

2021 LEGISLATIVE AGENDA

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INTRODUCTION

The Greenville-Pitt County Chamber of Commerce's Legislative Agenda is developed by the Chamber's Issues Committee and communicates the Chamber's positions on issues at the state, local and federal levels of government. Working together with various legislative organizations helps promote public policy decisions that reflect the priorities of our local and regional economy. These priorities will help chart a path toward a more competitive eastern North Carolina with a focus on recovering from the current economic crisis.

2021 LEGISLATIVE PRIORITIES

The Greenville-Pitt County Chamber of Commerce requests that the General Assembly address the following issues during the 2021 Legislative Session:

I: CRITICAL PRIORITY - BRODY SCHOOL OF MEDICINE AT ECU

The General Assembly should fully fund a modern, properly equipped medical education and research facility for the Brody School of Medicine at East Carolina University.

II: BUSINESS CLIMATE

In our global economy, states' stiffest competition for business often comes from other states. North Carolina benefits most from a fair and equitable business climate that encourages entrepreneurship and business growth. These policies should include a clear tax and employment laws and commonsense regulations that do not add unnecessary costs or administrative burdens.

III: TRANSPORTATION & INFRASTRUCTURE

Eastern North Carolina's infrastructure is the foundation upon which our economy, competitiveness, and quality of life depends. Therefore, the Chamber supports sustaining and enhancing the area's infrastructure in a way that maximizes the return on investment through a simultaneous balance of current infrastructure renewal and future innovations.

IV: EDUCATION & WORKFORCE DEVELOPMENT

To ensure strong, sustainable, and balanced economic growth in eastern North Carolina, state policy makers must ensure that the workforce is skilled, highly trained, and educated for the jobs of today and those of tomorrow. To create this workforce and grow our economy, our public and higher educational institutions require modernized facilities and consistent levels of operational and programmatic funding.

V: HEALTHCARE

Healthcare policies must strike a balance between supporting this cornerstone industry and ensuring that world class care is accessible and affordable for all residents of eastern North Carolina. Policymakers should work to ensure quality care is affordable for the state, business, and individuals while also reducing costs.

VI: EARLY CHILDHOOD EDUCATION

Numerous studies have shown that the first five years are especially crucial for physical, intellectual, and social-emotional development in children. These studies reinforce the knowledge that a robust, high-performing early childhood education system is a critical long-term economic investment in the future workforce and a precursor to future academic success.

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CRITICAL PRIORITY - BRODY SCHOOL OF MEDICINE

• **Fully Fund a New Medical Education Building at ECU**: The 40-year-old Brody medical education building has substantial deferred maintenance needs, is outdated, and not configured for 21st century, ultramodern medical education and research. The outdated facility negatively impacts the ability to recruit and retain physicians, faculty, and researchers. The General Assembly and UNC Board of Governors should fully commit to funding a modern, properly equipped medical education and research facility at ECU.



BUSINESS CLIMATE

- <u>Business Friendly Environment:</u> Over recent years, the General Assembly has worked to increase the business environment of North Carolina. In the 2015 Tax Foundation State Business Tax Climate Index, North Carolina catapulted from 41st place to 12th, in what the Tax Foundation called "the most dramatic improvement in the Index's history." Unfortunately, North Carolina has recently slipped in the ranking, falling to #15 in the 2020 Index. The General Assembly should refocus on increasing the state's competitiveness by striving to further improve North Carolina's business-friendly environment by protecting the state's stable tax sources without disproportionately burdening particular industries, individuals, or employers.
- **Commonsense Regulatory Reform:** While regulations are necessary to ensure the safety and wellbeing of both consumers and employees, overburdensome regulations can severely limit economic growth. To ensure that North Carolina's business climate encourages investment and growth, the General Assembly and Executive Agencies should work to develop a commonsense approach to regulations that brings together all sides of an issue as a means of reducing undue harm on employers and the workforce.
- <u>Nonprofit Sales Tax Exemption</u>: Under current law, nonprofits in North Carolina pay sales and use tax on their purchases and then must apply for semi-annual refunds of these taxes. This refund process adds needless recordkeeping and reporting burdens for both nonprofit organizations and the county tax offices. By replacing the current system with a more traditional sales tax exemption, nonprofits and counties would save time and reduce administrative burdens. The General Assembly should pass legislation to replace the current nonprofit sales tax refund system with nonprofit sales tax exemption.
- <u>Role of Business Community:</u> Whether our state is faced with a natural, public health or security crisis, the strength of North Carolina's economy is essential to its recovery. As seen in our past, and in 2020, there should be a formal process by which the business community may offer input that is taken seriously, allowing the business community to share in critical conversations and ask for clarification on guidance from the government as needed.

TRANSPORTATION & INFRASTRUCTURE

- <u>Fund Completion of Delayed Transportation Projects:</u> Due to cost overruns and major storm impacts, critical transportation improvement projects throughout North Carolina have been postponed by the Department of Transportation (DOT). Unless additional funds are appropriated beyond what was contained in S356, these projects could remain in perpetual delay, thereby increasing future costs. The General Assembly should prioritize the completion of these vital transportation improvements throughout the state by appropriating the necessary funding to restart and complete these projects. Any funding allocated should be done equitably in all six DOT regions.
- **Prioritize Investment in Transportation:** In order to ensure the safety of citizenry and attract investment in economy of eastern North Carolina, it is imperative that the General Assembly, working in conjunction with the DOT and Greenville-Urban Area MPO, prioritize and fund the completion of the I-587 spur.
- <u>Mitigate Future Storm Impacts:</u> The destruction rendered by Hurricanes Matthew and Florence are unfortunate reminders of the natural threats facing eastern North Carolina. As such, the General Assembly charged the Select Committee on Natural Disasters to explore all means necessary in preparing our stormwater and river systems for the future impacts from increasingly powerful natural disasters. Recognizing that this body spent over a year working in conjunction with state and federal agencies as well as industry experts, the Chamber is confident that the findings of this report will be in the best interest of eastern North Carolinians and therefore tentatively supports the implementation of the committee's findings.
- Expansion of Rural Broadband: 2020 proved the critical need for broadband access to all parts of eastern North Carolina to ensure our communities, citizens and economy can operate under all circumstances. We must ensure all corners of Pitt County have access to broadband, which will benefit education, health care and our local economy.

IV.

EDUCATION & WORKFORCE DEVELOPMENT

 Sustain Funding for Innovative Workforce Education Programs: It is increasingly important to cultivate talent by improving our workforce education system, strengthen training and retention programs, create clear pathways to available jobs, and better equip workers with the proper skills. All these factors are addressed through innovative workforce education programs developed collaboratively between our education institutions and the private sector. The General Assembly should build upon the funding contained in 2019 Senate Bill 61 by continuing to support these innovative, short duration programs that lead to industry recognized credentials and highly employable students. Additionally, these funded programs should be evaluated against robust outcomes that demonstrate positive impacts on the local economy and high ROI of taxpayer dollars.

- **Protect ECU and PCC Current Base Funding:** Pitt County is fortunate to have two highly exceptional higher education institutions, Pitt Community College and East Carolina University, within its borders. However, regardless of exceptionality, our higher education institutions are under constant financial scrutiny and face significant budget fluctuations due to the state's current funding models. The Chamber believes that all efforts should be made to protect historical base funding for our area institutions as they continue to adapt to the changing demographics and norms of the 21st century student body. If the outcomes of the funding formulas result in cuts, these cuts should be limited to a maximum of no more than 1% to protect critical student and academic program fidelity.
- <u>Protect K-12 Public School Funding:</u> Pitt County is home to 38 public schools and a vital contributor to our local community and economy. The Chamber encourages supporting efforts in K-12 public education to allow for flexibility in items such as: budget issues, average daily membership and other matters that affect student success as we work to meet the demand for talent in Pitt County and eastern North Carolina.



HEALTHCARE

- <u>Close the Coverage Gap:</u> An effective and sustainable Medicaid program is essential due to Medicaid's role as a critical payment source for medical services for North Carolina's vulnerable populations. The General Assembly should seek to identify a commonsense solution to the close the coverage gap. This solution should balance the overwhelming needs of expanding access while also supporting a cost-efficient expansion of Medicaid in North Carolina.
- Identify Cost Savings and Efficiencies the State Health Plan: Due to the potential impacts to the wellbeing of eastern North Carolinians and the region's economy, the Chamber strongly requests that the state policy makers work to identify alternative cost savings and efficiencies for the State Health Plan. This study should be developed in conjunction with all the relevant stakeholders through the utilization of a collaborative process in order ensure transparency.
- **<u>Reimbursement of Telemedicine Visits:</u>** As growing popularity and required visits as a result of COVID-19, providers have been reimbursed for telemedicine visits much differently than traditional in person visits. Policymakers should broad coverage and adequate reimbursement for all telemedicine services by all plans and payers through service parity and payment parity reforms.

VI. EARLY CHILDHOOD EDUCATION

- Fully Reimburse Childcare Providers: In 2017, an NC State report noted that, on average, only 72% of private provider direct service costs are reimbursed by the DCDEE. Therefore, to encourage additional public and private childcare center participation in NC Pre-K and Child Care Subsidy programs, the General Assembly should appropriate funding necessary to provide reimbursement at full market delivery rates.
- <u>Increase Child Care Subsidy Funding:</u> According to recent estimates by the DCDEE, only 15% of Pitt County children eligible for the Child Care Subsidy are currently receiving benefits. Instead, nearly 7,500 eligible children are not receiving subsidized childcare assistance, which places additional financial burdens on at-risk families. The General Assembly should allocate additional funding to the Child Care Subsidy as a means of addressing this backlog of eligible, low-income participants not being served by the program.