Pennsylvania Economy, Business and Jobs Caucus &

Pennsylvania Business Council Foundation Press Conference October 7, 2014 -- 11:00 AM EDT Capitol Media Center East Wing, Pennsylvania Capitol

Senator Robert Mensch and Senator Lisa Boscola at podium.

Sen. Mensch: "Good morning. I am Bob Mensch, senator from Montgomery County"

"The Pennsylvania Economy, Business and Jobs Caucus was born from an interest to grow jobs and strengthen Pennsylvania's economy. The Caucus examines ways to break down barriers that hinder economic expansion within the Commonwealth. Only with a better understanding of what shapes our economic climate, encourages investment and which factors enable continued workforce development, can Pennsylvania unlock its true economic potential."

"The goal of the Pennsylvania Economy, Business and Jobs Caucus is to bring more goodpaying, family-sustaining jobs to Pennsylvania, while keeping the jobs we already have."

"We are here this morning to accept a report from the Pennsylvania Business Council Foundation on the competitive climate of Pennsylvania and to review a new web-based tool for policymakers and the public to analyze Pennsylvania's ability to attract and retain jobs."

"The Pennsylvania Business Council briefed our Caucus several years ago and their data provided useful tools as we look for ways to create more jobs for Pennsylvanians. This report outlines a blueprint and measurable goals for our Caucus' work."

"Now I would like to introduce my co-chair, Senator Lisa Boscola."

Sen. Boscola: "Thank you Senator Mensch. Jobs are not Democratic or Republican. The economy is not a partisan issue. I am happy to partner with Senator Mensch and all lawmakers to make Pennsylvania a better place for business and a better place to create private-sector jobs."

"I appreciate PBC's analysis, but I am especially thankful that they provided a transparent and accessible tool for everyone to study, analyze, and use. Policymakers are bombarded with opinions and recommendations. I am thankful to the members of the Pennsylvania Business Council for sponsoring research we can all share and discuss in a civil dialogue."

"This report and the data available through the new <u>www.pascorecard</u> .com website will be used to supplement and inform the deliberations of their General Assembly colleagues."

"I would now like to introduce the *Pennsylvania Scorecard* project chair and former Pennsylvania Business Council Board Chair John T. Tighe, III, founder and CEO of TMG Health, to present the report and web-based tool."

Jack Tighe: "Thank you Senators Mensch and Boscola. I am very pleased to provide you with the 2014 Pennsylvania Business Council Foundation report on Pennsylvania's Completive position and to make available to you and to everyone, the Pennsylvania Scorecard website. As Senator Boscola said, this interactive, web-based tool is available at www.pascorecard.com."

"This is a unique project. Groups in other states do something like it, but never before have Pennsylvania policymakers, media, and the public been provided with a collection of objective and transparent data to form a picture the state's business climate."

"The *Pennsylvania Scorecard* performance measurement tool is uses a database of 51 metrics to assess state competitiveness on the six factors of economic development: taxation; legal and regulatory climate; quality and sufficiency of infrastructure; availability/affordability of natural resources and energy; availability of well-educated and trained workforce; and quality of life."

"The metrics were chosen from factors used by site selection consultants and validated by the senior executives who make-up the PBC Policy Roundtable. These are the factors firms consider when they decide to locate, expand, or close facilities."

Boscola echoed the praise.

"The PBC Foundation plans to update the database continually. As new data become available they will be added to the database making the website 'evergreen.'"

"PBC developed the *Pennsylvania Scorecard* to make readily available relevant and timely data that display Pennsylvania's absolute and relative position consistently over time. We sought to identify broad-based metrics, with a focus on those influenced by state policy. The website also provides complete data sets that allow researchers to download data and perform their own analysis."

"There are factors like location and climate that are important to some business decisions, "but out of the hands of policymakers. We want to provide a guide to Pennsylvania lawmakers and governors for making Pennsylvania a better place to locate and grow a jobcreating business."

"I would like to introduce Mark Hass, Director of State Government Affairs for PECO and Vice Chair of the PBC Foundation Board of Directors."

Mark Haas "Thank you Jack. And let me also say thank you to Senators Mensch and Boscola for their partnership in this important project.

The Pennsylvania Business Council Foundation is a charitable, non-profit organization. The PBC Education Foundation encourages Pennsylvania citizens, and especially business persons, to take a more active part in civic and political affairs. The PBC Foundation commissions research, publishes reports and conducts seminars to share information on issues of public policy and civic affairs. The PBC Foundation does not advocate the adoption of any public policy proposal, or the election or defeat of any candidate. The PBC Foundation works for increased and better informed citizen participation.

This project provides a tool for policymakers and the citizens of Pennsylvania to engage in a serious conversation about our economy and job creation.

The members of PBC hope that lawmakers will look to the data to find the 'low hanging fruit' from which they can develop legislation to make Pennsylvania a more business-friendly state. Some lawmakers will seize on the tax data for inspiration; others will gravitate to the education and workforce data. There are many paths to a more competitive Pennsylvania. We can't do everything at once, but this tool offers many ideas for improving our jobs climate."

I would like to introduce the researchers who completed this report and built the web-based tool for us: The Pennsylvania Scorecard model, database, and summary report were developed for the Pennsylvania Business Council by Dr. Michael E. Greenberg – associate professor of political science at Shippensburg University of Pennsylvania – and Kathy Woolever, CAE. – founder and president of Datalytics, Inc. The website was designed and built by Chris Falkenstein, owner of The Web Projects. Regretfully Mr. Falkenstein is away on business and unable to be with today. I would like to commend all three for their fine efforts.

Now, I would like to introduce Scott C. Rogers, president of the Glatfelter Agency and Treasurer of the Pennsylvania Business Council"

Scott Rogers: "The *Pennsylvania Scorecard*, as the name implies, really tells us how we are doing as a state and the impact of public policy decisions on the competitive of Pennsylvania. The data will show the impact of public policy. With blogs and commentary we will suggest to policymaker how proposals could help or harm Pennsylvania's standing among the other states."

"Those hoping the Pennsylvania Scorecard will either validate the job policymakers are doing or vilify our leaders will be disappointed: that data are an objective assessment of Pennsylvania without thought to politics or ideology. They simply show that in some ways, Pennsylvania compares well to other states and in other ways the Commonwealth compares poorly. There is always work to do."

We believe that policymakers should adopt the perspective of Pennsylvania's great businesses. Pennsylvania needs to focus on 'continuous improvement.' No matter how good we are today, we have to be more competitive next year because the global economy is always changing."

I would like to introduce PBC President & CEO David Patti.

David Patti: "Good morning. Thank you Senators Mensch and Boscola for having us here this morning and thank you all for coming.

"I would like to offer some of the highlights from the report: Pennsylvania is on a solid fiscal foundation compared to most states with low state spending relative to gross state product (the sum of economic activity in the state, comparable to gross national product) and the Commonwealth compares very favorably to other state on many factors of education, graduation rate, and degree attainment."

"In contrast, Pennsylvania lags other states significantly in infrastructure and business tax policy, and regulatory cost such as unemployment compensation tax rates and workers compensation premiums, accordingly to the study."

"Interestingly, statistics for energy factors are a mixed bag: energy production is high in Pennsylvania owing largely to Marcellus Shale, but the prices of natural gas and electricity to industrial customers are improving only slowly owing to long-term contracts and infrastructure constraints. One of the problems we struggle with in an effort to use only