



WEST VIRGINIA CHAMBER

The Voice of Business in West Virginia

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West Virginia Chamber Outlines Ten Solutions For 2010

Goal Is To Spur Economic Growth, Diversification

CHARLESTON, W.VA. – The West Virginia Chamber of Commerce supports Governor Manchin and state lawmakers in taking added steps during the 2010 legislative session to help spur a rebound in the state’s economy, to better position West Virginia to capture business investment and to create more jobs. The Chamber today unveiled its list of 10 solutions for 2010 that will help stimulate economic growth across the state.

“The Chamber’s list of solutions will advance West Virginia’s economic competitiveness, improve the state’s business and human capital capacity and ultimately grow our economy and offer new employment opportunities to our citizens,” said Steve Roberts, Chamber President. “This formula for success also will help to diversify our economy for all West Virginians.”

“Strengthening the state’s economy is the primary issue on the minds of West Virginians, and particularly in light of the national recession it is imperative that our state leaders improve our business climate and enact these solutions now in order to help sustain our state’s economic growth and provide for new expansion,” Roberts continued.

Roberts added that several of the Chamber’s recommendations are in line with ones developed by study efforts or special commissions.

Provided are the West Virginia Chamber's "Ten Solutions For 2010:"

- 1) **Small Business Development** -- To improve the competitiveness of the state's small business community and to spur entrepreneurial development, the West Virginia Chamber proposes enactment of a number of incentives and programs for small businesses and start-up ventures. These include the enactment of a new statewide entrepreneurial development strategic program, creation of a one-year exemption on local B&O taxation for science and technology-based start-up enterprises that locate within cities; establishment of a tax credit against Personal Income Taxes (up to \$5,000 a year) for small businesses that invest in high-technology equipment, applications, services and training to improve their competitiveness, operations, productivity, etc.; exclude net business income derived from patents and copyrights from West Virginia taxation; provide for Personal Income Tax deductions and exemptions for small businesses that the federal government recognizes; and allow the deductibility on state taxes of the other half of the federal self-employment tax. ([Click to read the W.Va. Chamber's policy paper on small business and entrepreneurial development.](#))
- 2) **Appeal of Right** -- Appellate review is an essential component to a fair and balanced judicial system, but West Virginia is the only state that does not provide an absolute appeal of right of a final judgment from a lower court. This significantly tarnishes the state's reputation in terms of its legal and judicial climate. The West Virginia Legislature should enact an appeal of right for all final judgments in the Circuit Courts. ([Click to read the W.Va. Chamber's policy paper on Appeal of Right.](#))
- 3) **Legal Climate** -- West Virginia must continue its efforts to enact meaningful legal reforms so employers can operate in an environment where they can get fair trials and face fewer nuisance lawsuits. A fair and just legal system is essential to building more confidence for business investment and growth. West Virginia needs to enact additional legal reforms so it can come in line with nearly every other state. These include limits on punitive damages, an automatic right of appeal, elimination of medical monitoring, meaningful limits to joint-and-several liability, restricting deliberate intent lawsuits, asbestos reform, to name a few. Also, West Virginia needs to get politics out of its court system by enacting nonpartisan election of judges and justices. ([Click to read the W.Va. Chamber's policy paper on needed legal reforms.](#))
- 4) **Judicial Restructuring** -- The West Virginia Chamber of Commerce supports the Governor's Independent Commission on Judicial Reform in its call for the creation of an intermediate appellate court and the study of a business court pilot project. The establishment of an intermediate appeals court system and a specialized commercial court in West Virginia should aid in improving the perception and performance of the West Virginia judicial system. ([Click to read the W.Va. Chamber's policy paper on judicial restructuring.](#))

- 5) **Business Costs** -- West Virginia needs to continue to reduce the cost of doing business in the Mountain State. A major cost on state employers is West Virginia's business tax structure, which ranks among one of the highest in the nation. While West Virginia has a plan underway to eliminate the business franchise tax and lower the corporate net income tax rate, more needs to be done. The state also must preserve the reforms that were enacted in the areas of workers' and unemployment compensation so these programs remain fiscally sound. Finally, the West Virginia Chamber urges the Legislature to enact legislation in 2010 to modernize the property tax assessment and appeals process. ([Click to read the W.Va. Chamber's tax modernization and relief policy paper.](#))
- 6) **Workforce Development/Skills** -- West Virginia must invest in more efforts to help ensure employers across our state will have a trained and skilled workforce who possess the knowledge and capabilities needed in today's workplace. Through added public-private efforts and funding, our state must provide education and training programs that match the needs of today's employers, particularly new programs focused on using advanced equipment and ensuring technological fluency and proficiencies. We also must help workers — particularly those who have been lost their jobs — to have access to retraining and skills development opportunities so they can compete for available jobs in new fields. Finally, employers need to be able to ensure a drug-free workplace.
- 7) **Regulatory Permits** -- West Virginia needs to improve the process used by businesses to obtain lawful environmental and regulatory permits. Many company managers complain that obtaining the environmental permits needed for a plant expansion or retrofit are too time-consuming, burdensome and costly. West Virginia must eliminate this disincentive so a business can improve or expand operations while still protecting the environment.
- 8) **Energy, Manufacturing Industries** -- West Virginia's energy and manufacturing industries are under attack from a variety of forces. These are major segments of our economy, and they generate a large part of the jobs and economic activity in our state. In addition, our energy and manufacturing economies provide a major portion of the tax dollars needed for education, public safety, health care services and other vital needs. West Virginia must protect its energy industry and manufacturing operations in order to have a stable, viable economy and healthy job base. State leaders need to enact specific legislation to address and alleviate the challenges facing these "goods-producing" segments of our economy.
- 9) **Infrastructure** -- West Virginia needs to continue finding additional funding for important infrastructure needs, particularly in the three core areas: 1) roads, highways, and bridges, 2) broadband, wireless and fiber connectivity, and 3) utility upgrades and expansions. Today's "just in time, connected" business environment means companies must be able to ship their goods and

receive products in a timely manner and stay connected to offices and facilities via a modern transportation system and advanced telecommunications infrastructure.

- 10) **Health Delivery Modernization** – For several years now West Virginia has been positioning itself as a leader in the use of health information technologies, telehealth systems and electronic medical records. Many of these efforts are culminating in added federal funds that will help to modernize certain aspects of the state’s health care delivery system, particularly in rural areas. The Chamber calls on the Legislature to enact a strategic approach regarding the advancement of health information technology, and the state’s new GO-HELP office should coordinate activities to secure and implement federal health information technology stimulus funds. The Chamber also supports the establishment of a federal regional health information technology exchange in West Virginia.

Enactment of these recommendations in 2010, particularly those dealing with lawsuit reforms, tax modernization and business cost reductions, are vital to further advancing the state’s economic growth and creating a more stable and competitive environment for businesses and professionals to operate, invest and employ West Virginians, Roberts added. “Enactment and implementation of these policies will improve the state’s business climate and position the state so it can be more competitive and enjoy greater prosperity.

“West Virginia currently is faring better than most other states, which are struggling significantly due to the recession,” he added. “Now is the time for our state to take bold steps, enact these key changes and be in a better competitive spot for business investment and jobs,” he added.

More information about the West Virginia Chamber’s 2010 policy positions can be found by going to the organization’s web site:

<http://www.wvchamber.com/AdvocacyIssues/BusinessIssues/PolicyIssues/tabid/153/Default.aspx>

West Virginia Chamber of Commerce -- As the state’s largest, most influential general business organization, the West Virginia Chamber represents all business sectors in every region of the state, ranging from small business enterprises to Fortune 500 companies. The organization’s 5,000+ membership reach comes from its close relationships with 55 local chambers of commerce and dozens of statewide business and trade associations. The West Virginia Chamber is a proactive leader in the search for solutions to problems, a voice for free market competition and a streamlined government, a catalyst for progressive thinking and problem solving, and a partner with government as appropriate. More information on the W.Va. Chamber can be found at www.wvchamber.com.

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