





ADVANCE SMALL BUSINESS SUCCESS

Our region's economic future depends on the ability of small businesses to prosper and grow. Because COSE plays a vital role in this endeavor, the GCP works closely with COSE as it advocates for the needs of small businesses in our community. COSE's Public Policy Agenda and its legislative/regulatory goals for 2009/2010 are described in detail on pages 34-37.



COSE members benefit from a unified, collective voice that speaks out on issues affecting small business.



Council of Smaller Enterprises

2009/2010 PUBLIC POLICY AGENDA

The efforts of COSE to support the region's small business owners and assist their efforts to pursue growth and success are critical to the region's economic future. Consequently, assisting COSE as they advocate for their public policy agenda is a priority for the GCP. COSE's area of focus and legislative/regulatory goals for 2009-2010 fall into five general categories – health care; affordable energy; taxation; worker's compensation; and investing in small businesses.



Health Care

Advocating for a change to the health care system that strikes a balance among access, quality and cost, specifically through advancing the development of a real health care marketplace and a more attentive consumer mindset. COSE's health insurance program covers almost 200,000 lives, but many small businesses do not have adequate access to affordable insurance for all of their employees. While all employers are faced with increasing costs, small employers face additional challenges in accessing quality care. We encourage our elected officials to work to find a balance among access, quality and cost-effectiveness. There are a number of ways the small business community can work with public officials to address the issues of cost and quality in health care.

1. Craft Basic Plans at an Affordable Price. Rising costs have shut out an increasing number of individuals and small businesses from being able to afford coverage. Health care needs to be made more accessible by allowing the creation of basic plans that do not contain expensive benefit mandates.

2. Expand Coverage to Everyone. COSE believes that we can reduce the cost of health care and expand coverage by requiring all individuals to purchase some level of health care coverage – thus increasing the pool and spreading the risk. Doing so will also encourage us to take charge of our own health – an important first step toward becoming a healthier population and reducing the cost of health insurance.

State: COSE calls on the Ohio General Assembly to enact comprehensive health care reform legislation that reduces the cost of health care and expands coverage by requiring all individuals to purchase some level of health care coverage. Furthermore, the General Assembly can make health care more accessible by allowing insurance providers to craft basic plans without expensive mandates at an affordable price.

Federal: COSE believes that its ideas for state health care reform can be especially effective on the federal level. Federal health care reform is particularly attractive given that Congress can allow for plans that do not contain mandates required by the states.

Affordable Energy

Enabling small businesses to do as well as possible in a volatile energy regulatory environment by focusing on driving investment in providing small business energy efficiency education, tools and resources. COSE is committed to providing affordable energy to its members. In the energy bill, Senate Bill (SB) 221 (127th G.A.), COSE inserted language that will provide financial support for small businesses that wish to implement energy-efficient technologies. Based on changes in the electric market in Ohio, 70 percent of COSE members will see an increase of 30 to 50 percent in electric rates during 2009. Rising fuel costs for gasoline, diesel and natural gas also further jeopardize the prospect for economic growth. In order to supplement these unmanageable costs, a greater emphasis needs to be placed on energy efficiency support for small business. Ensuring investments in, and support of, small business energy efficiency education, tools, consultative support, project resources and financing will help ease the burden. Additionally, “green” initiatives can help create new markets for entrepreneurs.

State: COSE urges the Ohio General Assembly to continue its investments in, and support of, small business energy efficiency education, tools, consultative support, project resources and financing.

Federal: Congress should continue its support by increasing funding for small business energy efficiency incentives and improving Small Business Development Corporation federal funding specifically for energy efficiency programs and consulting support for small business.

Taxation

Streamlining the taxation system and removing the barrier that bad tax policy creates to small business success. Small business owners and their employees are the engine that drives the economy; they account for over 70 million people in the United States and over 2.5 million Ohio business owners and their employees. Congress and the Ohio General Assembly need to streamline the taxation system in two key areas in order to remove barriers to small business success.

1. Streamline the System. We must streamline the taxation system and remove hurdles to small business success such as the estate tax, invasive reporting and withholding requirements.

2. Eliminate the Self-employment Tax on Health Insurance. Self-employed individuals are forced to pay self employment taxes on the income used to purchase health insurance. This adds up to a 15.3 percent tax on health insurance that no one but the self-employed must pay.

State: The Governor of Ohio and state legislators should consider ways to reduce the complexity of paperwork and investment of time required for complying with state tax filings.

Federal: COSE supports the elimination of the self-employment tax on health insurance and reducing the complexity and effort required to comply with federal tax codes.

Workers' Compensation

Continuing the positive changes to the workers' compensation system to ensure a fair and efficient system for small business. COSE was a key stakeholder in the work done in 2007 and 2008 to overhaul the state workers' compensation system. While COSE fought for a transparent rating system, actuarial reviews of Bureau of Workers' Compensation (BWC) rates, maintaining a strong administrator and ensuring fund solvency, more work needs to be done

State: COSE urges the Ohio General Assembly to encourage the Bureau of Workers' Compensation (BWC) to use its authority to prevent fraud and abuse on the part of employers, employees and providers to ensure a fair and efficient system of providing workers' compensation benefits.

State: The BWC should continue to improve the connection between risk management and claims reduction to offer actuarially sound discount programs.

Investing in Small Business

Creating more opportunities for small businesses to participate in government procurement opportunities and ensuring that small business owners are connected to every possible resource offered by government.

Policy makers must realize that small businesses lack the resources of large employers and face disadvantages in trying to gain a foothold in today's market. Because of the potential impact of small employers on the growth of Ohio's economy, the state must take an active, aggressive role in ensuring that small business owners get connected to every possible resource. While, over time, government has provided numerous programs intended to help small business owners thrive, those efforts are often wasted because it is too difficult for entrepreneur to find and connect with them. Ohio is missing out on the economic output of small businesses that may not connect with these opportunities. It is especially tragic when small businesses are denied these opportunities by large corporations that misrepresent their status and size in pursuit of government business. Reforming contracting procedures to eliminate fraud will ensure that contracts intended for small business are truly awarded to legitimate small businesses.

State: The Administration should create a centralized clearinghouse for small businesses and entrepreneurs where they can find out about the help available to them—technical and financial help that can take their business to the next level. Improving the way they access the information and get connected to those resources is critical.

Federal: Congress and the Small Business Administration should step up enforcement of federal small business contracting requirements to eliminate or reduce fraud and ensure that small businesses—including minority, women, and veteran-owned businesses—receive full consideration for the contracts on which they can deliver.



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