



Pro-Economy Policy Agenda

The Quad Cities Chamber of Commerce is the economic and community development organization serving the 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 2018 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.

- **(Fed)** Repeal the Budget Control Act, which harms important investments in: defense, research and technology, business growth, and people.
- **(IA)** Fully fund the commercial property tax backfill.

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)** Enact tax reform that would simplify and streamline Iowa Tax Code without reducing state revenue.
 - Eliminate federal deductibility and incorporate it into a lower tax rate.
- **(Fed, IA, IL)** Require state sales tax to be collected on all internet sales transactions.

Ensure Responsible Use of Taxes

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

- **(All)** Budgets and changes in funding or spending should be transparent to the public.

- **(All)** 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 economic development tools including a state or county wide state Historic Tax Credit program or a Quad Cities River Edge Redevelopment Zone.
 - **(IA, Fed)** Ensure adequate funding for Historic Tax Credits.
- **(IA, IL, Fed)** Ensure adequate funding for Brownfield and Grayfield Credits.
- **(IA, IL)** Continue tax increment financing (TIF) as a tool for our local communities.
- **(IA)** Fully fund the New Jobs Program (260 E/F).
- **(IA)** Fully fund the High Quality Jobs Program.
- **(IA)** Fully fund the Venture Capital & Angel Programs.
- **(IA)** Continue to invest in the Workforce Housing Tax Credit.
- **(IL)** Reapprove the Quad Cities Enterprise Zone.
- **(IL)** Improve the Economic Development for a Growing Economy (EDGE) Tax Credit by making it less cumbersome and reforming proof requirements.
- **(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.
- **(Fed)** Fully fund the New Market Tax Credit (NMTC).
- **(Local)** Ensure that TIF is used properly, in-accordance with its intent and in a way that enhances the region's economy.

Invest in Innovation and Research and Development (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.

Provide Access to Foreign Markets and Trade

(Fed) Enact trade agreements that allow local business access to foreign markets without facing tariffs and other barriers or disadvantages. Access to markets is crucial, since manufacturing is the largest sector of our economy and agriculture is our largest export and drives manufacturing.

- Renegotiate the North America Free Trade Agreement (NAFTA).

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, IL, Fed)** Continue to invest in incentives such as wind and solar tax credits, the Renewable Fuel Standard, and energy efficiency.
- **(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 and Mapping Problems

Responsible development with respect to flooding is important; however Illinois and Iowa businesses and residents pay disproportionately higher insurance rates than our risk and payout when compared to coastal communities. Addressing discrepancies that arise from flood maps is costly and difficult. Additionally, inconsistent enforcement of development in other states further harms Quad Cities' businesses and residents who are compliant with standards.

- **(Fed)** Reform the National Flood Insurance Program (NFIP) to differentiate between coastal and inland flood risk. Evaluate the costs and payouts, and adjust the NFIP rates to reflect actual damage and benefit payments.
- **(Fed)** Increase coverage availability for the Increase Cost of Compliance (ICC) program.
- **(Fed, IA, IL)** Increase support and resources for communities to plan and mitigate repetitively flooded areas.

Enact Pension Reform

(IA) 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. Iowa cities that are part of MFPRSI have had to make contributions varying from 17 to 31%. At the same time, IPERS unfunded liability is growing and should be examined.

- Ensure MFPRSI provides the same predictability and stability as IPERS for cities.
- Consider reforms to strengthen IPERS such as:
 - Consider reforming the pensionable salary.
 - Consider moving from a defined benefit to defined contribution system.

(IL) Pension funding consumes 25% of the Illinois' 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.
- Consider reforming the pensionable salary.
- Consider moving from defined benefit to defined contribution system.
- Examine retirement requirements and tiers for positions across the state.

Continue Workers Compensation Reform

(IL) Despite reforms passed by the General Assembly in 2011, workers compensation costs to businesses continue to be 15% higher in Illinois than in neighboring states.

- Focus on lowering costs by identifying and addressing the cause(s) of 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 four-year terms for elected offices in Davenport.

Plan and Develop Sites

(Local) 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 top-quality teachers, support, and tools to provide a first-rate education, beginning with early childhood.

- **(All)** Continue to emphasize STEAM, Common Core, development of soft-skills and other fundamentals such as personal finance management.
- **(All)** Adopt policies and promote opportunities that foster year-round learning.
- **(IA)** Reform the funding formula to ensure school districts are equally funded by student.
- **(IA)** Extend the infrastructure sales tax to 2050.
- **(IL)** Increase funding to achieve the target evidence-based funding levels.
- **(IL)** Provide funding to maintain and improve school infrastructure.
- **(Local)** Encourage career education and exposure to employment opportunities in all fields.
 - Support partnerships with businesses to provide exposure to a wide array of careers via guest speakers, field trips, and other activities.

Maintain the Integrity of Public Schools

While private and home schooling are important parts of primary education, public schools remain the cornerstone. Public schools continue to serve the overwhelming majority of youth, especially amongst diverse and lower-income families as well as children with special needs.

- **(Fed, IA, IL)** No voucher or tuition assistance credit should adversely impact public schools by the reducing their overall or enrollment-based funding.

Fund Continuing Education Programs

Increasing the number of residents with post-secondary credentials or degrees is vital to meeting current workforce needs, increasing household income, and ensuring our capacity to grow our regional economy. We must invest in community colleges, public universities, and other programs which provide critical skills that enable our workforce to be adaptable, competitive, and nimble in a changing economy.

- **(Fed, IA, IL)** Ensure adequate operational and program funding for community colleges and public universities, as well as tuition assistance and scholarship programs.
 - **(IA)** Maintain funding for apprenticeship programs.
 - **(IL)** Continue funding for Monetary Award Program (MAP) Grants.

- **(Fed)** Ensure the PELL Grant is available year-round.
- **(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.
 - Support programs that push job and career progression while ensuring access and aid to job-skills training.
 - Support programs that develop 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 demand at all skill levels, foster entrepreneurship, and are valuable consumers and tax payers. While maintaining 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.
- **(Fed)** Expand and enhance all categories of the Employment-Based immigration visa program, and reform the per-country cap to allow more EB visas to be used.
- **(Fed)** Support H-1B visas for highly skilled workers.
- **(Fed)** Ensure practical interpretation of L-1 visas.
- **(Fed)** Pass DREAM Act to provide a path to legal status for illegal immigrants who entered the U.S. under age 16 and have lived for five years with no legal problems.
- **(Fed)** Be mindful of costs placed on communities by immigrants and refugees, and ensure policies are balanced.
- **(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.

Promote Diversity and Opportunity

Affirmative Action has been successful helping create balance in professional and leadership positions. Despite the Quad Cities' diverse population, many businesses struggle to hire qualified minority workers. Policies should create opportunity for all persons to reach their full potential.

- **(All)** Oppose policies that restrict or eliminate affirmative action.

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 functioning 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, that can attract needed health care professionals 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 for in-person services by equally qualified licensed professionals.
- **(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.

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 to 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.

Invest in Public Transportation

Providing access to convenient and cost-effective public transportation provides critical access for residents to work, commercial, and recreational destinations. Public transportation 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)** Encourage 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 of 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.

- **(Fed, 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.

- **(Fed)** 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 connections.

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

Quality of Place

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
- **(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 are unique assets other communities do not have. Our access to the Mississippi River, many landmark buildings, and historic downtowns must be carefully developed and maintained so that the Quad Cities region remains a 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 desirability of our region.
- **(Local)** Adopt 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).

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 over 6,000 people 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. DHS, 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 ensure Army readiness, and allow the Army and DOD to supply required materiel during war times.

Ensure the Army provides "make or buy" guidance as well as the DOD Industrial Base Strategy which will show the way forward for DOD to maximize the value of its organic industrial base.

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 partnerships, and ensure that DOD carry-over rules are interpreted the same across all branches of service.

Explore Hydropower Expansion

Expanding the existing capacity of hydropower and exploring the option of adding turbines to the dam maintained by the US Army Corps of Engineers will help ensure the RIA is energy self-sufficient and provide a long-term cost-savings to the Army. In addition, this will align with DOD's emphasis on ensuring installations are 'energy resilient'.

Ensure a Practical Leasing Mechanism

The current authority for tenants renting space on the RIA expired 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.