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Business issues being weighed

Chambers gear for Legislature

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Reporter

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It will be almost four months until state lawmakers convene but East Valley chambers of commerce are identifying the main issues affecting business for the next Legislature.

One issue of perennial concern is business property tax. As a result of legislative action this year, that tax will be going down, but not as quickly as businesses would like.

Most commercial and industrial property is assessed at 25 percent of its full cash value.

Over the next 10 years, the assessment ratio will be reduced to 20 percent without raising residential property taxes.

"It's still higher than our neighboring states," said Tom Dorn, lobbyist for the East Valley Chamber of Commerce Alliance, which represents seven chambers from the East Valley.

Another issue relates to workers injured on the job when drugs or alcohol are involved.

Employers still need to pay workers' compensation benefits, and that wasn't so until August, when the state Supreme Court ruled unconstitutional a state law that had made drug- or alcohol-impaired workers ineligible for benefits when the employer has a drug-free workplace.

Dorn wants lawmakers to

address that ruling when they convene Jan. 9. They could call a referendum asking voters to change the state Constitution.

"I think they'll pursue a referendum," Dorn said recently as he spoke to the public-policy committee of the Chandler Chamber of Commerce.

Other issues business leaders will watch:

- The possibility of getting more transportation money in the East Valley to widen freeways and improve traffic flow at intersections. The money comes from Proposition 400, which extends the half-cent sales tax in Maricopa County for roads and light rail. There's talk of speeding up the work, and some envision competition between the West Valley and East Valley for the funding.

The money should be spent on widening freeways where the taxpayers now live, Dorn said, as opposed to the far West Valley, where development is just planned.

- Immigration. There has been talk of holding businesses accountable for employing undocumented workers, and the alliance is concerned about employers who follow the law yet unknowingly are hiring undocumented workers.

"The key is unknowingly," Dorn said. "We support the

law. It's just when there are forged documents out there. We're concerned that law-abiding businesses not be held responsible for unknowingly hiring illegal immigrants."

- The specter of caps on assessed valuation of residential property if voters become riled at the increased property tax bills they will receive as a result of home appreciation. Dorn fears caps on home taxes may lead to increased taxes on business.

- Tort reform. Because of the high cost of health insurance for business, "any effort to address tort reform is always supported by the business community," Dorn said.

- Expected bills that would reform the initiative and referendum process.

"If there was an initiative that would give everybody in the state an additional service, the initiative would have to designate where that revenue would come from." The filing dates should be moved up, he said.

The alliance represents more than 5,500 member firms from Ahwatukee Foothills, Apache Junction, Chandler, Gilbert, Mesa, Queen Creek and Tempe chambers of commerce. Its purpose is to provide coordination and to advance the common business interests of the East Valley.