
INDIANA 2012

Helping Hoosiers NOW



Indiana House
Democratic Caucus

Helping Hoosiers NOW

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The ECONOMY

Hoosiers are demanding a turnaround to our state's economy.

House Democrats believe job creation is priority number one. The economy will improve when everyone does better – not just corporate America and people making millions of dollars each year. There's no doubt the elite are doing just fine – they got the tax breaks and the perks.

But where are the jobs that were promised?



What Has Been the Effect of the State Surplus?

BILLION DOLLAR STATE BANK

The jobs plan from the state administration and the House Republicans was to build up a state surplus, but now Hoosiers are asking, where has that surplus gotten us?

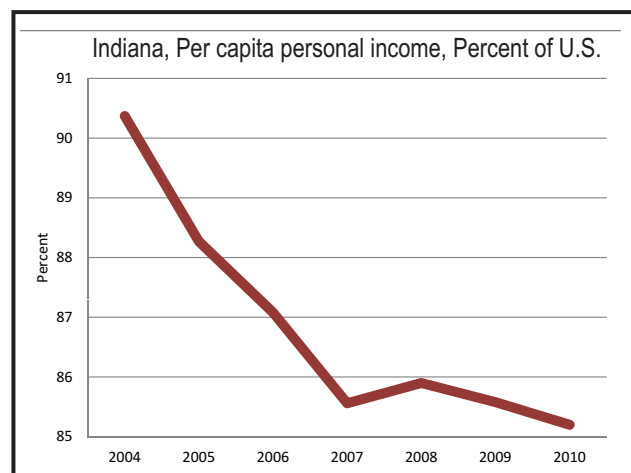
The Answer: **Fewer Jobs AND Less Pay**

1 in 3 Hoosiers is classified as low-income. More than 1 in 6 Hoosiers are living in poverty. Despite campaign promises from Republicans of increasing wages, **Hoosier per capita income is down to 41st in the nation (from 32nd in 2005), and people in this state now earn close to 86 cents (down from 91 cents in 2005) on the dollar as compared to the national average.**

Hoosiers are hard-working people who deserve the self-respect that comes with making an honest living for a day's hard work. Our economy should be built on making things – we can build it and repair it no matter what it is, and we can do it better than anyone in the world.

Regardless of what some of our leaders would say – namely the Republican majority in the Statehouse – real progress comes when everyone prospers. Real progress is when unemployment goes down and wages go up. Real progress comes when our families don't have to struggle for basic needs. It's not enough for corporate America to succeed. Our small businesses have to grow and prosper as well.

To that end, our policies offer targeted tax cuts to get people back to work, fight against legislation to do away with workers' rights, and invest in the things that matter in our communities – jobs, schools and small businesses.



Source: Bureau of Economic Analysis

Targeted
Investment in
Small Businesses
for Job Creation

HOOSIER JOB CREATION TAX CREDIT
Incentivizing Small Businesses to Hire Unemployed Hoosiers

House Democrats believe we must create new tax incentives to encourage businesses to hire unemployed Hoosiers during this recession.

Small businesses are the engine of our economy and responsible for 80 percent of all new job creation. This tax credit is directed to businesses with 150 or fewer employees.

The bill requires the new hires be either unemployed Hoosiers or Indiana veterans. The credit is equal to \$3,000 for each employee hired above the 2009 base employment of the business.

This will ensure that we are rewarding creation of new jobs rather than the rehires that will occur as we come out of this deep recession.

SMALL BUSINESS LOANS
Redirecting Resources to Help Small Businesses

Access to capital is scarce, especially for small businesses, and banks aren't loaning money out. We believe many Indiana businesses would benefit from low-interest loans to help expand or weather the tough economy to keep from closing their doors.

This bill requires the Indiana Economic Development Corporation to assign \$20 million in state resources to the Small Business Loan Program.

Giving Hoosiers the Best Chance at Employment

TRAINING OUR WORKFORCE **Indiana Work Share Program**

Indiana Work Share is a program meant to allow unemployment benefits to be used to subsidize a portion of an employee's salary on behalf of an employer who otherwise would have been forced to lay off the worker.

This program is a win/win and will allow continued employment for workers while also minimizing retraining and rehiring costs for employers in a downturn.

The Indiana Department of Transportation should also be required to report to the legislature on its on-the-job training program on federal contracts.

FAIR HIRING PRACTICES

Giving a Fair Chance to the Long-Term Unemployed

Preventing an unfair bias against hiring those who have been categorized as long-term unemployed only makes sense in the worst recession since the Great Depression.

Prohibiting discrimination against hiring those Hoosiers that have seen their credit scores plummet in these bad economic times.

Businesses violating these hiring practices would be prohibited from receiving state tax incentives.

Making Hoosiers’ Tax Dollars Work for Them

INDIANA WORKER PREFERENCE **Hoosier Tax Dollars Putting Hoosiers First**

This bill requires contractors employ at least 90% of their workers from Indiana in order to be awarded public works contracts by the state. House Democrats believe these projects, funded by Hoosier tax dollars, should go toward hiring Hoosier workers. Allows for an exemption if federal funding is jeopardized because of this requirement.

HOOSIER BUSINESS PREFERENCE **Hoosier Tax Dollars Putting Hoosiers First**

This bill requires state and local government to give a 10% bid preference on contracts funded with state or local tax dollars to Hoosier contractors and subcontractors.

CLAWBACK ON TAX INCENTIVES **Holding Companies Accountable**

While House Democrats believe state tax incentives are a good tool to attract new companies promising to create new jobs, the state should be able to recoup these dollars if a company doesn’t live up to its end of the deal.

This bill will ensure that companies receiving state tax incentives create the jobs they promised by requiring the IEDC clawback state incentives from companies that don’t meet the standards of the agreement under which the incentive was rewarded.

TARGETING JOBS INVESTMENTS TO STRUGGLING HOOSIERS **Making Sure We Are All Better Off**

Establish a state task force on Hoosier economic recovery to concentrate on areas with greater job losses and border counties in an effort to bolster areas of the state most in need of jobs.

Members of the task force will come from business and labor and will be charged with challenging business, labor and community leaders to determine what is needed to attract new jobs to these struggling areas.

EDUCATION REFORM

Public education is the key to moving communities forward. Providing our children a quality education gives them a better life. Hoosier parents demand it and our state needs it.

House Democrats are committed to these core principles. First, every child deserves a quality education. And second, we must do all we can to attract and retain the best teachers for our schools.

Unfortunately, after years of funding cuts, our system is not meeting these demands. This was the proclaimed goal of last session's education reforms, but the Republicans threw spaghetti against the wall that did NOT stick. House Democrats believe we need proven, targeted reforms to close the achievement gap in our schools, and better prepare each child for success.

Republicans talk the talk, but it's time to walk the walk. There is no silver bullet answer to the problems facing our education system. Every school, classroom and child is different. We must

empower teachers and administrators to meet these challenges. We must give our children and their schools the tools they need to succeed. We need a comprehensive investment in the modernization of our education system. This should start with a commitment to a strong and fully funded pre-K and full-day kindergarten program. Otherwise, Indiana will continue setting our children up for failure in this global economy.

While Republicans continue to divert millions of dollars toward religious schools, Indiana remains one of a handful of states that does not begin instruction in early childhood.

Democrats will fight to strengthen our traditional public education system by giving Hoosier children the same opportunity available in almost every other state.



Proven, Efficient
and REAL
Education Reform

ECONOMIC BENEFITS OF
A QUALITY PRESCHOOL
EDUCATION FOR AMERICA'S
3- AND 4-YEAR-OLDS

National Institute for Early Education Research (NIEER) estimates the average benefits from a universally accessible program at ages 3 and 4 to be at least \$25,000 per child, substantially more than the costs for such programs. The estimated cost-per-child (mixing half-day, school day and full-day programs) is \$8,703 annually and \$17,406 for two years.

Source: <http://nieer.org>

CAPPING CLASS SIZES

Reforms to Education that are Proven to Succeed

This is a broad reform that could help more students succeed and prevent low-performing students from slipping through the cracks. The most cost-efficient way to approach this would be a graduated cap that starts at 18 students in kindergarten and goes as high as 22 for 6th grade classes.

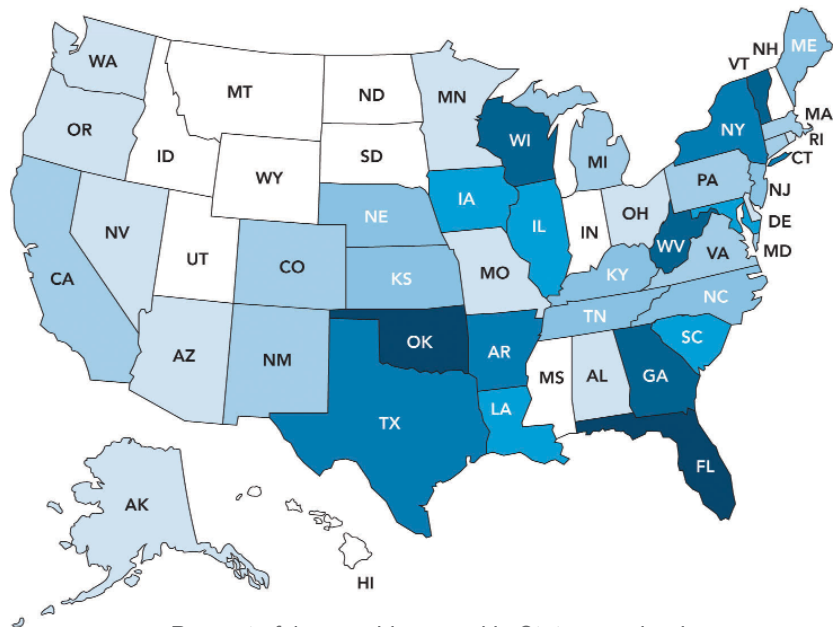
PRESCHOOL VOUCHER PROGRAM

Better Preparing Hoosier Children for Success in Education

Early learning is statistically proven to be a better economic investment than almost all business tax incentives.

Providing a voucher program for low-income Hoosier families to enter their children in preschool educational programs will also help close the achievement gap by ensuring more Indiana kids show up ready for the first day of kindergarten.

Indiana 1 of only 10 states with NO preschool program



Percent of 4-year-olds served in State preschool



“Every child in Indiana should have the option to attend full-day kindergarten FREE OF CHARGE.”

- House Democrats

TEACH FOR INDIANA SCHOLARSHIP

Attracting our Best Students to Teaching

This scholarship program is meant to attract the best Hoosier students to seek a degree in teaching. Our Hoosier children deserve the best Indiana has to offer. In exchange for this scholarship, these future teachers would commit to teach in a low-income, low-performing Indiana school for three years. This will not only make our classrooms better, but this is a proactive step toward stopping “brain drain” in Indiana.

FULLY FUNDING EDUCATION

Living Up to Past Promises and Securing a Better Future

Any and all of these education reforms will fall short without proper resources that will allow schools to stop fighting parents over logistics such as bus fees, full-day kindergarten tuition and increased class sizes.

House Democrats believe every child in Indiana should have the option to attend full-day kindergarten free of charge. Despite confusing claims by Republicans, that is not the case now.

EMPOWERING COMMUNITY INVOLVEMENT

Preserving and Improving Local Control of Schools

Since taking over financial support of schools, the state has failed to adequately fund education, but also failed to maintain local control.

Unproven education reforms that mandate change and take away local control leave communities wondering why we have local school boards at all. The state should be a conduit for local schools to share best practices around the state, but all state politicians must avoid a one-size-fits-all approach to educating our children.

section continued ►

PARENT AND TEACHER INVOLVEMENT

Sharing and Encouraging Best Practices

In these poor economic times, even more families have seen both parents leaving the home to earn a living. These families need schools to be better at allowing working Hoosier parents to more easily get involved and monitor their child's education.

ENCOURAGING PARTNERSHIPS IN EDUCATION

Using Advantages from Public and Private Sector

Public-private partnerships work for infrastructure investment as an economic development tool, so they can also work as an educational investment tool.

Introducing a framework for public-private partnerships for pre-school education and continuing higher education and training can put Indiana at the forefront of the recovery.

HELP FOR WORKING FAMILIES

Many hard-working Hoosier families are struggling to put food on the table. They feel abandoned, and feel like the system isn't working for them. They work harder but have less. The economy and government have let the working class down.

House Democrats are committed to helping those who work 40, 50 and 60 hours a week, and those families with dual incomes that are still struggling to make ends meet. Hard-working Hoosiers should be rewarded for their effort and see a return on their paycheck and their tax dollars. House Democrats will fight for targeted tax breaks for the middle class that put money in their pockets and help keep expenses down.

Our state government needs to do more, and spend less. Spending records should be open to the public and well monitored.

A billion dollar state bank account is not the answer. The state shouldn't hold onto taxpayers' money. Leftover tax money should go back to hard-working Hoosiers to be spent and stimulate the economy.

House Democrats firmly believe Hoosier working families should be treated as patrons and not a nuisance for state government. The bargaining rights of these Hoosier families should be paramount as well.



Helping and
Protecting
Hard-working
Hoosiers

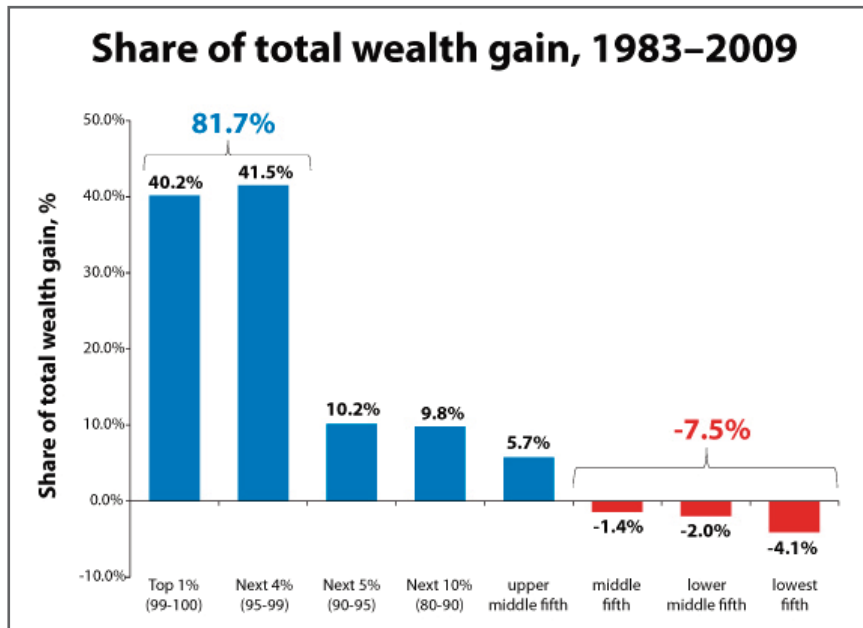
OPPOSE RADICAL ATTACKS ON HOOSIER WORKERS

Preserve Bargaining Rights for Hoosier Workers

Radical attacks on working families that will lower wages and lead to more workplace deaths should not be tolerated. The Republicans' so-called "right-to-work" proposal is simply a lie. Hoosiers can't afford the lower incomes and increased loss of life it would bring.

No business has stepped forward to say these policies would actually bring jobs to Indiana. The proof shows lower wages and more Hoosier deaths.

The political rhetoric from Republicans about "right to work" as a job creation tool remains unsubstantiated and the studies presented in exchange for kickbacks are nothing more than propaganda with footnotes.



Source: www.usatoday.com/news/nation/story/2011-10-25/middle-class-disappearing/50914822/1

MIDDLE CLASS TAX CUTS

Doing More for Hoosier Workers and Families

Hard-working Hoosier families need, and frankly should expect, the same level of tax breaks corporations received last session.

House Democrats want to exempt textbooks from state sales tax.

Furthermore, every Hoosier family deserves a tax deduction for education expenses. This tax cut, which was given to private school and home school students in 2011, should be extended for all families in 2012, including those seeking a GED.

SALES TAX HOLIDAY

Promoting Consumer Confidence to Better our Economy

A tax break for parents buying school supplies with the goal of stimulating additional spending or allowing more money to stay in Hoosier pocketbooks.

INDIANA CHILD CARE TAX CREDIT

An Investment in Hoosier Working Families

Mirroring the federal tax credit for child care will provide a needed tax break to single-parent families and families with two working parents. This tax break will also provide an additional supplement for pre-K educational needs, giving more children the head start they need to succeed.

Doing More to Protect Hoosier Children and Families

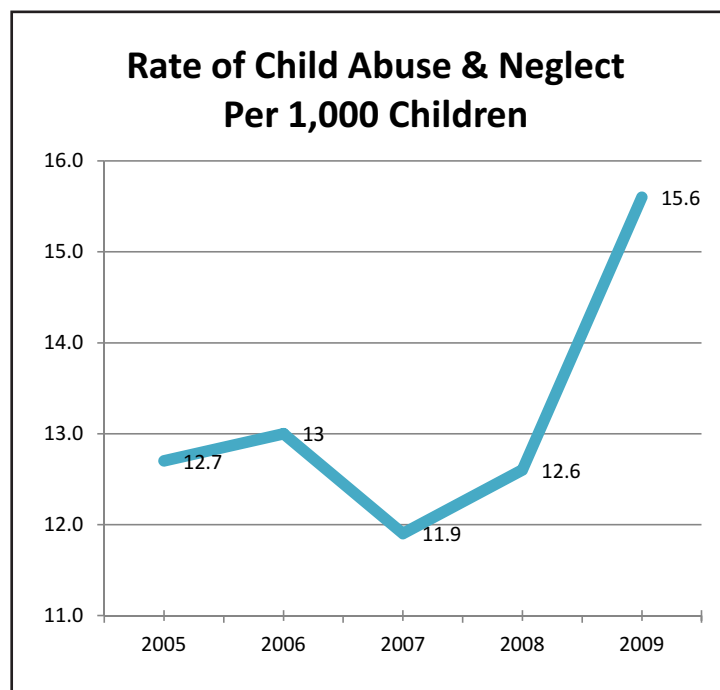
Child abuse and neglect is on the rise in Indiana, as evidenced by the almost 25% increase in child abuse and neglect rates over the past 5 years. Massive and inefficient cuts to child services programs have caused Department of Child Service (DCS) caseworker case ratios to spiral out of control, letting too many children fall through the cracks.

From 1997 to 2007, almost 20% of Indiana's counties saw women's life expectancy rates decline. Yet the Indiana Department of Health has failed to report on women's health programs for the past two years.

Effective program managers, met with the challenge of finding savings, should not simply make broad service cuts. All areas must be studied to eliminate inefficiencies and find logical administrative savings first, because every dollar cut from services could mean another Hoosier family faces tragedy.

EFFICIENT MEASURES TO AVOID TRAGEDIES Lowering Child Protection Case Ratios

Indiana must transition back to reasonable case ratios for DCS caseworkers with the goal of reaching suitable case ratios by 2015. This phase-in plan will limit the fiscal impact, but ensure Indiana is beginning to make child protection a priority again.



Source: Annie E. Casey Foundation Kids Count Data Center

THE STATE OF OUR CHILDREN UPDATE STUDY **Learning Why Children are Slipping Through the Cracks**

To know where we are going, we must know where we are, and where we have been. The last State of Our Children study was done almost 15 years ago in 1997.

The statistics show child abuse and neglect is on the rise, so now is the time to make sure all dollars going back to this program are going to the most productive uses possible.

IMPROVING VICTIM ASSISTANCE **Better Resources for Child Abuse Victims**

This logical change will allow victims to apply for assistance any time before the legal statute of limitations has expired. This makes better sense than an artificial limit of two years as is in current law.

REPORTING OF CHILD ABUSE ISSUES **Truly Putting Resources to Monitor State Child Services**

In 2009, an ombudsman was appointed for the department of child services. Today, with too little state support, the caseload is too large to handle under current staffing levels.

State employees aware of problems are afraid to report them for fear of losing their jobs. Advocates aware of problems are afraid to report them for fear of losing what little is left of their funding.

The spending power of the executive branch should not include the unfettered discretion to ignore the needs of Hoosier children. This administration, and all others in the future, should be required to hire sufficient staff to monitor reports of problems and determine where children are needlessly falling through the cracks.

MAKING WOMEN'S HEALTH A PRIORITY **Following Current Law is a Good Start**

From 1997 to 2007, almost 20% of Indiana's counties saw women's life expectancy rates decline. The Department of Health, which is statutorily required to annually report to the legislature on women's health programs, has chosen to ignore this statute for the last five years.

Simply joining together to make sure women's health issues do NOT continue to be ignored can help us find solutions.

Overall Good
Government
Proposals

COOLING OFF PERIOD FOR REGULATORS

Past Due Reforms to Protect Against Insider Deals

A one-year cooling off period for all state regulators who are attempting to seek employment with the businesses they regulate. This common sense protection for Hoosier consumers should be the standard for ensuring Indiana taxpayers know their state government is putting them first.

TRANSPARENCY IN ECONOMIC DEVELOPMENT DEALS

Hoosiers Deserve the Truth about Jobs

Any economic development deal must be transparent and open to taxpayer inspection if it involves Hoosier tax dollars. Indiana can find a way to protect our competitive advantage along with protecting the need for taxpayers to see where their money is going.

TRUE ACCOUNTABILITY TO TAXPAYERS

Transparent Reporting of Transportation Contracts

Hoosier taxpayers looking for a job do not have time to sift through web page after web page for state spending problems. A system of transparent reporting on transportation spending and contract changes could go a long way toward regaining Hoosiers' trust in their state government.

Hoosiers deserve to know the proceeds of the toll road deal with foreign investors is truly helping communities rather than special interests and contractors with high-powered lobbyists.

PUTTING MAIN STREET FIRST

Examining State Business with Out-of-State Wall Street Firms

We should do more to keep state tax dollars with in-state firms and businesses. In addition to the warranted distrust of Wall Street, this proposal just makes good economic sense.

OFFICE OF CONSUMER PROTECTION

Saving Tax Dollars for Consumers

The first charge to this office will be to develop a consumer bill of rights for Indiana that contains ideas such as increasing consumer protections against bank fees and fraudulent lenders who target senior citizens.

Hoosier consumers deserve an advocate that will examine and monitor state government rules and regulations where hard-working families may not be protected properly.

Consolidating all current consumer divisions will also make state government more efficient, save tax dollars and give Hoosiers one place to go if they feel their consumer rights were violated.

In light of the recent close dealings at the Indiana Utility Regulatory Commission, we believe the membership should be adjusted to include an additional member for consumer protection appointed from the Community Action Coalition.

REDISTRICTING COMMISSION

Putting Communities and People over Politics

A truly bipartisan redistricting commission that puts Hoosier communities first is well past due.

This commission should have well-defined standards to preserve communities of interest, as well as increase the number of competitively balanced maps to allow Hoosiers to hold their representatives more accountable.

BAN ON PAY-TO-PLAY IN STATE CONTRACTING

Prohibiting Kickbacks Hoosiers Cannot Afford

Pay-to-play should be outlawed in Indiana. No government officials should have political contributors in mind when directing taxpayer dollars in state contract negotiations.