

## Jobs Impact Statement

### Issue

Many bills proposed and approved by the West Virginia Legislature have a direct or indirect impact on the ability of employers to provide jobs for people in West Virginia. In relation to jobs and the ability of companies to employ our citizens, legislative actions have consequence. Recognizing the value of determining the fiscal consequences of proposed legislation, the Legislature and Governor's Office routinely request analyses to determine how various bills would have an impact on the state budget. But the state does not have a similar option for legislators or the governor to acquire a more complete understanding of how various legislative proposals would have an impact on the state's economy. The Jobs Impact Statement proposal would allow either the governor or legislative leadership to request a comprehensive jobs impact analysis from the Development Office of specific legislation being considered.

### Background

Jobs impact statements are not entirely new to the state Legislature. In fact, legislative leaders have in the past received analysis from Marshall University that examined, in detail, the economic impact of the federal court decision on mountaintop mining. Without the ability to request a Jobs Impact Statement, legislators will continue to decide public policies that affect employers – and employment – in West Virginia without a foundation of factual data. Legislators should have fact-based Jobs Impact Statements available on major policy issues before making decisions that are crucial to West Virginia's future. Without such analyses available, state lawmakers will be swayed more likely by rhetoric and speculation instead of economic facts, and legislation enacted could have serious, unintended and negative consequences both on employment in our state and our collective ability to attract urgently needed new jobs.

The Development Office can work with any organization or state agency in completing Economic Impact Statements. These analyses will use accepted methodologies to determine the short-term and long-term effects of proposed legislation on the net gain or loss of jobs, with respect to employment levels and patterns or within broad industrial sectors.

Because legislative actions have consequences on West Virginia's employers, legislators deserve to have a clearer understanding of how their decisions and votes will have an impact on employment, job opportunities and economic growth.

### The Chamber's Position

Enactment of the Jobs Impact Statement legislation is a very inexpensive way to make sure legislators and administration officials understand how specific proposals would have a positive or negative impact on job creation and growth in our state. By allowing for such economic analyses of proposed legislation, the state Legislature will improve the climate for business in West Virginia and, in the process, gain a better understanding of how subsequent proposals will have an impact on West Virginia's business climate. This proposal should be enacted this year.