

Empower Every Hardworking Nebraskan

CHALLENGE

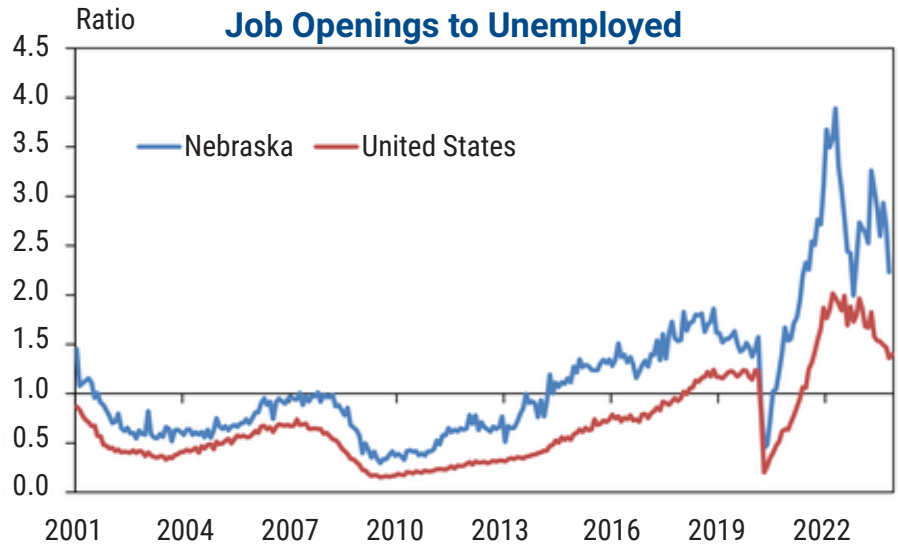
Nebraska's greatest asset is its people. Yet, our greatest challenge for the coming decades will be our ability to retain and attract young individuals and families in the aging national demographics.

In any given month, Nebraska employers have 50,000 to 80,000 jobs open. Workforce participation has now recovered to 2020's highs, meaning anyone who wants to work already is.

Having posted the **lowest state unemployment rate in recorded history** and nearly two jobs available per job seeker, the crisis is acute.

Nebraska's labor force participation rate is **one of the highest in the nation**, also contributing to the issue.

Unemployment has remained low in Nebraska and job openings have remained elevated.

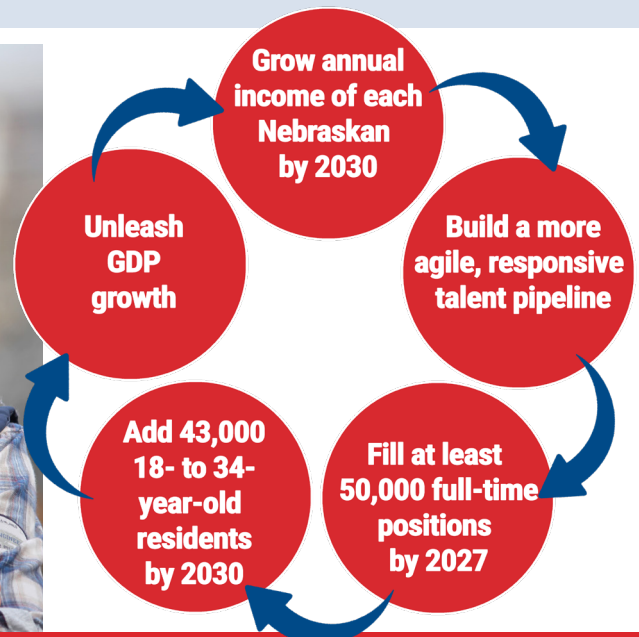


Source: BLS, Haver Analytics

OPPORTUNITY

Offering a **great quality of life, low cost of living, remote work opportunities, high-paying jobs, a robust logistics network, and safe, friendly and scenic communities**, Nebraska can **attract new talent and regain and expand** its economic prowess globally.

We are presented with major opportunities to **enhance quality of life** for all Nebraskans, **upskill and educate** Nebraskans for the tech-enabled careers of the future, and court and keep **employers with great jobs**.



Scale Nebraska's successful **workforce development** and **business friendly policies** to ensure our historic economic opportunity reaches every Nebraska family and invests in future generations, bring certainty to **remote worker** tax policy, and cut red tape for talented workers seeking employment opportunities in the U.S.



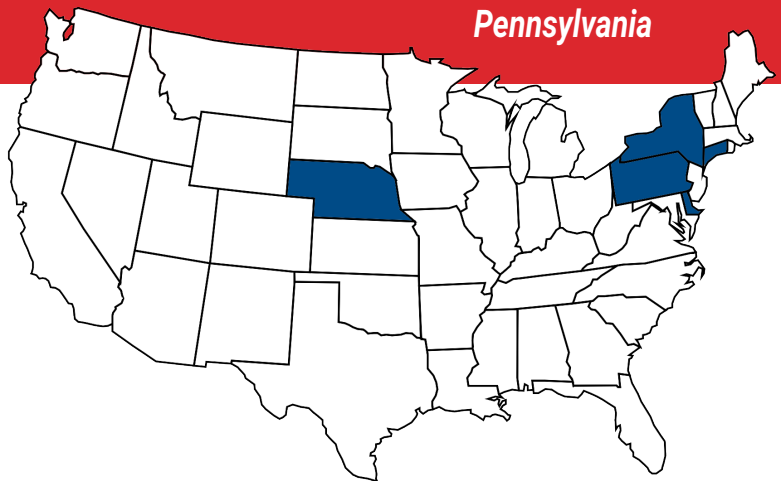
I. COMPETING FOR REMOTE WORKERS

LB416 and **LB173** will modernize Nebraska's tax code to minimize the threat of double taxing remote workers in two states. The bills adopt a de minimus threshold per calendar year for imposing Nebraska income tax for most remote workers, a must-do for Nebraska's employers to compete for a remote workforce.

Nebraska is one of only five states with the outdated "Convenience Rule" to tax workers performing duties both inside and outside the state.

*Connecticut
Nebraska*

*Delaware
New York
Pennsylvania*



Addressing the Top Barriers to Workforce



II: STRENGTHENING NEBRASKA'S CHILD CARE INDUSTRY

Statewide, the availability of affordable child care is perceived as one of the top barriers to business growth. Policies to increase the state's ability to recruit and retain a strong child care workforce, paired with sensible changes to the regulatory environment and increased flexibility for communities looking to meet the needs of their workforce are all important avenues to addressing this critical issue.

LB856 makes the child care workforce income eligible for child care subsidy, a promising approach to recruit and retain more child care workers.

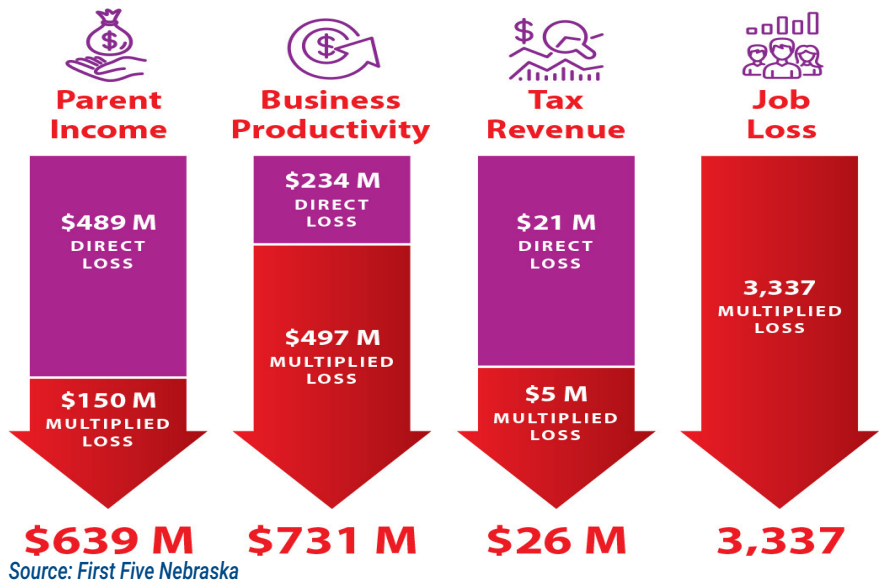
LB874 provides reasonable regulatory streamlining to what is one of the state's most heavily regulated industries.

LB1416 establishes grant programs to support the child care workforce and increase child care capacity for children birth to age three, the most needed and expensive form of care. One grant program allows communities to establish micro-centers, a concept ideal for employers and rural areas looking for flexible child care options.

Nebraska Child Care The Bottom Line

Gaps in child care availability =
 Lower family income =
 Reduced ability to purchase good and services =
 Nebraska businesses earn less revenue =
 Lowered business productivity, ability to compensate workers and create employment opportunity =
 Reduced ability for employers to generate further economic activity by doing business with other vendors.

Source: First Five Nebraska



III. INCREASING HOUSING SUPPLY

As Nebraska's policy makers work to increase the state's housing supply at scale, offering regulatory relief in targeted areas can help Nebraska's homebuilders increase supply and offer more options for Nebraskans in need of affordable housing.

Two bills that aim to provide targeted regulatory relief for zoning restrictions: **LB1165**, which aims increase the availability of duplex housing; and **LB1166**, which aims to increase the availability of accessory dwelling units, ADUs.

These bills would retain local control of zoning regulations; however, they would be required to address two areas where supply is needed.

Additionally, the NE Chamber is supportive of funding for Nebraska's Rural Workforce Housing Fund and Middle Income Housing Fund.

The Reasons Nebraskans Cited for Moving in 2021 and 2022

	FAMILY		JOB		HOUSING		OTHER	
	2021	2022	2021	2022	2021	2022	2021	2022
Moved within county ≈ 88,000	21.8%	15.0%	4.5%	3.0%	70.6%	71.0%	3.1%	10.0%
Moved within state, different county ≈ 52,000	41.7%	39.0%	16.7%	30.0%	29.2%	19.0%	12.4%	12.0%
Moved between states ≈ 32,000	19.6%	18.0%	34.7%	12.0%	17.6%	34.0%	28.1%	36.0%

Source: Current Population Survey, Bureau of Labor Statistics and U.S. Census Bureau, 2021 and 2022

(Courtesy of Center for Public Affairs Research at the University of Nebraska - Omaha)

Nebraska Housing (2022)

32K

Nebraskans moved to a different state.

34%

Nebraskans moved out of state
because of housing.

2%

housing units available for sale or rent
across Nebraska.

A healthy rental vacancy rate is 7% to 8%.

Source: Current Population Survey, Bureau of Labor
Statistics and U.S. Census Bureau, 2021 and 2022.

IV. ENSURING SMALL BUSINESS CERTAINTY

As minimum wage increases continue to phase in, Nebraska's small businesses are looking with concern at the compounding effect minimum wage increases could have in 2026 and beyond. Currently, minimum wage increases are tied to the rate of inflation – which we know can be quite high year-over-year. **LB327** caps minimum wage increases after they reach \$15/hour to 1.5% each year, providing our small business owners with the certainty they need to plan for these increases. Additionally, **LB15** creates a Youth Training Wage of \$12/hour for 14 and 15 year olds, the most heavily restricted age class, so small businesses are incentivized to hire these young workers.



V. ENHANCING WORKFORCE DIVERSITY

The NE Chamber supports policies to drive economic competitiveness, support diverse and inclusive business owners and employee populations, and promote inclusive growth throughout the state. The following bills will increase business' ability to engage with and hire a more diverse workforce:

LB922 adopts the Parolee and Probationer Business Empowerment Act to empower individuals on parole to own or direct businesses.

LB1126 creates a National Career Readiness Certificate pilot program to ready men and women involved with the Department of Correctional Services for the workforce.

LB1025 adopts the Individuals with Intellectual and Developmental Disabilities Support Act to incentivize businesses to hire individuals with intellectual and developmental disabilities and to encourage these men and women to engage in the workforce.



VI. ENGAGING IMMIGRANTS

LB918 would allow young immigrants who are enrolled in the Deferred Action for Childhood Arrivals (DACA) program to be allowed to join law enforcement.



Accelerate Our State

The previous **game-changing investments** in community, workforce and infrastructure cleared the way for a **new era of growth and prosperity** in Nebraska – an era of new families, growing communities, enhanced quality of life, and global market leadership.

We must continue to keep our foot on the gas pedal in 2024. We can't lose our lead in economic recovery and global competitiveness.

We can't let up. We won't. **We must accelerate our state.**

