



SMC Business Councils
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State of the Association 2015

SMC's mission is to build a pro-business environment in Pennsylvania.

MEMBERS in ACTION

Goal: Create opportunities for members to speak with lawmakers.

Harrisburg Lobbying Trip, May 4, 2015: Members, staff and guests attended. SMC had 24 meetings and position papers were dropped off in an additional 40 offices. Key messages included:

- Fundamental reform of the state's two public pension plans is required and the massive \$50 billion dollar unfunded liability must be addressed.
- The 20% increase in the Personal Income Tax, 10% increase in the sales tax and the expansion of the base as proposed in Governor Wolf's budget will have a detrimental impact on all of those small businesses who file as pass-through entities.

Washington, D.C. Lobbying Trip with the National Small Business Association (NSBA), June 1-2, 2015:

SMC met with the offices of Senators Casey and Toomey and Representatives Kelly, Rothfus, Doyle, Perry, Dent and Murphy. Key messages included:

- Ensure fair treatment of pass-through businesses who file at the individual level.
- Contain health care costs and improve the Affordable Care Act (ACA).
- Provide a permanent solution to Section 179 expensing.

Annual Legislative Reception, September 24, 2015: While the calendar did not work in our favor – the Pope addressed Congress and the PA House of Representatives called members to Harrisburg for an unusual Thursday session – many elected officials sent staff. The Government Relations committee facilitated a new "Members' Forum" where all had the opportunity to speak about local, state and federal issues impacting their businesses.

LOBBYING

Goal: Educate lawmakers about the issues of top concern to small business.

The State Budget Impasse: When Governor Wolf introduced his budget in March 2015 it was apparent immediately that it posed a threat to small businesses. To be silent is to agree; SMC fought every step of the way to deliver our message to those in power so they could understand the needs of small businesses before making decisions on the budget and policy.

- SMC maintained an intensive lobbying effort opposing the proposed 20% increase in the Personal Income Tax, the 10% increase in the Sales Tax, expansion of the Sales Tax base and pension reform.
- SMC reached out to company members and collected their comments. A white paper was compiled and served as the chief lobbying tool in meetings with Democrat and Republican, House and Senate leadership, staff in the Governor's office and lawmakers.

EDUCATIONAL PROGRAMS

Goal: Educate members about the issues and government.

- **"Town Hall Uncovering Employer Issues...Regulatory, Legislative or Other," March 27, 2015:** SMC members and guests participated in this discussion of the regulatory and legislative issues that are

negatively impacting their businesses. A meeting with the National Ombudsman, Small Business Office of Advocacy, will take place in 2016 to seek solutions.

- **“Learn from Lawmakers How the State’s Pension Crisis Impacts Your Bottom Line,” April 7, 2015:** SMC members and guests heard three experts, Representatives Daryl Metcalfe, John McGinnis and Warren Kampf, discuss the basics of PA’s pension crisis: how we got here, proposed legislative solutions, the consequences of inaction and the impact on the state economy.

A LOOK AHEAD to 2016

The Government Relations Committee is currently identifying a list of issues for prioritization by the Board of Directors. SMC’s Issues Survey, October 2015, had a 50% increase in participants over 2014. While our surveys have varied in format and focus over the past several years, the cost of health insurance/health care and taxes have consistently ranked as the number one and number two concerns. That insures that taxes, health care costs and tangential issues will remain at the top of SMC’s state and federal agendas.