

Your State Chamber Board

The Executive Council is made up of the Chairman, Chairman-elect, Past Chairman, Treasurer, Six District Vice Chairmen and the President. The Vice Chairmen represent each of the six geographic districts on the Executive Council. Such officers are elected for a one-year term by the full Board. This month, we feature District I and III Vice Chairmen.

The current Vice Chairman for District I is **Richard S. Reiser** of Omaha, and he is serving his first year. He is currently Executive Vice President and General Counsel for Werner Enterprises, Inc. He previously practiced law at firms in Lincoln and Omaha.

A native of Scottsbluff, Reiser attended the University of Nebraska and graduated in 1968. He received his law degree from UNL in 1972. He began his career at Werner in 1993. He is a member of the Nebraska and Iowa State Bar Associations, as well as the Transportation Lawyers Association and American Corporate Counsel



Richard S. Reiser Michael Baldino
Association.

Reiser is a graduate of the Leadership Omaha program and currently serves on the Greater Omaha Chamber of Commerce Board of Directors and the University of Nebraska's President's Advisory Council. He and his wife, Mary Lynn, have a son and daughter.

Michael Baldino, P.E. is also in his first year as the Vice Chairman for District III. He is President and CEO of Kelly Industries, Inc., a manufacturer in Fremont. Born and raised in Philadelphia, Baldino is a graduate of

Penn State University with a Bachelor of Architectural Engineering degree. He came to Omaha to work for the Leo A. Daly Company and has done graduate work in Structural Engineering at the University of Nebraska-Omaha. Baldino has worked closely in mentoring programs to create interest and inspire young people to explore and pursue careers in engineering and related fields.

His company has supported national defense with lightweight panel systems from simple weather barriers to buildings for over 25 years. He has been granted U.S. patents for reinforcing bar connections and unique building system features. He is a founding board member of the Nebraska Industrial Competitiveness Alliance (NICA) and was instrumental in helping develop Nebraska's first Science and Technology policy. He is currently President of the Nebraska Diplomats and was named 1996 Diplomat of the Year.

He and his wife, Micki, have two sons. ■

NE Chamber of Commerce & Industry Partners with Department of Labor for 6th Annual Governor's Summit on Workforce Development

Efforts are underway to coordinate Nebraska's 6th Annual Governor's Summit on Workforce Development, being held November 9-10, 2005, at The Doubletree Hotel in Omaha. Once again, the Nebraska Chamber has formed a solid partnership with the

Department of Labor and the SilverStone Group to develop the Summit agenda, Harvesting Opportunities.

The one-and-a-half day conference will bring Nebraska's current workforce development challenges to the forefront, promoting prosperity and growth in our state and local workforces. This year's Summit will host nearly 500 professionals from across the state who represent the

business, economic development, education, government and health care communities. Keynote speakers from across the nation and results-driven breakout sessions will both challenge and engage attendees.

Seats are filling quickly so register today! For more information and to register online, visit www.NebraskaWorkforce.com and click on the 2005 Governor's Summit icon. ■



State Chamber Views...

Guest Editorial by Gary Warren

Chairman,

Nebraska Chamber of Commerce & Industry

"Business and Taxes"

Those two words may well be the two key words most State Chamber members think of when we examine why we belong to organizations like ours. Always at the top of our list of objectives at the state (as well as the local and federal level) are taxes and what businesses pay in taxes. A recent study by the Council On State Taxation (COST) shows that state and local taxes imposed on businesses exceeded \$447 billion in FY2004 – nearly 10% higher than in FY2003. The study, which shows that businesses pay 43% of all state and local taxes, was done to help policymakers better understand the true burden of taxes on businesses in their states and localities. (The complete study is available at <http://www.statetax.org>.)

“State lawmakers are frequently asked to make decisions on complex business tax issues,” said Doug Lindholm, COST’s President & Executive Director. “Unfortunately, lawmakers too often focus on the corporate income tax, which is only one of many taxes businesses pay to state and local government. We hope that our study, which presents a complete state-by-state picture of business taxes, leads to more informed debate on these issues.”

This study includes comprehensive estimates of the taxes paid by businesses in each state. Included in this study are property taxes, sales and excise taxes paid by business on their business purchases, gross receipts taxes, corporate income and franchise taxes, license taxes, unemployment payroll taxes, and the individual income taxes paid by owners of non-corporate (pass-through) businesses.

The state-by-state estimates show the significant variation across the

states in the total state and local taxes paid by business. The share of taxes paid by business is determined by a state’s overall tax system, the structure of its economy, the types of business taxes levied, as well as business tax features that may provide a competitive advantage or disadvantage in attracting and retaining business employment and investment in the state.

In addition to national figures, the COST Study calculated state and local business taxes for each state for FY2000 and FY2004. In 26 states, business paid over half of all tax increases over the past four years.

Property taxes on business property were \$165 billion in FY2004, accounting for 37% of state and local business taxes. Sales taxes on business purchases of inputs and capital equipment totaled \$105 billion, 23% of the total. “It has become fashionable over the past several years to allege that businesses aren’t paying ‘enough’ taxes to state and local government,” said Mr. Lindholm. “As our study shows, the reality of business taxes is quite different than the perception. The state and local tax burden on business is substantial, and businesses have paid more than 50% of all state and local tax increases since FY2000.”

Of the \$6.3 billion in Nebraska state and local taxes collected in FY2004, businesses paid \$2.9 billion, or 46.7%. Is it any wonder why the State Chamber works ceaselessly to help alleviate and hold the line on taxation on businesses? This year’s very positive legislation, the Nebraska Advantage Act (**LB312**), will help reduce some of those costs in eliminating the sales tax on business equipment and machinery. Another large

tax bill for business is unemployment compensation insurance costs. The enactment of **LB739** this past session will help alleviate the rate at which these costs are increasing and even reduce some employers’ costs.

You should have received your copy of the State Chamber’s “How They Voted” brochure earlier this summer. I hope you will notice how your Senator voted on the key issues at stake this past session, including these key tax related issues, and thank them for their support if they were among the 29 members who voted for State Chamber positions at least 70% of the time. Better yet, look to the last column and check your Senator’s cumulative vote total. There are 41 Senators who have supported the State Chamber’s position for at least 50% of the votes they have cast in their careers. We know a lot of that is due to your good efforts in visiting and communicating with your elected representatives on key business issues. To that end, when the words business and taxes come up, most know the vital role played by businesses in the economy and the importance of a healthy economy. ■

Workshops Set For September and November

Two workshops relating to goal setting and productivity will be held on September 8 at the Mahoney State Park Riverview Lodge. In the morning, “Achieving Your Goals Through Effective Influencing and Negotiating” will be held at 8:30 a.m. The session will help you, or your staff, learn the skills to negotiate win-win solutions and build effective relationships for you and your organization.

The afternoon workshop is “Maximizing Employee Productivity” and begins at 1:00 p.m. The session will help managers learn how to evaluate employee performance and prepare for the personal challenges of developing people and their skills. Both

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Fall Legislative Forums In Your Area

The Nebraska Chamber of Commerce & Industry needs to hear from you this fall as we visit 33 Nebraska communities for our annual Legislative Forums during the weeks of October 24 – 28; October 31-November 2; November 7-9, and November 14-17.

This is your opportunity to tell us what's on your mind regarding legislation, and to visit with your state senators, who are invited to all forums in their districts.

A listing of proposed locations and dates is below. State Chamber elected leaders and executive staff members will be present to discuss issues and answer your questions. The focus of this year's program will be the recent legislative session and the Nebraska Advantage Act and Unemployment Compensation Reform.

Surveys have shown that employers are well regarded by their employees as a good source of information on elections and issues affecting their jobs and lifestyles. The Forums are a great opportunity to give key employees a firsthand look at the legislative process, learn the issues, and meet their elected representatives. For more information, please contact the State Chamber office.

Monday Oct. 24

Lunch Aurora

Tuesday Oct. 25

Breakfast Kearney
Lunch Grand Island
Dinner Hastings

Wednesday Oct. 26

Breakfast York
Lunch Bellevue
Blair

Thursday Oct. 27

Breakfast Lincoln
Lunch Columbus

Monday Oct. 31

Lunch Gothenburg
Broken Bow
Valentine

Tuesday Nov. 1

Breakfast McCook
Lunch North Platte
Holdrege
Scottsbluff
Dinner Sidney

Wednesday Nov. 2

Breakfast Ogallala
Sarpy County
Lunch Cozad

Monday Nov. 7

Lunch O'Neill

Tuesday Nov. 8

Breakfast Wayne
Lunch S. Sioux City
Lexington
Dinner Norfolk

Wednesday Nov. 9

Breakfast Omaha
Lunch Omaha
Nebraska City

Monday Nov. 14

Breakfast Beatrice
Lunch Tecumseh

Tuesday Nov. 15

Lunch Ord

Wednesday Nov. 16

Lunch Wahoo

Thursday Nov. 17

Lunch Fremont

Workshops Set For September and November

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programs will be conducted by Les Tighe of SilverStone. Each program costs \$65 for State Chamber members (non-members pay \$85).

The State Chamber will also present a 2005 Lobbying Update Workshop on November 2 from 9:00 a.m. to 11:30 a.m. at The Cornhusker Marriott Hotel in Lincoln. Recent changes to the Accountability and Disclosure laws will affect lobbyists and those managing political action committees.

Further details are enclosed with this issue of the *Executive*, or call Charlie Volnek at the State Chamber.

Straight Talk

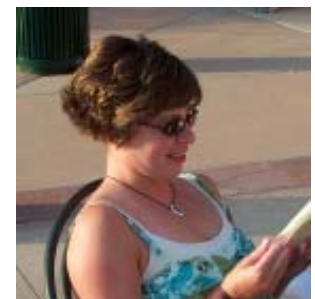
Pat On The Back

■ Congratulations to **Lincoln Plating**, Lincoln, named as one of the best medium-sized companies to work for in the U.S. by the Society of Human Resource Management. It was one of 25 medium sized companies given the honor.



2005 Institute Attendees

■ At the Institute for Organizational Management in Colorado Springs this summer, one Nebraska Chamber of Commerce Executives graduated. **Bethanne Kunz**, president of the Ord Chamber, completed the four-year program designed for chamber execs. She carries the designation IOM.



Bethanne Kunz

DR-CAFTA Trade Agreement, Energy Bill Top Washington Agenda

Before Congress takes a long summer break, two key issues of concern to Nebraska should be addressed. The Energy bill was passed by the Senate on June 28, and like the House bill, the Senate version offers a strategy to reduce U.S. dependence on foreign sources of energy, promote renewable fuels without mandates, enhance efficiency and conservation and improve infrastructure. However, there are conflicting provisions in the House version, and a conference committee will be the final arbiter of the measure. There are many positive enhancements for ethanol in both versions, and it's likely that the final bill will be positive to Nebraska's corn and ethanol industry.

The DR-CAFTA Trade Agreement (Dominican Republic and Central American nations) has passed the Senate and awaits a House vote. Collectively, CAFTA-DR is the second largest U.S. export market in Latin America and 13th largest export market worldwide. Significantly, it is a larger market than Russia, India and Indonesia combined. The National Association of Manufacturers (NAM) estimates that CAFTA would result in \$1 billion in additional U.S. manufactured goods exports. Additionally, an existing \$4 billion in U.S. manufactured exports would be saved that are otherwise at risk if the Central American countries lose their apparel industry to Asian competition. While they buy a lot from us, the CAFTA countries combined have an

economy the size of Sacramento, California. There is no way they can have a negative effect on U.S. manufacturing – especially since they have already had open access to our market. Ninety percent of the U.S. manufactured goods trade deficit comes from countries with which we do not have trade agreements. Failure to pass CAFTA in 2005 should likely derail future efforts to bring down foreign trade barriers to our very low levels.

Finally, both houses did pass S. 714, the junk fax legislation which reverses a decision by the FCC that would create a monumental and costly administrative burden on associations and businesses by requiring them to obtain the signed written consent of each recipient before any commercial fax may be sent. Currently, associations and businesses are free to send faxes to customers with whom they have existing business relationships. Unsolicited faxes and junk faxes will continue to be illegal under this bill.

Without this new legislation, the ability of associations and businesses to communicate with their customers would be severely impeded. According to a 2004 U.S. Chamber survey of its members, the FCC regulations would cost the average small business \$5,000 during the first year and \$3,000 each year thereafter. ■

State Chamber Welcomes New “Investors”

Membership in the Nebraska Chamber of Commerce & Industry is an investment in Nebraska's economic well-being. This month, the State Chamber welcomes the following new members and encourages members to consider doing business with fellow Chamber members.

BEATRICE

Holiday Inn Express & Suites
Emily Voegel

GOLDEN VALLEY, MN

Northwestern Lumber Association/Nebraska Lumber Dealers Association
Gary L. Smith
Sponsor: G. Richard Russell, Millard Lumber Inc.

HASTINGS

Nebraska Aluminum Castings
George E. Hasley
Sponsor: Gayle E. McClure, Dutton-Lainson Company

HEMINGFORD

The Hemingford Co-Operative Telephone Co.
Theron W. Jensen
Sponsors: S. Michael Jensen, Great Plains Communications, Inc.; Gary Warren, Hamilton Telecommunications

KEARNEY

Kearney State Bank & Trust Company
Don Kearney

LINCOLN

Cooper Foundation
Art Thompson

OMAHA

The Benefit Group, Inc.
Kerry T. Winterer

Distefano Tool & Manufacturing Company
Bob Distefano

Pamida, Inc.
Michael Hopkins

VALENTINE

W. Gerald O’Kief, Attorney
Sponsor: Joanne F. Shephard, First National Bank of Valentine

Perrett Construction LTD

Gregg W. Perrett
Sponsor: Joanne F. Shephard, First National Bank of Valentine

WICHITA, KS

Trenton Agri Products LLC
Charles B. Wilson