

The third Annual Western Pennsylvania Legislative Reception was held on September 14, 2023 at CNX Resources. Our organizations, the Manufacturer & Business Association, Washington County Chamber of Commerce, and the Pittsburgh Business Exchange host the event and believe it is an important conduit between those who make the laws and those who bear the impact.

Fourteen roundtable discussions took place with each table seating seven business representatives and one lawmaker either from the PA House or PA Senate. The businesses represented ranged from large gas and oil corporations to smaller service and manufacturing firms.

The attendees were given conversation starters and asked to share the issues of greatest impact on their businesses. After a half hour of lively discussion, the notes were compiled into the summary below. Permitting & Regulation and Start-ups are broad issues while other issues cited tie into building the pipeline of skilled workers and answering the question “What helps and what hurts?”

## **2023 VIP Business Issues Forum Summary**

### **I. Permitting & Regulation**

PA can reduce regulatory requirements and improve the permitting process. Regulation is needed but regulatory barriers continue to increase. Certainty and consistency are required when beginning building projects and applying for permits.

- Bipartisan caucuses in the PA House and Senate should address permitting reform.
- A reasonable time frame to procure permits from DEP is needed. Ohio, West Virginia, and Texas are more competitive in this regard.

- In addition to increased staffing and better management there are instances where non-engineers are making the decisions. Higher level employees are needed to process very technical permits.

## **II. Building the workforce pipeline**

“What would help build the pipeline of skilled workers?” For more than the past, several years finding skilled workers has been at the top or near the top of any list of business concerns. PA’s Unemployment Rate in July 2023 was a very low 3.5%.

### **Adequate transportation and infrastructure are required.**

Inadequate transportation and infrastructure become a barrier when workers cannot get to and from the job. Transportation is needed for all. Lack of transportation especially impacts legal immigrants.

- Counties in south west PA do not have adequate mass transit.
- One transportation solution is illustrated by a restaurant owner with several locations. All but one restaurant can be reached by public transportation, a great positive for employees. Employees at the restaurant where there is no public transportation are implementing a car-pooling plan.
- Roads and pipeline infrastructure are underfunded. Investment is required to maintain infrastructure and to build new. Regulation impacts how quickly or slowly projects can start. New infrastructure can tie into energy and water.
- Federal resources available to PA are not competitive with other states.
- Construction innovation can be broadened through alternative delivery models.

### **A minimum wage mandate will not help recruit or retain workers.**

- Government intervention in business such as a mandate for minimum wage creates problems for building the workforce and does not help building the pipeline.
- An increase in the minimum wage is inflationary and will have a ripple effect, known as wage compression, on other employees who will request increases. This drives the cost of everything higher.
- A mandate will have an outside impact on small businesses.

### **More education at different levels is needed.**

- The funding of the State System for universities must be addressed.
- Less duplication will help universities trim education costs.
- Reciprocity will help create larger pools for PA colleges and universities.
- More Vo-Tech, Career-Tech, apprenticeships, and training programs are needed. Pieces that will help:
  - Dual enrollment for high school students.
  - More opportunities for apprenticeships in high school.
  - Scholarships for apprenticeships and tools for trades
  - Introduce elementary school students to jobs and trades.
  - Teach soft skills
  - Build awareness of the careers in new trades associated with computers, robotics, and new advanced technologies.

## **Health insurance and health care costs hamper employers' attraction and retention of workers.**

- While a small number of employers still pay 100% of insurance premiums, one employer cited a rate increase of 22% this year. They offer family plans, and the payment is split 50-50.
  - Health insurance is an important benefit that helps to attract and retain workers who can be lured away by better coverage at a larger company.

## **Crime has multiple impacts including detracting from recruiting workers.**

- The impact of safety issues in downtown Pittsburgh affects recruiting. Stop the crime problems
- Multiple offenders should receive longer jail sentences.

## **PA's demographics should be considered moving forward.**

- Aging communities lack young workers.
- There is a need for not only skilled tradesman but also for engineers and accountants, etc. as the baby boomers retire.

## **Other issues cited that will help build the pipeline of skilled workers.**

- Create more affordable childcare.
- Increase the adoption of robotics, collaborative robots, and automation.
- Reform the benefit system so that it incentivizes and encourages people to work.
- While some employers are willing to hire those with a record - Second Chance Hiring - There are numerous barriers such as housing, transportation etc. that must be overcome and make it very difficult.
- Hiring the differently abled can yield some excellent workers.
- Reform the Unemployment Compensation system to incentivize and encourage people to work.

## **III. Help start-ups flourish in the region.**

It is imperative to keep start-ups in PA and help them flourish in Pittsburgh. There are very few dollars for investment in Pittsburgh start-ups. Over the years 30,000 alumni from the CMU College of Engineering have left Pittsburgh. It should be noted that many businesses, not just start-ups, continually receive offers and incentives to move out of state.

### **Examples of start-up businesses receiving offers to move:**

**Meter Feeder**, a startup that predicts parking availability and lets vehicles pay for parking with no human interaction by a mobile app, has 12 employees based in Wilkes-Barre. The CEO has been offered huge incentives to move to a number of states including Ohio, Oklahoma, Washington, D.C., Michigan, and New Jersey. <https://www.meterfeeder.com/>

**EOS Energy Enterprises** is a battery manufacturer in a Pittsburgh suburb. They required resources to scale their business. Ohio gave them a strong proposal, but they stayed in PA because they pushed and found what they needed themselves. The Commonwealth did not do much to help EOS find a path. <https://www.eose.com>

### **For more information**

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