Increase funding for Workforce Innovation and Opportunity Act (WIOA) programs and grants.

Address the Problems of Poverty

Poverty places tremendous strains on our economy by reducing workforce, increasing crime, and costing tax dollars. Poverty and geo-economics create particular difficulties and disproportionately affect minority populations. It is important to address the culture of poverty and provide support and opportunity for prosperity.

- Ensure policies avoid consolidating poverty.
- Provide equal and adequate funding for schools, regardless of geo-economics.
- Ensure access to adult support, mentoring, and structure in our schools.
- Provide opportunities for students outside the classroom, i.e. after school or summer.
- Improve awareness and ease-of-use of existing resources and opportunities.
- Reform welfare programs to allow and encourage job and career development.
 - End all-or-nothing program qualifications in favor of income-adjusted.
 - Programs should push job and career progression while ensuring access and aid to job-skills training.
 - Ensure capability of fundamental skills such as personal finance management.

Ensure Access to Child Care

It is critical that working parents have access to safe, quality, and affordable child care. Government and business must work together to ensure access.

Attract International Talent

Immigrants are important to our economy because they help fill workforce needs at all skill levels, foster entrepreneurship, and are valuable consumers and tax payers. While maintaining our national security, governments should adopt policies that encourage and welcome legal immigration to our communities.

- **(Fed)** Pass comprehensive immigration reform that strengthens security and border control while making the immigration process clear, efficient, and friendly process.
- **(Fed)** Expand H-1B visas for highly skilled workers.
- **(Fed)** Ensure practical interpretation of L-1 visas.
- **(Fed)** Expand and enhance all categories of the Employment-Based immigration visa program.
- **(IA, IL, Local)** Support multi-lingual programs and other policies to make our communities more inviting and receptive to immigrants seeking to participate in our society and economy.

Provide Access to Affordable Healthcare

We encourage healthcare legislation that enables employers to provide affordable access to quality healthcare without overly burdensome costs and regulations.

Provide Access to Behavioral Health Services

As with physical health, access to behavioral healthcare is important to ensuring a ready workforce. All levels of government must work with each other to ensure there is affordable access to behavioral healthcare facilities and professionals.

- **(IA, IL, Fed)** Create programs, such as tuition assistance or repayment, which will attract needed health care professional to underserved communities.
- **(IA, IL, Fed)** Continue to fund Care Coordination Entities to ensure comprehensive, coordinated care for Medicaid patients with behavioral health conditions.
- **(All)** Support reimbursement for telehealth services that parallels the reimbursement provided by equally qualified licensed professionals in person.
- **(Fed)** Include behavioral healthcare as part of any national policy or reform to physical health care.
- **(Fed)** Increase funding for Medicare and Medicaid reimbursement rates.
- **(All)** Provide sufficient training and numbers of school counselors to ensure behavioral health conditions are identified and addressed.
- **(All)** Provide for sufficient training for law enforcement officials to ensure individuals with behavioral health conditions are identified and properly addressed.

Create and Implement Targeted Industry Growth Strategies

In order to maximize our economic growth opportunities, our states must understand and be able to identify opportunities and barriers in our targeted industries.

- **(IA)** Authorize a comprehensive workforce study (similar to the Battelle Study).
- **(IL)** Authorize and fund a targeted industries growth study.

Invest in innovation and R&D

In order for our companies to remain competitive and meet the changing demands of the market, investment in innovation and R&D via public-private partnerships is needed. Initiatives such as the Quad Cities Manufacturing Innovation Hub along with community colleges and local colleges and universities provide the support our businesses need, *if* the funding is there.

- **(IA)** Preserve and fund the Research Activities Credit.
- **(IL)** Reauthorize and make permanent the Research and Development Tax Credit.

Infrastructure & Transportation

The Quad Cities is uniquely positioned to develop because it is a regional and national transportation hub. Our access to major interstate highways, rail lines, an international airport, and barging gives us the ability to transport products cheaply and easily anywhere in the world.

Fund Key Transportation Priorities

- **(All)** Continue Funding for the I-74 & I-80 bridges, as well as Chicago-Quad Cities passenger rail service with bus connection to Iowa City.
- **(All)** Provide specific and adequate funding for maintenance, addressing pinch points, and reducing congestion, and ensure state and local funds to match federal funds.
- **(IA)** Expand I-80 to six lanes from the Quad Cities to Iowa City, including the new bridge.
- **(IL)** Expand and improve the I-80, Colona exit.
- **(IL)** Expand and improve the I-74, John Deere Rd. intersection.
- **(IL)** Improve access to entry of South Park Mall in Moline.

Invest in Public Transportation

Providing access to convenient and cost-effective public transportation provides critical access for residents to work, commercial, and recreational destinations. It improves traffic flow, reduces air pollution, and enhances our communities' desirability and quality of life.

- **(Fed)** Increase funding and local decision-making authority of the federal grants:
 - Surface Transportation Block Grant
 - Bus and Bus Facilities
 - Congestion Mitigation and Air Quality Improvement
- **(Local)** Ensure inter-city cooperation to support a regional public transportation system.

Expand Passenger Rail Service

Access to passenger rail service increases commerce and access to markets for local companies, provides residents access to opportunities outside the area, and greatly enhances the quality of place and desirability of the Quad Cities. Upgrading rail lines also increases the speed and efficiency for freight transportation.

- **(Fed)** Increase funding for the following above FAST Act levels:
 - The Amtrak National Network Account
 - Consolidated Rail Infrastructure & Safety Improvements (CRISI)
 - Restoration & Enhancement Grants (REG)
- **(Fed)** Expand CRISI eligibility to include station and station area development and track improvements.
- **(Fed, IA)** Utilize FAST Act grants to expand passenger rail service from the Quad Cities west to Iowa City, Des Moines, Council Bluffs, and Omaha.
- **(IL)** Fully utilize FAST Act grants to upgrade Illinois's extensive rail infrastructure.

Create a Quad Cities Port Authority

Freight rarely uses one mode of transportation to reach its destination. The Quad Cities has existing infrastructure of every mode. Enhancing and connecting these through the creation of a multimodal port authority will maximize business access to markets.

- **(IA, IL)** Create a Quad Cities Port Authority, and utilize state Economic Development funds for a port study.
- **(Fed)** Remove FAST Act's funding cap on FASTLANE for non-highway freight projects.
- **(Fed)** Leverage FASTLANE and similar Federal grant programs to facilitate multimodal freight optimization.

Pass Water Resources Development Act (WRDA) Appropriation

The Mississippi and Illinois Rivers, as well as their tributaries, provide incredible opportunities to enhance commerce, recreation, environment, and overall quality of life. Unfortunately, water infrastructure has been neglected and underfunded for decades and is in a dire state of disrepair. It is vital to provide adequate investment in WRDA appropriations to allow navigation, flood protection, and improve our environment.

- **(Fed)** Fund "Major Rehabilitation" projects and lock expansion on the upper Mississippi River via an infrastructure bill or Water Resources Development Act appropriation.
 - Provide federal funds to match the Inland Waterways Trust Fund to fund the \$4 billion authorized by Navigation and Ecosystem Sustainability Program (NESP).

Enhance Access to Broadband Internet

It is truly essential that our federal, states, and local governments invest resources to engage in creative and collaborate partnerships with the private sector to develop fiber infrastructure and allow for new, ultrafast connection.

- **(Local)** Cities and companies should partner with each other to address this issue on a regional basis.

Quality of Place

In order to attract young professionals and quality businesses, the Quad Cities needs to ensure it is a good and enjoyable place to live.

Invest in Arts and Culture

The Chamber supports public investment in arts and culture and public-private partnerships to ensure that our institutions are able to continue to operate and expand. Additionally, the Chamber pushes for a regional effort to invest in and maintain these important institutions.

- **(IA)** Provide funding to Enhance Iowa program.
- **(Fed)** Increase funding for the following:
 - National Endowment of the Arts (NEA)
 - Institute of Museum and Library Services (IMLS)
 - National Endowment for the Humanities (NEH)
 - National Science Foundation
 - National Parks Service (NPS)
- **(Local)** Ensure public support of our amenities and creation of a regional funding model.

Invest in Bike Trails

It is important that all levels of government continue to invest and expand on our trails, and provide new and unique opportunities to make the Quad Cities stand out. Trails contribute to the enjoyment and wellness of our people, and serve as a viable source of transportation.

- **(All)** Allocate funding for bike trail programs, and ensure the I-74 Bridge will provide a scenic connection between our states.
- **(Fed)** Create a federally recognized American Discovery Trail.
- **(Local)** Adopt a regional approach to maximize utility and ensure regional connectivity.
- **(Local)** Ensure compatibility and integration between bike trails, parks, and roads featuring bike lanes.

Development of Unique Assets

The Quad Cities' history and location give it unique assets other communities do not have, such as our access to the Mississippi River and many historic and landmark buildings. Development and maintenance of these assets gives the Quad Cities a truly unique ability to stand-out among other communities.

- **(Local)** Invest local funds and leverage state, federal, and private grants to implement the River Vision plan, creating a world-class riverfront in our communities.
- **(Local)** Invest in revitalizing and enhancing our urban cores, which drive the desirability of the region.
- **(Local)** Aim for consistent building codes and design standards throughout our region.
- **(Fed)** Increase funding to the Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME).
- **(IA)** Continue to invest in the Worker Housing Tax Credit.

Rock Island Arsenal

Ensuring the Rock Island Arsenal (RIA) is supported and adequately resourced is vital to the Quad Cities' economy and our national security. The RIA averages a \$1.5 billion economic impact on the region, employing people over 6,000 directly and 21,000 indirectly. The RIA is the logistics center for the Army and ensures the Army is able to perform and sustain its mission both at home and abroad.

Bring New Missions to the RIA

Locating new Department of Defense and federal agencies that align with the RIA's mission (i.e. Department of Homeland Security, FEMA, Coast Guard, and National Guard and Reserve operations) will enhance national security while saving federal tax dollars by filling excess space and reducing overhead.

Support Critical Organic Industrial Base

Identify the unique and critical capabilities of the Joint Munitions Technology Center (JMTC) and assets within the organic industrial base, and ensure sufficient workload is directed to these facilities to maintain the critical and unique capabilities. These facilities are the nation's insurance policy, and ensure the Army and DOD can supply required materiel during war times.

Ensuring the JMTC has the flexibility to engage in public-private partnerships when advantageous is important to ensure work that will help maintain unique and critical capabilities while assisting with overhead costs. Congress should pass legislation allowing flexibility in labor rate to ensure arsenals are competitive and enhance public-private partnerships, and ensure that DOD carry-over rules are interpreted the same across all branches of service.

Outfit RIA's Locks with Hydropower Turbines

Outfitting the existing dams, maintained by the Army Corps, with hydropower will ensure the RIA is energy self-sufficient and provide a long-term cost-savings to the Army. This would also make the RIA meet the Army's NetZero energy goals.

Ensure a Practical Leasing Mechanism

The current authority for tenants renting space on the RIA expires in September 2017. It is important to ensure a mechanism that allows tenants to maintain their leases and will be practical for any future leasing needs.