



Federal Public Policy Agenda 2020

Approved by KC Chamber Board of Directors February 24, 2020

The greater Kansas City region plays a vital role in the general health and economic vibrancy of the Missouri and Kansas economies. In order to grow opportunity and prosperity in the two-state region, and across our country, the KC Chamber calls on Congress return to regular order and reestablish a civil process to move critical policy measures forward which will to help maintain the competitive climate for economic development and long-term prosperity by supporting these regional priorities:

- **Pro-Growth Economic Development and Fiscal Responsibility**
- **Human Capital and Coordinated Workforce System**
- **Globally Competitive Infrastructure**
- **Accessible, Affordable Quality Health Care**

The Chamber Board of Directors supports this agenda of federal policy measures to improve workforce, job creation, health and prosperity for the greater Kansas City region.

ECONOMIC DEVELOPMENT AND FISCAL RESPONSIBILITY

International Trade — The KC Chamber supports measures to foster robust international trade so that greater Kansas City companies of all sizes can expand exportation of goods and services and create jobs in our region. The Chamber supports pro-trade policy initiatives, trade agreements and investment policies including:

- Advocate for expanded federal funding of agency programs critical to bolstering the competitiveness of U.S. companies in the international market.
- Full Implementation of the United States-Mexico-Canada Agreement (USMCA).
- Ratification of treaties ensuring the avoidance of double taxation on income.
- Promote innovation through the protection of research and intellectual property provisions in U.S. trade agreements and multilateral forums.
- A prompt resolution to current trade dispute with China.
- Continued support of the U.S. Export-Import Bank and sustaining a quorum of the Board of Directors of the U.S. Export-Import Bank so that the bank can resume making loans over \$10 million.

Regulatory Relief — The KC Chamber supports initiatives to reduce unnecessary and onerous regulatory burdens on the nation's industries by balancing responsible economic growth and job creation with necessary public protections while increasing transparency and accountability in the regulatory process and minimizing the impacts of government actions on business.

- Support comprehensive federal data privacy law to preempt conflicting state data privacy laws.

Support for Small, Diverse and Startup Businesses — Small, diverse, and emerging businesses are vital to job creation and the competitiveness of the bi-state region. The KC Chamber calls on Congress to support:

- Initiatives to create jobs by stimulating entrepreneurship and innovation strategies such as the Startup Act.
- Measures to reduce frivolous lawsuits and predatory patent infringement and non-compliance activities.
- Implementation of the Small Business Innovation Research (SBIR) program and continued funding for Small Business Technology Transfer (STTR) programs.

Research & Development — Research and development at universities and federally funded laboratories facilitates significant economic impact in the greater Kansas City region and supports cures, innovation and job creation. Nearly 60 percent of funding for basic scientific research in the United States is provided by the federal government. Innovations that flow from university-based research are at the root of the success of countless companies, products, technologies, and jobs in Kansas City. Research and commercialization of research are key forces behind life science and technology advancements which lead to increased high-value jobs in the region. The KC Chamber urges Congress to support this regional opportunity and engage its resources to advance research and development in the two-state region with support for the following measures.

- **Federal Research Funding:** Preserve a peer-review grant process and funding for federal research agencies critical to high value job growth in our region, including the National Institutes of Health, National Science Foundation, Departments of Agriculture and Defense, and Bureaus of Labor Statistics and Economic Analysis, and the America Grows Act.
- **NBAF Biodefense Funding:** Adequate support to operate and sustain the National Bio and Agro-Defense Facility (NBAF) and the broader bio/agrodefense mission to protect the agricultural economy, food supply, and people from natural and man-made threats.
- **KU Cancer Center & NCI Designation:** The promotion and funding of the University of Kansas Medical Center’s Comprehensive Cancer Initiative and efforts to obtain its National Cancer Institute Comprehensive designation and help the region build a world-class cancer center at the forefront of discovery, development, and implementation of knowledge, technology, and novel therapeutic agents for treatment and prevention of cancer.
- **KC Animal Health Corridor:** Legislation and appropriate funding to advance and promote the Kansas City Animal Health Corridor from Columbia, MO, to Manhattan, KS.
- **One Health Funding:** Legislation to fund *One Health* research which recognizes the inextricable linkage between human and animal health and seeks to promote and improve the health of all species by enhancing collaboration between physicians, veterinarians and related scientific and health professionals.

Immigration Reform — The KC Chamber believes responsible immigration reform that improves access to much needed human capital is vital to job creation and expansion of the US economy. We urge Congress to work with the Administration in a bi-partisan manner to seek comprehensive immigration reform that would include enhanced border security, expansion of critical temporary and permanent visa programs, guest worker opportunities, and other policies based on critical workforce needs and talent-oriented immigration measures. This includes:

- Promote, preserve and expand visa programs for highly skilled workers, foreign entrepreneurs and foreign nationals who earn a science, technology, engineering, math, or computer science master’s degree or PhD from a U.S. university (e.g. H-1B visa program; STEM visas under the Startup Act).
- Support a path to allow Deferred Action for Childhood Arrivals (DACA) recipients to remain in the US and continue to contribute to our economy.
- Efforts to provide clear guidelines on issuance of L-1 visas for workers employed by international companies headquartered in the United States.

Fiscal Responsibility — The KC Chamber believes a balanced federal budget and a reduced national debt are vital the health of our national economy today and in the future. The Chamber encourages a return to a thoughtful, collegial appropriations process which includes a long-term deficit reduction plan, economic growth policies, spending restraint and congressionally directed spending.

Tax Reform — The KC Chamber supports continuous efforts to improve the climate for businesses of all sizes including measures to incent business startups, and sustained efforts to increase investment in U.S. companies. The Chamber advocates for the following positions:

- A uniform and fair national standard to reduce the compliance burden and inconsistent personal state income tax treatment of employees who travel outside their resident state as part of the mobile workforce.

- Passage of the Marketplace Fairness Act to provide fairness and parity to small businesses by allowing states to collect sales taxes from remote sales to state residents.
- Measures to protect taxpayers and reduce tax fraud including enacting national minimum competency standards for paid tax preparers.
- Preservation of current designations and structures for employee stock ownership plans (ESOPs).
- Preservation of tax incentives for appropriate charitable giving (including permanent exclusion of distributions from individual retirement accounts to charities) and reduction of the private foundation excise tax.
- Maintaining tax-exempt status for municipal bonds and private activity bonds, a critical tool for financing infrastructure and capital improvement projects.
- Elimination of the capitalization of startup costs.

Social Security — The KC Chamber supports measures to improve long-term solvency of the Social Security System including modifying the method of indexing benefits to more closely mirror real changes in the cost of living.

Financial Services — A banking system which is strong, responsive and innovative is critical to the success of the region's businesses, consumers, and institutions and paramount to sustaining a vibrant regional economy. This is especially important to the vitality and growth of our smaller businesses and assuring access to capital. The Chamber supports responsible innovative approaches to assure a 21st century banking system including policy and regulatory measures that recognize the value of the diversity of financial services providers in the KC region and promotes the following measures:

- Regulatory policies that recognize the value of the diversity of financial services providers in the region.
- Prudential regulation that is equitably applied based not solely on size, but on the purpose, complexity and type of activities offered by the respective financial services providers.
- Consideration of performing a cost/benefit analysis before regulatory changes and interpretive guidance are adopted and provided with sufficient time for analysis and effective implementation.
- Maintaining the current independent Federal Reserve system with its district banks and opposing any legislative action that transfers bank and Federal Reserve Bank resources to pay for unrelated federal programs.
- Consistency, collaboration and transparency among prudential regulatory agencies and in concert with the Consumer Financial Protection Bureau (CFPB) to avoid regulatory conflicts in regulatory language and to ensure a supervisory framework that is applied consistently and equitably to all providers of financial services, financial technology and traditional providers alike.
- Modernization of the Community Reinvestment Act (CRA) to better reflect the impact of technology on the type, location and number of financial services providers as well as its impact on the needs and preferences of consumers in 21st century communities.

HUMAN CAPITAL & A COORDINATED WORKFORCE SYSTEM

KC area businesses report one of the greatest challenges they face is the global race for talent. Skilled workers are the backbone of a productive and efficient economy, and a critical decision point in today's business location decisions. The Chamber calls on Congress to support policies and funding to encourage a robust PK-20 public education system, keep higher education accessible, and encourage workforce development.

Pre K-20 Education — The KC Chamber supports policies and funding to encourage a robust Pre-K-20 public education system emphasizing pursuit of exemplary education including appropriate technical training and a rigorous science, technology, engineering, and mathematics (STEM) curriculum based on globally competitive standards and fostering a well-trained, productive, competitive workforce. The Chamber calls for:

- Investment in early learning programs including Head Start, Early Head Start, and the Child Care Development Block Grant to allow assistance to an increased number of eligible children/families.

- Local control of education systems. (The Chamber opposes efforts to reduce federal education investment based on state funding and tuition levels and policies that support or incentivize K-12 scholarship tax credits, tax tuition credits, vouchers and similar measures).
- Policies to encourage collaboration between education leaders, workforce development professionals and government officials at all levels of the workforce system as education policy is developed.
- Maintaining formula funding for Title I as opposed to a competitive grant model.
- Full funding for the Individuals with Disabilities Education Improvement Act (IDEA).
- Expanding programs that keep higher education accessible and affordable by maintaining funding for need-based student aid programs.
- Support Pell Grant reform to including maximum level funding for year-long Pell Grants and increased federal investments to serve students seeking in-demand, non-credit credentials, allow for certification programs to qualify for unused appropriated funding, and extending Pell Grants to currently incarcerated individuals in our state and federal correctional institutions to ensure they are equipped with the skills and education in order to gain a livable-wage job upon employment.
- Efforts to improve integration of secondary and post-secondary programs including promotion of increased dual credit opportunities.

Globally Competitive Workforce Development — Creating a competitive workforce involves “cradle thru career” strategies to strengthen the workforce pipeline, retool the incumbent workforce, and access an international talent pool. The Chamber supports:

- Policies that promote labor productivity, provide job training skills, and encourage more citizens to enter or re-enter the workforce, including full funding for the Workforce Innovation and Opportunity Act (WIOA).
- Increased investment in secondary level technical education, adult education, and English as a second language.
- Efforts to encourage workforce development including increased funding for Graduate Medical Education (GME) to address the impending physician shortage and continued financial support of the Public Health Services Act (PHSA) which supports education and training for health care workers.
- More opportunities for military spousal employment and better connection to jobs for those who transition out of the United States Armed Forces.
- Support workforce training, re-entry programs and other criminal justice initiatives that encourage returning citizens and other at-risk citizens to become employed.

GLOBALLY COMPETITIVE INFRASTRUCTURE

Transportation — The KC Chamber urges Congress to work with the Administration on an overdue, comprehensive infrastructure plan using innovative and sustainable funding measures while supporting policy-making that encourages safe, efficient transportation that promotes access to regional, national and international markets and opportunities vital to regional needs. Accordingly, the KC Chamber supports:

- **Funding:** Efforts to fund the Highway Trust Fund at levels that achieve strategic regional and national economic goals. Support federal transportation funding that considers multiple revenue sources, including new and alternative user fees, and grant programs that leverage regional investment in all modes. Support prompt passage of a new multi-year federal transportation authorization bill that establishes clear direction, adequate funding, and a performance-driven strategy for prioritizing and completing the nation’s important transportation investments.
- **Infrastructure Grants:** Continuation of the Better Utilizing Investments to Leverage Development (BUILD) Transportation Grant program and the Capital Investment Grants (CIG) program for eligible projects such as expansion of the KC Streetcar.
- **Delivery Tools:** Expanded use of innovative delivery tools, such as public-private partnerships (P3s), design-build, dynamic-design-bid-build delivery, construction manager/general contractor, to support new transportation capacity and reconstruct existing facilities in ways that more quickly and broadly boost the economies of the area and the nation.

- **Transit & Active Transportation:** Provide adequate funding for transit (including USDOT Small Starts and bus-rapid transit), sidewalks and trails as a means for communities to improve regional mobility and attract and retain residents and businesses for which these modes are a critical need or amenity.
- **Vanpooling:** Continued federal funding available to support vanpooling solutions that enhance access to jobs.
- **Connected and Autonomous Vehicles:** Expanded funding and access to expertise for planning, designing and building local and state policies and infrastructure that anticipate or can adapt to increased use of connected and autonomous vehicles.
- **Airport Facilities & Aviation:** Measures to fund, maintain, improve, and modernize airport infrastructure at Kansas City International Airport.
- **Marine Highway Corridor:** Increase funding for improving channel, port and harbor infrastructure throughout the Marine Highway Corridor system, with emphasis on the M-70 route between Kansas City and Pittsburgh, PA, and on the M-29 connector to Sioux City, IA.
- **Multi-Modal:** Creation and implementation of a long-term, strategic plan of federal policies and investments that strengthens regional and national multi-modal access to national and global markets.
- **Rail Service:** Reduction of freight and passenger train bottlenecks throughout the nation and increase support for the national rail passenger network and operation of the Southwest Chief, the Missouri River Runner, and the proposed Heartland Flyer Amtrak routes.

Water, Wastewater & the Missouri & Kansas Rivers — Maintenance and repair of flood control systems on the Missouri and Kansas Rivers is essential to the economic vitality and public safety of our region. The Chamber calls for adequate investment and measures to assist local governments in making sustainable improvements to their flood risk management, water, and wastewater systems to meet long term demands of regional development and growth including:

- Biennial reauthorization of the Water Resource Development Act (WRDA) with increased funding for regional needs.
- Permanent authorization of the Water Infrastructure Finance and Innovation Act (WIFIA) to leverage funding for drinking water, wastewater and storm water infrastructure.
- Clean water affordability legislation with extension of combined sewer overflow remediation timeframes, better computation of affordability, and more flexible permit requirements.
- Responsible approach to Missouri River management emphasizing flood control, navigation, and water supply including full funding for a USACE Feasibility Study to review the effectiveness of the Bank Stabilization and Navigation Project (BSNP) along the Lower Missouri River Basin (LMRB).

2020 Census — Support federal measures for a full and accurate 2020 Census count, which is critical for a representative democracy that promotes appropriate community investment to drive economic growth, quality jobs, and innovation in Kansas and Missouri.

Military Support and Homeland Security — Secure, well-planned and responsive communities are an essential component of a prosperous business climate. The KC Chamber supports stable funding for military services at a level to provide force modernization, service end strengths, readiness to protect the Nation. The Chamber advocates for initiatives that increase the quality of life for service members and their families and actively promotes investments in infrastructure and capacity at our region's installations and within the defense industrial base. The Chamber advocates for policies which bolster the region's security and job growth including:

- Implementation of the Cybersecurity Information Sharing Act of 2015 (CISA) including legal and regulatory protection for companies that conduct risk assessments and share information on vulnerabilities within the private sector and with appropriate government entities;
- Urging Congress to ensure that defense funding is passed on time, without continuing resolutions and at levels to secure military services overmatch capability including support for the following:

- Military End Strength at 2.2 million including Guard and Reserve Component of 900 thousand,
- Increased funding for university research initiatives aligned with DOD modernization priorities,
- Increased investment in measures to modernize our nation's nuclear weapons stockpile cyber and fleet capabilities, training and education venues,
- Protection of the critical role of the Kansas City National Security Campus;
- Sustaining Active, Guard and Reserve family readiness and transition programs including:
 - Military Spouse reciprocity for all state licensed careers, including healthcare, law, education and other licenses,
 - Transition initiatives for separating military service members and continuous integration into all regional and state workforce development initiatives,
 - Continued support and increased capacity for the US. Chamber/DOD Hiring our Heroes Corporate Fellowship Program;
- Promotion of adequate funding and efficient procurement processes for planned military construction projects including hospitals, housing, training facilities, munitions systems and utility infrastructure through the annual Military Construction, Veterans Affairs, and related agencies appropriations;
- Support for delivery of seamless medical care and measures to establish and maintain joint DOD/VA medical facilities in Missouri and Kansas to ensure accessible, timely and quality healthcare for our currently serving and their families and our veterans;
- A formal agreement between the US Army and US Air Force that would enable Fort Riley to conduct Total Force, combined arms training at Smoky Hill Military Reservation; and,
- Support for continued modernization and possible expansion of the Lake City Army Ammunition Plant.

Broadband — Support efforts to reduce outdated and unnecessary regulations to broadband investment which is critical to 5G technology and the continued development of the Internet of Things (IoT).

Energy and Environment — The Kansas City region continues to be a leader in sustainable solutions to energy and environment challenges that promote a stable and diverse energy portfolio reflective of our region. The KC Chamber supports the development and voluntary use of alternative, domestic, and renewable energy resources that are environmentally friendly, balance public health protection and business needs, and do not impede the region's economic competitiveness or cause unreasonable burdens to business. The KC Chamber advocates for federal energy and environmental policies that maintain states' rights and flexibility, and maximize energy security and efficiencies, including:

- Measures to upgrade and expand the production, national transmission and distribution infrastructure of all energy/fuel sources.
- Regulatory strategies to reduce greenhouse gases in a way that creates opportunities for economic growth while balancing costs to customers.
- Measures to incentivize energy efficiency in commercial buildings and residential dwellings.
- Reasonable air quality measures and ozone standards that protect public health and create an environment for economic growth.
- Continued funding and operation of the voluntary ENERGY STAR program within the U.S. Environmental Protection Agency to support energy efficiency initiatives nationwide.
- Federal programs that promote energy efficiency, renewable energy, reduction of greenhouse gas emissions, clean air and water measures, and redevelopment of brownfields (environmentally-blighted property).

ACCESSIBLE, AFFORDABLE, QUALITY HEALTH & HEALTH CARE

The undeniable link between the overall health and wellness of our workforce, the health of our communities and the financial health of our businesses is paramount for a vibrant regional economy. The KC Chamber has long recognized these links and has introduced a workplace wellness program, Healthy KC, to address health issues that most greatly impact our community and workforce. Furthermore, the Chamber supports efforts to help businesses reduce costs and regulatory burdens of providing health care coverage, wellness support, and

education of medical professionals and encourages ongoing efforts to improve access to quality health care. The Chamber takes the following positions:

Healthcare Reform

- Any repeal of the ACA must be paired with simultaneous passage of a comprehensive replacement policy that ensures a fair and competitive market for health insurance providers and be structured to avoid increases in the cost of health insurance providers that would make it difficult for individuals to afford coverage.
- Any reforms to the ACA must include provisions designed to stabilize the health insurance marketplace.

Medicaid Measures

- Support permanent postponement of the Medicaid Disproportionate Share Hospital (DSH) cuts. (Any freestanding repeal of the ACA must also fully repeal the Act's steep cuts to hospital payments - particularly Medicaid and Medicare DSH.)
- Enact no reforms that disadvantage states that did not expand Medicaid under the ACA.
- Support a Medicaid structure that increases efficiencies and avoids cost shifting to state budgets and maintains provider taxes at levels that allow Missouri and Kansas to sustain vital safety net coverage for children and families.
- Oppose attempts to implement a Medicaid Block Grant program.
- Oppose the Medicaid Fiscal Accountability Rule (MFAR).
- Support policies to revise outcome measure requirements for organ procurement organizations (OPOs).

Other Health Care Measures

- Support organ donations across the bi-state region and encourages UNOS (United Network of Organ Sharing), OPTN (Organ Procurement and Transplantation Network), and the U.S. Department of Health and Human Services to intervene and work with the respective transplant experts to develop a fair and equitable organ allocation policy.
- Support a definition for full-time employment that aligns with that of the business community.
- Support appropriate medical malpractice liability reform to protect access to affordable, quality health care.
- Support policies to acknowledge the value of "Trauma-Informed Care" and treatment and prevention measures to improve the health and resiliency of those who suffer the effects of childhood trauma.
- Ensure a fair and competitive market for health insurance providers and marketplace alternatives that allow individuals and businesses to obtain affordable health insurance coverage.
- Encourage the U.S. Food and Drug Administration to adopt strong standards for flavoring and marketing of vaping products and tobacco products to reduce use, especially among teens.