

State Chamber leaders outline 2010 issues

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TULSA – Ad valorem taxes, workers' compensation and health care lead off The State Chamber's list of legislative and congressional concerns, outgoing Executive Director Dick Rush said Thursday.

While the chamber board will not finalize the organization's 2010 legislative agenda until Dec. 9, Rush presented a list of key issues during a Tulsa Press Club Page One luncheon. The list suggested no priorities, with topics outlined in alphabetical order, but Rush said the first one was indeed one of the most important – ironing out potential problems from the Oklahoma Supreme Court ruling making intangible property subject to ad valorem taxes.

Rush said the chamber will seek a legislative or constitutional reversal of that ruling. "That will do nothing but destroy the tax base of the state," Rush said, suggesting the ruling could tax everything from wall pictures to client lists. "If that's the case, you will see a sucking sound of businesses leaving the state."

The 23-year chamber veteran also pointed to two perennial topics – education and workers' compensation.

As lawmakers contemplate tapping "rainy day" funds to shore up sagging revenues, Rush said The State Chamber remains against education funding proposals such as State Question 744. That potential mandate on the November 2010 ballot would force the state to align education funding levels with neighboring states.

"That is not the way to solve the problem," Rush said.

With Oklahoma's population less than Cleveland or Houston, he said the state must instead look at consolidating school administrative staffs while attracting new business to boost state revenue.

"We don't have enough of a tax base to support the 536 school systems out there," said Rush, who will retire from the chamber in March. "We must consolidate."

As for workers' comp, Rush said a fundamental restructuring remains a top priority in 2010. He said the chamber would support a referendum requiring state Senate confirmation of workers' comp judicial appointments.

State Chamber Chairman Phil Kennedy, owner and president of Comanche Home Center in Lawton, said the lobbyist organization's Military Liaison Committee would focus on creating new partnerships with Oklahoma's military bases.

He pointed to Oklahoma City's developmental relationship with Tinker Air Force Base, and their handling of the General Motors plant acquisition, as something The State Chamber can emulate.

“Not only can we defend these military installations that we have, it’s something that we can grow, those businesses involved with the military,” Kennedy said.

While not a legislative issue, Rush said The State Chamber had moved to mobilize other business groups around the country concerning congressional health care reform efforts.

While Rush said the chamber supports efforts to secure affordable, portable and quality health care, he warned that those efforts should build upon private enterprise and not rely on Washington-controlled financing or consumer penalties.

“We think it is a very big mistake that will cost our grandchildren unbelievable debt and suffering,” said Rush. “You can’t just solve it by trying to tax the rich. The job creators will leave the country if you do that.”

2010 list of State Chamber key issues

Ad valorem tax on intangible property – State Chamber seeks to overturn state Supreme Court decision ruling intangible property may be taxed as income.

Education – Chamber opposes efforts to link funding levels to other state efforts.

Eminent domain – Chamber opposes changes to negatively impact economic development.

Energy – Chamber supports protection of exploration and production incentives, opposes tax increase proposals.

Erosion of incentives – Chamber to defend economic development incentive programs.

Five-year ad valorem tax exemption – Chamber to defend program, seek to solve depletion of ad valorem reimbursement fund.

Health care – Chamber opposes government-run health coverage that competes unfairly with private sector.

OCAST – Chamber supports increased funding for Oklahoma Center for the Advancement of Science and Technology.

Tax-increment financing – Chamber opposes attempts to tighten use of this tool.

Transportation funding – Chamber backs upgrading and maintaining infrastructure, defends 2008 bond program.

Water – Chamber opposes significant changes to water laws while Oklahoma Comprehensive Water Plan is updated.

Workers’ compensation reform – Chamber to work for fundamental restructuring of entire system.