

## **Straight from the Horse's Mouth: An Interview With Pennsylvania Senate Majority Floor Leader Dominic Pileggi**

*By Eileen Anderson, SMC Government Relations manager*



**“It will be a new day for Pennsylvania.” - Senator Dominic Pileggi 11/19/2010**

I first heard Senator Dominic Pileggi on a PCN interview just after the elections. A second opportunity was my phone interview with him on November 19th. The third time I heard him speak was on December 2nd when he was on a state panel at an event in Pittsburgh.

Senator Pileggi, always calm and serious, gave very thoughtful and deliberate answers. Here are the highlights of the November 19th interview when he was asked to share what he sees in the future for Pennsylvania businesses, jobs and the economy.

**Q. What did you mean, in an interview on PCN recently, when you said, “We are now all aligned on basic principles?”**

A. The Governor's Office and new GOP majorities in the Pennsylvania House and Senate all have the same approach to government and government's role in job creation. They all want smaller government, less taxes and less borrowing. This will contribute to a climate in which private sector businesses can thrive, invest and create jobs. That is much different than Governor Rendell's approach that more heavily favored government-driven job creation using targeted incentives funded by taxpayer dollars.

**Q. The state must create a business-friendly climate for job creation. We have to clear the way for and encourage entrepreneurs. I sense that may happen?**

A. It is certainly our intention to create an environment where businesses can thrive and create jobs. The commonwealth must be competitive with other states and countries. Everyday, businesses are weighing whether or not to locate in Pennsylvania or go elsewhere with a better tax and regulatory climate. Another factor contributing to the creation of a better business climate will be the appointment of new cabinet secretaries by Governor Corbett. It will have an immediate and dramatic impact on the business climate from the standpoint of legislation, regulation, and budget and tax policy. “It will be a new day for Pennsylvania.”

**Q. SMC Business Councils introduced the concept of a web-based small business resource portal in an April 2010 hearing of the Pennsylvania House Commerce committee on economic development and job creation. The portal brings together all business resources in one spot to help business owners navigate information and resources. Do you support the concept of a resource portal?**

A. Technology has changed the way we do business. People have a need to get quick, reliable answers to their questions. An individual person, rather than a resource portal, is

the best means to communicate the message of a good business environment and help smooth the way for job creators. A portal, while it sounds simple, would require a great deal of coordination, skill, and energy because of the way government is organized.

**Q. Pennsylvania should shift some of its focus to small businesses and have a forum where small businesses can be heard. Do you support the State Small Business Council, which had its first meeting last fall after being dormant for a number of years?**

A. We expect Governor Corbett to be looking at a number of organizations receiving state taxpayer funds that see their mission as job development, small business development, and economic development. The challenge is to streamline and coordinate those that work and don't work. We can't be funding 2, 3, 4, or 5 different organizations that share overlapping priorities. It can be counter-productive and hard to get clear answers. If the Council is streamlined I am all for it.

**Q. Small Businesses have many concerns but one that is of the greatest concern is health care costs and access to affordable health insurance. Pennsylvania has done many good things with chronic care pilots, monitoring of hospital-acquired infections, non-payment for "never-events", and support for the Pennsylvania Health Care Cost Containment Council. Will the state continue to support programs to control health care costs?**

A. There is no silver bullet to reduce health care costs in the short run. It is slow, incremental work. A "wait and see" attitude must be adopted to see how results of election 2010 unfold with a new Congress and elected officials who campaigned on repealing the new health care law. A major flaw of the new law is that it does not address cost as well as it should have and it expanded access at a cost to the taxpayer, which is not a sustainable model. A different approach is needed with a focus on increasing access while reducing costs, which presents a whole series of difficult challenges.

**Q. Will Pennsylvania become an early adopter of some of the cost savings measures in the new health care law, specifically the Medicare pilots, aimed at addressing costs?**

A. If Pennsylvania chooses to participate in any pilots they will have to be sustainable. No one would agree that it is good policy to initiate programs that cannot be sustained. They present a difficult challenge in the midst of a recession when the state is \$5 billion out of balance in a \$28 billion dollar budget.

**Q. Will the Pennsylvania Health Care Cost Containment Council survive the budget cuts?**

A. The Senate worked hard to keep the Council. The accumulation of and dissemination of cost and quality information has a definite positive impact on decreasing costs. Another way to save costs is to look at organizations that are efficient and effective and streamline those that are not.

**Q. How will Pennsylvania move forward facing a projected \$5 billion dollar budget deficit?**

A. This presents a tremendous opportunity for citizens to get involved in the policy debate concerning what the priorities of government should be given limited resources. The question of prioritization plays out in every conversation about the budget but when we have to cut \$5 billion from a \$28 billion dollar budget that conversation intensifies. People want low taxes and less government spending but what programs should be cut and at what level – education, transportation infrastructure, environmental regulations Medicaid? What does the majority support? In the good times we just keep adding functions to government but when we have to eliminate the question of priorities must be answered.

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