Memo

To: Gov. Tom Corbett and Members of the Pennsylvania General Assembly

From: Pennsylvania Economic Development Association (PEDA)

Date: April 23, 2013

Re: FY 2013-14 PEDA Legislative Priorities

The Pennsylvania Economic Development Association (PEDA) is dedicated to improving the business climate in the Commonwealth and stands ready to serve as an engaged partner in achieving Pennsylvania’s economic goals along with the Corbett Administration and General Assembly. PEDA believes that the key to achieving success lies in our ability to maintain a strong collaboration between state and local organizations charged with developing and executing Pennsylvania’s economic development strategy.

PEDA is committed to facilitating the creation of high-paying, family sustaining jobs for Pennsylvanians. We believe developing a sustainable, innovation driven, 21st century economy is achievable by working together with a shared vision. While achieving our shared vision may not happen in a single year, we have developed a list of top legislative priorities to guide our state leaders in the 2013-14 budget process.

As PEDA membership includes representatives of all economic development service delivery partners in the state, we are advocates for economic development policies that enhance Pennsylvania’s competitive position in the United States and abroad. Our members play key roles in Pennsylvania’s economic development delivery system that are broad and often varied. Traditional responsibilities typically include the facilitation of many different services such as business retention efforts, site location assistance, international business development, new business development, business financing, infrastructure development, workforce development and many others in Pennsylvania’s economic toolbox. Economic development organizations act as resource centers at the local level to deliver local, state and federal resources essential to generating and optimizing community and economic impacts that enhance the competitiveness of the regions and the entire Commonwealth.

The PEDA Advocacy Committee leads the process that we undertake to develop legislative priorities and involves input from all PEDA members. Through surveys of the membership, discussion and deliberation on many proposed economic development initiatives, the Advocacy Committee makes recommendations to the PEDA Executive Committee. With an Executive Committee vote of approval, the top priorities move to the PEDA Board for approval and official adoption, which has now been received.

We recognize that delivering a 2013-14 state budget that strikes an appropriate balance between fiscal responsibility and strategic economic growth is not a simple task. While many economic development efforts could have substantially more positive impact with additional financial support, delivering a FY2013-14 state budget that strikes an appropriate balance between fiscal responsibility and strategic economic growth is a primary goal.

With this challenge in mind, we present the following priorities that will sustain Pennsylvania’s economic development delivery system and advance the Commonwealth’s efforts to achieve well-being and economic prosperity and move the Commonwealth forward.

Sincerely,

**PEDA FY2013-14 Legislative Priorities**

1. **Pennsylvania Business Development Authority (PBDA)** – The PBDA will improve customer service and efficiency for Pennsylvania’s job creators by consolidating eight different business financing programs currently governed by four different entities into one authority. This will create a simplified one-stop shop for job creators seeking capital to grow their businesses.

***Recommendation*** *– Support legislation creating the PBDA*

1. **Transportation Funding** – Transportation funding plays a universally vital role in Pennsylvania communities struggling to maintain aging and outdated infrastructure beyond its useful life. With the Commonwealth’s strategic location on the east coast, for site selection and logistics purposes, the need for funding is growing at an alarming rate in comparison to available funding. Infrastructure maintenance, replacement and development of roads and bridges are key to business attraction, retention and expansion.

***Recommendation*** *– Prioritize and implement recommendations from the Governor’s Transportation Funding Plan with input from legislative leaders*

1. **Redevelopment Assistance Capital Program (RACP)** – The RACP is widely recognized as a critical economic development tool throughout Pennsylvania. The program has been instrumental in providing the resources necessary to allow impactful job-creating projects to proceed. Economic developers value the program and, while supporting the need for transparency in its processes, it remains a flexible option in the quest to increase Pennsylvania’s competitiveness.

***Recommendation*** *– Support HB493(Gabler)*

1. **Partnerships for Regional Economic Performance (PREP) Program** – Over the past two years, the PREP program has been critical to sustaining a long-term successful regional economic development delivery system in Pennsylvania. This program has resulted in increased regional cooperation and a more competitive Pennsylvania.

***Recommendation*** *–Support the Governor’s FY2013-14 funding proposal of $11.88 Million within the Department of Community and Economic Development*

1. **Innovate PA –**Innovate PA would potentially provide supplemental funding for 3 years to the BFTDA, the Ben Franklin Partners, PREP regional partners, implement recommendations of Governor’s Life Science Advisory Council and enhance venture capital efforts and tech-based economic development projects in PA.

***Recommendation*** *– Support HB 898 (Kampf) and SB 456 (Blake)*

1. **Prevailing Wage** – The threshold for prevailing wage requirements to come into play has long been an issue of contention within the economic development community. PEDA would support legislation directed at changing Pennsylvania prevailing wage law so that the threshold could be raised from $25,000 to an appropriate level to account for inflation.

***Recommendation*** *– Support legislation directed at indexing prevailing wage thresholds to the inflation rate.*

**Adopted by PEDA Advocacy Committee, Thursday, 3/21/13
Adopted by PEDA Executive Committee, Wednesday, 4/10/13
Adopted by PEDA Board of Directors, Wednesday, 4/17/13**