

GROW PA UPDATES

- The State of Innovation: Generating Ideas to Grow PA Recap: Last week, some 150 business and civic leaders from around the Commonwealth participated in an event examining the current state of Pennsylvania's innovation economy and ways Pennsylvania can jumpstart innovation once again. Participants heard Brookings discuss their new report that showed that the state's innovation economy now faces a significant set of challenges, including the absence of a comprehensive state innovation strategy, below-average industry R&D, reduced investment in state resources for early-stage companies, and significant disparity between Philadelphia, Pittsburgh and State College from the rest of the state.

Attendees got a chance to respond to the discussion, when they were asked how to begin reversing Pennsylvania's trajectory, including whether Pennsylvania's innovation strategy should be incremental, having a narrow focus, but leveraging fewer public resources or aspirational, requiring more significant investment, but having a larger impact. Ultimately, 65% of participants thought the state should pursue an aspirational strategy. Participants also indicated that the absence of a state strategy was the most critical innovation challenge for Pennsylvania to address.

The efforts around innovation will continue, as Grow PA pushes to raise awareness about the need for an innovation strategy with members of the General Assembly, including conducting an asset map of Pennsylvania's strengths – particularly in R&D, and examine what the state is currently investing in innovation.

- Governor Wolf Sign's HB 265: HB 265 Articulation Agreement Database was signed into law this past week. The bill includes several Grow PA workforce focused measures including language from **SB 297** which requires the PA Department of Education to develop materials outlining workforce needs including training opportunities and future earning potential and **HB 796** which creates a grant program incentivizing new apprenticeship programs.
- SB 596 Passes out of Committee: The Senate Consumer Protection And Professional Licensure passed SB 596 Pennsylvania Clean Transportation Infrastructure Act out of committee. View the full bill: chmbr.biz/sb596ev
- Chester County Grow PA Event: The Chester County Chamber of Business and Industry hosted a Grow PA gathering on October 31st to hear from Moody's about the state of the Commonwealth and discuss ideas to grow Pennsylvania's population and retain and attract young people. Moody's reported that Pennsylvania's population would further decline if the state does not begin to reverse its current trajectory. The group also heard from Representative Martina White (R-Phila) about the need for further investments in the state's infrastructure. Rep. White is chair of the House Commission on Infrastructure, examining the need for statewide funding for transportation infrastructure.

IN THE NEWS

- Harrisburg campus to host 'The State of Innovation: Generating Ideas to Grow': chmbr.biz/GrowPAPenn
- Inaugural Grow PA meeting aims to spark innovation: chmbr.biz/GrowPAInnovation

GROW PA LEGISLATION**Transform Post-Secondary**

» **HB 522 CTE Investment Incentive Program | Rep. Tobash**

Status: Re-referred to APPROPRIATIONS, June 17, 2019 [Senate]

The bill would establish a Career and Technical Education Investment Incentive Program which would provide tax credits to businesses that contribute to career and technical education scholarships or purchase industry standard equipment for career and technical partnership organizations. This program benefits job creators and encourages the ongoing investment in vocational education to support our workforce demands. Read the full bill: chmbr.biz/hb522

» **HB 393 Online Career Resource Center | Rep. Harkins**

Status: Referred to EDUCATION, March 28, 2019 [Senate]

The bill would require the Departments of Education (PDE), Labor and Industry (L&I) and Agriculture to develop and maintain a comprehensive online career resource center for students, parents, educators, and school officials to provide information on the value and impact of CTE, career pathways, data and statistics on employment opportunities and compensation, postsecondary options and statewide and regional articulation agreements. Read the full bill: chmbr.biz/hb393

» **HB 394 Workforce Development Program Inventory and Clearinghouse | Rep. Mullery**

Status: Referred to EDUCATION, March 28, 2019 [Senate]

The bill would require the Department of Education (PDE) and the Department of Labor & Industry (L&I) to conduct a complete inventory of existing workforce development programs at both the secondary and postsecondary levels with particular emphasis on opportunities for business-education partnerships with the goal being to share those best practices learned with the various entities to help improve the delivery of career focused opportunities. Read the full bill chmbr.biz/hb394

Modernize Infrastructure

» **SB 470 State-owned Assets and Mobile Broadband Services Act | Sen. Phillips-Hill**

Status: Re-referred to APPROPRIATIONS, Sept. 25, 2019 [Senate]

The bill would direct the Department of General Services (DGS) to conduct an inventory of all state department, agency, commission or institution owned communication towers, poles, buildings, and facilities to leverage existing state-owned assets. Read the full bill: chmbr.biz/sb470

» **HB 305 Inventory State Communications Assets and Develop Leasing Plans | Rep. Snyder**

Status: Re-reported as committed, Oct. 28, 2019 [Senate]

The bill would direct the Department of General Services (DGS) to conduct an inventory of all state department, agency, commission or institution owned communication towers, poles, buildings, and facilities to leverage existing state-owned assets for the provisioning of high-speed broad-band internet to unserved and underserved areas. Read the full bill: chmbr.biz/hb305

» **SB 596 Pennsylvania Clean Transportation Infrastructure Act | Sen. Mensch**

Status: First consideration, Oct. 30, 2019 [Senate]

The bill would establish a state goal of increasing electrification by at least 50 percent over currently forecasted levels by 2030; Require the development of regional electrification infrastructure frameworks for our metropolitan areas; direct electric utilities to develop infrastructure implementation plans to support the development of these networks under PA PUC oversight; and direct the Governor to submit recommendations

to the Legislature and PUC on strategies to promote other clean transportation options, including CNG and hydrogen. Read the full bill: chmbr.biz/sb596

» **SB 835 Broadband Accessibility Funding Program | Sen. Langerholc**

Status: Referred to COMMUNICATIONS AND TECHNOLOGY, Aug. 26, 2019 [Senate]

The bill would help rural areas by establishing a grant program to extend deployment of facilities already providing broadband service; limiting funding to entities who have demonstrated the ability to construct and administer; requiring it to be used in unserved areas only; and necessitating 20-percent of project costs come from their own funds. Read the full bill: chmbr.biz/broadbandaccessibility

Other Bills to Watch

» **HB 1101 Increase Net Operating Loss (NOL) | Rep. Mihalek**

Status: Referred to FINANCE, April 29, 2019 [House]

The bill would strengthen our state's competitiveness by increasing the percentage rate cap for net operating loss deductions to 45% in taxable year 2020 and 50% in taxable year 2021. The use of carrying forward net operating losses is vital to the success of capital-intensive industries, in particular manufacturers who must invest significantly in the early years of the firm's operation. Read the full bill: chmbr.biz/hb1101

» **SB 578 Eliminate Net Operating Loss (NOL) | Sen. Mensch**

Status: Referred to FINANCE, April 22, 2019 [Senate] (Companion Bill HB 70)

The bill would uncap the Net Operating Loss (NOL) Carryforward. This will encourage new capital investment in our state, and will create new jobs. Read the full bill: chmbr.biz/sb578

» **SB 747 Expanding the 21st Century Manufacturing Innovation and Reinvestment Deduction Act | Sen. Mensch**

Status: Referred to FINANCE, June 10, 2019 [Senate]

The bill would expand the 21st Century Manufacturing Innovation and Reinvestment Deduction Act to provide an incentive to Pennsylvania manufacturers that make large scale investments over \$1 million within the Commonwealth. Specifically, a manufacturer that makes a private capital investment of \$1 million - \$10 million will be able to claim a 10% deduction against its taxable income for five years and any manufacturer that makes a private capital investment of \$10 million - \$100 million will be able to claim a 7.5% deduction against its taxable income for five years. The tax deduction is not a tax credit; it is non-deferrable, or transferable to another entity. The deduction cannot reduce the manufacturer's tax liability by more than 50%. Read the full bill: chmbr.biz/sb747

Bill status as of 10/31/2019

GROW PA GRASSROOT CAMPAIGNS

Grow PA is generating grassroots campaigns so advocates can send pre-drafted letters of support for legislation that aligns with our agenda. Below is a list of active campaigns that you can share with your membership & network encouraging them to take action!

- Find Your Legislator: chmbr.biz/searchmyreps
- Let's Grow Clean Transportation in Pennsylvania: chmbr.biz/sb596ev
- Let's Jumpstart PA's Innovation Economy: chmbr.biz/innovationstrategy

CALLS TO ACTION

- Author a Perspective: If you are interested in sharing your organization's story or perspective to be featured in our bi-weekly newsletter and website email Liz Ferry at lferry@chamberphl.com.
- Develop a Grassroots Campaign: If you have an issue or piece of legislation you want to champion, Grow PA can help develop a pre-drafted letter campaign to share with your membership and network. Email Christina Coleman at ccoleman@chamberphl.com
- Share the Agenda with Your Legislator: Email your legislator and share the Grow PA Legislative [Agenda](#).
- Author an Op-ed: If you're interested in authoring a pre-drafted op-ed in your local newspaper email Liz Ferry at lferry@chamberphl.com.
- Identify Grow PA Bills: Help identify legislation that aligns with Grow PA's legislative priorities. Contact Liz Ferry with recommendations at lferry@chamberphl.com

RESOURCES

- Grow PA Legislative Priorities One-Pager: chmbr.biz/growleg
- Grow PA One-Pager: chmbr.biz/aboutgrowpa
- Grow PA Legislative Agenda: chmbr.biz/growpalegagenda