

Lynchburg Regional Business Alliance 2016-2017 FEDERAL PRIORITIES



**LYNCHBURG REGIONAL
BUSINESS ALLIANCE**
— Chamber & Economic Development —

2015 Memorial Ave. | Lynchburg, VA 24501 | 434.845.5966
www.LynchburgRegion.org

FEDERAL LEGISLATIVE PRIORITIES

The Lynchburg Regional Business Alliance is dedicated to strengthening our Region's long-term competitiveness and advocating for pro-business policies that create jobs and grow our economy. Together we focus on jobs, growth and opportunity for the entire Region which includes: The Counties of Amherst, Appomattox, Bedford, Campbell, City of Lynchburg, Towns of Altavista, Amherst, and Appomattox.

We have adopted nine broad categories we consider to be priorities concerning business and economic development including:

- Education
- Energy & Environment
- Free Enterprise
- Healthcare
- Infrastructure
- Labor & Workforce
- Regulatory Reform
- Taxation
- Transportation

Feedback from our members and the results of our 2016 legislative survey indicate that the biggest concern for our 2016-2017 federal priorities is regulatory burden. Below is a list of specific regulatory concerns which significantly impact our membership.

BUSINESS & FOREIGN RELATIONS

Ex-Im Bank

- Board Nominations

We **support** the confirmation of the pending board nominees so that manufacturing jobs will not be in jeopardy and manufacturers in the United States do not lose sales and forfeit growth opportunities. Foreign credit agencies are supporting their exporters at an aggressive export credit financing rate of 20 to 1 in comparison to the United States. Thus, manufacturers need the Ex-Im Bank to be fully functional in order to compete globally.

EDUCATION

K-12 Education

- Individuals with Disabilities Education Act

We **support** full funding for the Individuals with Disabilities Education Act so that schools can address the needs of students with disabilities in the least restrictive environment as determined by their IEP committees. The number of students with disabilities in need of intensive special education and related services continues to rise and yet federal funding to support special education is disproportionate to the needs and is not at the federal level prescribed of 40 percent.



- Every Student Succeeds Act

We **support** less regulatory burden concerning Every Student Succeeds Act (ESSA) and want to ensure that this legislation lives up to its intent to be state driven and based on multiple measures.

Higher Education

- Student Aid Funding

We **support** continued bi-partisan support for the core student aid programs. The FY 2016 spending bill increased Pell Grants to \$5,845, maintained funding for SEOG and Federal Work Study, and generously increased funding for TRIO and GEAR UP. These programs significantly assist low-income students on the path to graduation.

- Federal Student Loans

We **oppose** lowering federal loan limits. Higher Education Academy (HEA) reauthorization proposals to reduce federal loan limits could force many students into more expensive private loans. While student debt is a concern, most students have manageable debt and repay their loans. Proposals to charge low-income students interest while they are in school would cost students thousands of dollars in a program in which the federal government is already making a profit.

ENERGY

- Long-term Federal Energy Policy

We **support** the creation of a long-term national energy policy that transcends the election cycle thus removing partisan politics. Lacking a national energy policy set by Congress, we are left with energy policies set by each administration. A strong energy infrastructure requires a longer timeline to create than each election cycle.

ENVIRONMENT



- Streamlined Regulatory Process

We **support** a streamlined process and timeframe for environmental protection regulations to ensure we are economically competitive in the global marketplace. Proper protection of our environment is critical to creating a sustainable business climate. However, when state and federal processes are coupled with lengthy review periods, American business is put at a disadvantage to international projects.

FINANCE



- Dodd-Frank Act

We **oppose** the Dodd-Frank Act because it has given disproportionate regulatory ability to federal regulators, and at the same time, it has generated uncertainty for financial institutions. Regulations are continuously being added to the Dodd-Frank Act and this immense regulatory burden weighs down our struggling economy and stamps on the willingness or ability of the financial industry to take the prudent risks that economic growth requires.

- DOL Fiduciary Standard

We **oppose** the DOL Fiduciary Standard because it discriminates against small businesses by subjecting them to additional regulations that will reduce their employees' access to retirement savings options. It also deprives some businesses from offering retirement saving options to their employees simply because they do not have enough people on payroll to convince the DOL of their competence. While the purpose of the DOL's proposed rule to reform fiduciary standards is to protect American workers' financial security and investment decisions, regulatory decisions should not be made based on assumptions that some business owners are less sophisticated than others simply because of how many people they employ.

LABOR & WORKFORCE



- Workforce Innovation and Opportunity Act

As the final regulations are being developed for the Workforce Innovation and Opportunity Act (WIOA), the Alliance **supports** increased emphasis on opportunities and incentives for collaboration among all education and training employment providers to better meet the needs of employers. We also support incentives and grant opportunities that encourage collaboration among localities and across regional boundaries that provide solutions for employers.



- Wage & Hour Regulations

We **oppose** the Department of Labor's changes to wage and hour regulations which doubles the threshold of who is eligible to earn overtime compensation from \$23,660 to \$47,476. This will force employers to decide whether to reclassify millions of employees to nonexempt status (receiving hourly wages as opposed to salary) or increase their salaries to keep them exempt. For businesses across the nation to comply, it will cost approximately \$3 billion dollars and 2.5 million hours of paperwork. Forcing employers to reclassify employees from salaried employees to hourly employees will result in a loss of status, benefits, and no increased earnings.

- Federal Compliance for Affirmative Action

We **support** the creation of a documented process for audit selections that outlines how the government determines who is selected for an audit. The purpose of this documented process would be to prevent excessive audits of companies that have repeatedly been found in compliance.

- "Blacklisting" Regulation

We **oppose** the Department of Labor's "blacklisting" regulation, which could exclude contractors and subcontractors from working with the federal government if there is even an allegation of labor law violations. It also disregards longstanding enforcement powers and amends mechanisms already established by Congress. The DOL's new "persuader" rule will make manufacturers' education of workforce more difficult and pose more challenges for manufacturers to access legal assistance in navigating complex labor laws.

(over)

TRANSPORTATION



Air Transportation

- Pilot Shortage

We **oppose** the new FAA rule requiring pilots to have at least 1,500 hours of flight time before being hired because it not only contributes to the airline pilot shortage, but it is an excessive increase to the entry-level hours required, is arbitrary and actually reduces the practical qualifications of those who finally attain that amount. The resulting shortage is already reducing service levels at many smaller commercial service airports, and has led to greater numbers of flight delays and cancellations. There are several more effective approaches that Congress and the FAA should consider. These are being floated by the American Association of Airport Executives and other organizations, and would actually enhance the quality of entry level pilot training at a much lower number of flight hours without the negative impact the new rule is having on airports.



- FAA Contract Tower Program

We **support** the insertion of language that protects the contract tower program. LYH is one of over 250 air traffic control towers (ATCTs) in the U.S. that are operated under private contract to the FAA to provide qualified air traffic control personnel. The program has been a target of the FAA since 2013 through various attempts to reduce the program, require more cost-sharing by airports, and in some cases outright close contract towers. Those efforts, which are detrimental to air traffic safety, appear to be continuing; however, it has only been through the strong support of Congress that the program has continued to receive full funding. Currently, new legislation that provides FAA its authority through September 2017 did not contain language that had previously been inserted to protect the contract tower program, and as a result our focus now shifts to the FY 2017 appropriations bill. While not directly regulatory in nature, this remains a critical need for LYH in order to maintain the safety and efficiency of air traffic using Lynchburg Regional Airport.

Ground Transportation

- “Waters of the U.S.” (WOTUS)

We **oppose** the “Waters of the U.S.” (WOTUS) rule which was put in place by the Environmental Protection Agency (EPA) and the U.S. Army Corps of Engineers, dramatically expanding the areas regulated under the Clean Water Act. The EPA adopted the WOTUS rule, ignoring flaws identified by the business community, farmers and agriculture leaders, manufacturers, and other vital stakeholders. By redefining what constitutes a ‘water of the United States’ the agency sidestepped the Clean Water Act, Administrative Procedure Act, and the U.S. Constitution. The EPA’s WOTUS rule disrupts the careful balance Congress set forth in the Clean Water Act, which gives the EPA and the Army Corps of Engineers the authority to regulate “navigable waters,” but specifically preserves the primary role of the States in planning the development and use of land and water resources. Further, the Agencies failed to comply with their statutory obligation to assess the economic harm numerous industries and small businesses will suffer because of the regulation.

Sources used in this document can be obtained by contacting the Alliance.

LEGISLATIVE AFFAIRS COMMITTEE MEMBERS



Larry E. Jackson, (Chairman) Appalachian Power
Joe Byron, Moore’s Electrical & Mechanical
Kenneth Craig, Liberty University
John D. Doyle, Jr., Pettyjohn, Wood & White, Inc.
Michael Elliott, CENTRA
J. Everette Fauber III, Kroll Background America
Dr. Wesley R. Fugate, Randolph College
Tracie A. Gallahan, First National Bank
Dr. Kenneth Garren, Lynchburg College
Herschel V. Keller, Gentry Locke - Attorneys - Lynchburg

Mac Michals, Trane, Inc.
Robert O’Brian Jr., Lynchburg Ready Mix Concrete Co., Inc.
Mark J. Peake, Caskie & Frost
Turner Perrow, City of Lynchburg
Karen Simonton, OrthoVirginia

Alliance Staff:
Caroline Biggs
Christine Kennedy