

THE EXECUTIVE

THE STATE CHAMBER



Nebraska Chamber of Commerce & Industry

May/June 2018

State Chamber Engages With D.C. Leaders

The Nebraska Chamber's 2018 Washington, D.C. Fly-In was held April 25-26.

This year, thirty Chamber members participated in the event, including State Chamber Chairman Rich Herink, District III Vice Chair Kyle Nixon and District Director Rex Fisher, along with key representatives from the Omaha, Lincoln and Columbus Chambers.

The fly-in commenced with the traditional Nebraska Breakfast on Capitol Hill, where participants heard from all five members of the state's congressional delegation.

Following the breakfast, the group visited the headquarters of the National Association of Manufacturers (NAM) to be briefed on the major policy issues before Congress, including the latest developments in the areas of trade, workforce, labor law and infrastructure.

Later in the afternoon, fly-in participants met with executive staff from the U.S. Trade Representative's office to discuss the administration's perspective on a potential rewrite of the North American Free Trade Agreement (NAFTA), pending tariffs on China, possible bilateral trade deals with TPP countries, and other matters.

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Save The Date:

Federal Legislative Summit Will Be August 9

What happens in Washington, D.C. can dramatically impact Nebraska employers and employees. That is why you're encouraged to attend the tenth annual Federal Legislative Summit on Thursday, August 9, 2018.

This is the region's most anticipated advocacy event of the year. Hosted by the Nebraska Chamber, along with the Lincoln and Omaha chambers, the summit will again be held at the Strategic Air Command (SAC) and Aerospace Museum, located immediately north of

Interstate 80 at Exit 426, near Ashland.

Attendees will be treated to a congressional update presented by Nebraska's U.S. senators and congressmen, as well as a special presentation by keynote speaker Suzanne Clark, senior executive vice president of the U.S. Chamber of Commerce, the largest business federation in the world.

More details will be coming soon. To register, call (402) 474-4422 or e-mail cvolnek@nechamber.com. ■

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State Chamber Views...

Editorial by
Bryan Slone
President
Nebraska Chamber of Commerce & Industry

Big Challenges Bring New Opportunities for Chamber Community

Editor's note: Bryan Slone joined the Nebraska Chamber staff on April 16 as the organization's new president. This is his first column in The Executive.

I am privileged and honored to follow Barry Kennedy as president of the Nebraska Chamber of Commerce and Industry. I would like to thank all of our members for this opportunity.

As you know, Barry is a very hard act to follow given the breadth of his many contributions to the State Chamber and Nebraska's business environment. He has been a tireless and consistently effective advocate for the economic well-being of this state – not only at the Nebraska Legislature, but also throughout our state and, when necessary, around the world on behalf of Nebraska business interests.

As he retires from the State Chamber, Barry leaves the organization in excellent shape. In particular, Barry has developed a solid professional staff that will continue to do the work of this organization at a very high level. At a time of political division, he is leaving a unique legacy as a successful coalition

builder who brought people together around their common interests.

Barry, I will no doubt continue to take you up on your offer to provide advice and counsel in the future as it is needed.

So where do we go from here? Legislatively, we will continue to stay particularly focused and highly engaged around our major 2018 priorities:

- income tax relief and economic competitiveness;
- workforce development;
- housing availability; and
- efficiency in government.

There is a growing sense of urgency at the Legislature and throughout the state to address these issues with meaningful and thoughtful legislation that improves Nebraska's competitiveness as a whole.

In terms of additional membership services, we will continue to build on our existing member engagement programs such as our industry councils, annual meeting and Nebraska Business Hall of Fame event, Leadership Nebraska, and fall legislative forums, to name a few. As we have in the past,

we will also be collaborating with local chambers across the state, not only on legislative issues but also economic development opportunities.

Finally, what you should be seeing in coming months are efforts by the State Chamber to double down on the efforts that began with our Vision Nebraska initiative — to focus on longer range efforts to enhance the state's business climate, education and talent supply, innovation, economic development, infrastructure and growth.

More to come in future on this, but suffice it to say that Nebraska is at a critical juncture with respect to long-range economic competitiveness. On one hand, there are significant challenges – not just for Nebraska, but all states – related to changes in our global economy, technology and workforce. Moreover, there are increasing fiscal challenges to state and local governments whose traditional tax structures are struggling to keep up with spending demands.

On the other hand, Nebraska is better positioned than most states to develop successful strategies to take on these challenges. That is why the State Chamber will be even more engaged in the coming months as we proactively work with businesses across the state to develop long term strategies to make Nebraska much more competitive for generations to come.

I am looking forward to working with you as we move forward. ■



Editorial by
Barry Kennedy
Past President
Nebraska Chamber of Commerce & Industry

Stay Focused On Chamber's Mission

Editor's note: Barry Kennedy will retire from the State Chamber at the end of June after more than three decades with the organization, including 19 years as president. This marks his final column in The Executive.

More than 20 years ago, I attended a breakout session at one of the State Chamber's national meetings and the session

leader asked each attendee to write down what we wanted our organization to be known for.

I wrote the following: "We want the Nebraska Chamber of Commerce and Industry to be the voice of business in Nebraska and viewed as the organization that truly represents the business point of view on issues of importance. We should be considered a leader in developing ideas that will

create economic growth in Nebraska."

Though it's very faded now, the piece of paper on which I wrote my statement still sits on my desk so I am forced to read it every day. As faded as it is, I do not believe that the goal has worn out.

It has been a tremendous opportunity for me to serve the people in Nebraska who create jobs and livelihoods for hundreds of thousands of our citizens. Growing up on a farm near Salem, Nebraska – and then going to school in Falls City and Pawnee City – I never could have even dreamed that someday I would sit in meetings with business leaders and elected officials

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to discuss the important issues facing our state.

Fortunately for me, I have been in those meetings representing a constituency of members, local chambers and other business groups – all of which lend great credibility to the Nebraska Chamber and its advocacy. Chamber management and association management are professions that do in fact lend themselves to the objective of growing Nebraska's economy so we can grow and prosper in business while still providing necessary services to our population.

We all benefit from mentors, and for me Jack Swartz was the consummate chamber professional who taught me much over many years. Then, with the help and guidance of several other chamber and association executives, and the State Chamber's board members and members in general, we have been able to continue a strong tradition of credibility to improve Nebraska's business climate and advance the Chamber's cause.

I would be remiss if I did not also mention peer organizations from other states that have contributed with the exchange of ideas and procedures, as well as the local chambers and associations here in Nebraska. These shared ideas have allowed the State Chamber to enhance our effectiveness and accomplish our objectives.

Having had the opportunity to travel the world with several governors, meet heads of state, visit our elected officials on Capitol Hill, and get to know the corporate giants of our state and nation, my career at the Nebraska Chamber has been a wonderful experience. But to me, the greatest experience has always been traveling Nebraska and developing relationships and friendships with people who really make a difference in creating a better quality of life – for now and in the future.

Thank you to all who have made this journey possible and so successful. Nebraska and your State Chamber are in good hands moving forward, especially under leadership of Bryan Stone.

Let us always remember the focus of our mission – to enhance our economic climate and opportunities for the benefit of all Nebraskans. ■

Coming Soon: 'Blueprint Nebraska' Will Address State's Challenges, Opportunities

As recently reported by several news media outlets, a statewide coalition of business and civic leaders – working with Nebraska's higher education community – are forming a comprehensive plan to address Nebraska's economic challenges while building on its strengths.

Under the title of "Blueprint Nebraska," the plan will focus on some of the state's most pressing issues, including innovation, entrepreneurship, workforce, brain drain, taxes, incentives, and infrastructure.

The State Chamber will be actively involved in this effort. Others in the coalition include Nebraska Governor Pete Ricketts and University of Nebraska President Hank Bounds, along with banking, health care, technology, manufacturing and other industry leaders.

Specific details about the initiative will be announced in the coming weeks and months. ■

At A Glance: Nebraska's Ranking In Competitiveness Studies

Economic growth and a strong business climate don't happen by accident. Over the decades, Nebraska's business leaders, chambers of commerce, and policymakers have worked together to improve our state's competitiveness. While there is still much work to be done, Nebraska has become recognized nationally and globally for its pro-business climate and outstanding quality of life. Below are recent comparisons in which Nebraska has performed well:

- Best In U.S. - Economic Development Projects Per Capita (Site Selection, 2017 & 2018)
- Best In U.S. - Power Grid Reliability (U.S. News & World Report, 2018)
- 2nd Best - Millennial Unemployment Rate (WalletHub, 2018)
- 2nd Best - Affordable Housing (WalletHub, 2018)
- 3rd Best - Top States For Millennials (MoneyRates, 2017)
- 4th Best - Best States For Business (Forbes, 2017)
- 4th Best - Low Unemployment (U.S. News & World Report, 2018)
- 4th Best - Combined Business Climate Rankings (Ball State University, 2016)
- 4th Best - Labor Force Participation (U.S. News & World Report, 2018)
- 4th Best - Top States For College Students (MoneyRates, 2018)
- 5th Best - America's Happiest States (WalletHub, 2017)
- 5th Best - K-12 Education (CNBC, 2017)
- 5th Best - Lowest Unemployment Tax (SBE Council, 2017)
- 6th Best - Commute Time (U.S. News & World Report, 2018)
- 6th Best - State Fiscal Solvency (George Mason University, 2017)
- 6th Best - Business Friendliness (CNBC, 2017)
- 6th Best - Quality Of Life (Forbes, 2017)
- 7th Best - Higher Education (U.S. News & World Report, 2018)
- 7th Best - Best States To Find A Job (U.S. News & World Report, 2017)
- 7th Best - Legal Climate (U.S. Chamber, 2017)
- 7th Best - Business Costs (Forbes, 2017)
- 7th Best - Top Company Headquarters (U.S. News & World Report, 2018)
- 9th Best - Retail Electricity Prices For Residential Users (U.S. Dept. of Energy, 2017)
- 10th Best - Lowest Mortgage Debt (Experian, 2016)
- 10th Best - Renewable Energy Use (U.S. News & World Report, 2018) ■

State Chamber Engages With D.C. Leaders

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At this event, participants were able to express concerns regarding how the administration's actions could affect Nebraska's economy.

On the evening of April 25, a reception was held at the Washington offices of Husch Blackwell law firm, followed by dinner at The Oceanaire, where U.S. Senator Deb Fischer and her chief of staff, Joe Hack, joined the group.

On April 26, participants started the day with policy briefings at the U.S. Chamber's headquarters. Included

were updates on immigration, health care, small business issues, and trade.

The group then returned to Capitol Hill for the State Chamber's luncheon, where members of the Nebraska congressional delegation addressed specific issues of concern to the business community.

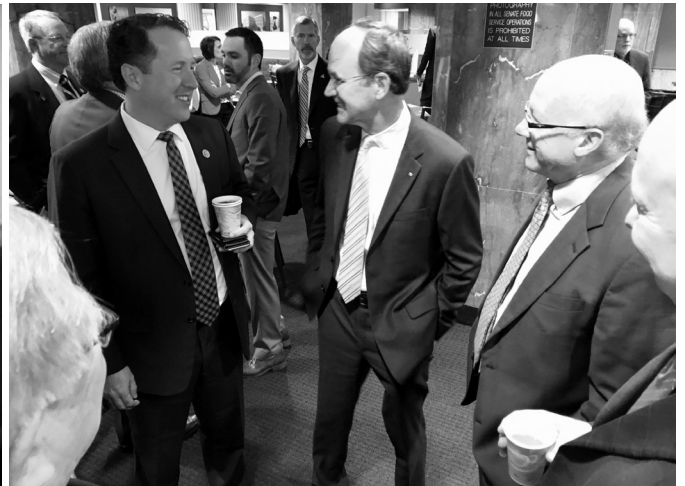
Key themes discussed during this year's Chamber Fly-In included:

- The administration's leadership on tax reform is leading to new investment and job creation across the county.

- The administration's handling of trade is a concern, including NAFTA negotiations and the proposed tariffs on China.

- The proposed infrastructure package could fall victim to partisan gridlock in 2018 due to this year's elections.

The Chamber's D.C. Fly-In was sponsored by Blue Cross Blue Shield of Nebraska; Nebraska Public Power District; Novozymes; and Home Instead Senior Care. ■



Top Left: U.S. Congressmen Jeff Fortenberry (middle) and Don Bacon (right) took time to discuss issues with fly-in participants.

Top Right: HDR's Rex Fisher, along with participants from Columbus, met with U.S. Congressman Adrian Smith.

Middle Left: Fly-in participants were briefed on federal issues at the headquarters of both the National Association of Manufacturers and the U.S. Chamber of Commerce (pictured).

Middle Right: All five members of Nebraska's federal delegation spoke to Chamber members at the Nebraska Breakfast.

Bottom: U.S. Senator Ben Sasse addresses participants at the State Chamber's congressional luncheon.

U.S. Chamber Chief Congratulates Kennedy On Retirement

During the State Chamber's visit to Washington, D.C. in late April, Tom Donohue – the longtime president and CEO of the U.S. Chamber of Commerce – congratulated Nebraska Chamber President Barry Kennedy on his upcoming retirement.

Kennedy announced earlier this year that he plans to retire at the end of June after more than three decades with the Nebraska Chamber, including nearly 19 years as the organization's president.

Kennedy led a group of thirty Nebraskans who took part in the State Chamber's 2018 D.C. Fly-In. ■



Available Now:

Nebraska Human Resources Library

Keeping up with employment regulations is complex work, but good HR guidance can help employers steer clear of added risk and costly lawsuits. Fortunately, the 2018 Nebraska Human Resources Compliance Library is now available. For years, this comprehensive guide has helped employers and HR personnel find answers quickly — from pre-hire to termination.

Written by top Nebraska attorneys at the Knudsen Law Firm, the Nebraska HR Library features:

- A hard copy book and online access to the Nebraska HR Manual.
- A comprehensive set of policies and sample form templates to help you write/rewrite your HR manual and employee handbook.
- Access to HR Update, a weekly e-newsletter that lets you know what's new in the HR world every week.
- Free access to HRsimple webinars, where attorneys discuss complex employment law topics and help you deal with them.

When laws or regulations change, the library is updated — and you'll receive an e-mail notice so you can easily determine what, if any, changes you need to make. As a chamber member, you will save 20% off any publication.

Visit https://www.hrsimple.com/shop/nebraska/HR_Library or call (866) 439-2227 to place your order. Use coupon code **nemem18** at checkout to receive your 20% discount. ■

Estimate:

Some Nebraska Counties Growing, Many Aren't

According to recent information, Douglas, Lancaster and Sarpy counties grew by more than 96,000 people from 2010-2017, or 10%, while Nebraska's 90 other counties collectively lost about 2,300 people. Data prepared by David Drozd, research coordinator for UNO's Center for Public Affairs Research, shows that only 15 of Nebraska's 93 counties experienced population increases in spans from 2000-2010 and 2010-2017 combined. Meanwhile, 54 counties saw population losses when considering both time periods.

Census experts note that Nebraska's non-metro population is smaller now than during the frontier days in 1890. In 1950, Nebraska's three most populated counties accounted for less than one-third of the state's population, but today they comprise more than half.

Last year, at the State Chamber's annual meeting, Drozd reported that in 14 of the past 15 years, Nebraska had suffered a net loss of residents to both South Dakota and Wyoming — states that impose no income tax.

On a positive note, it was reported earlier this spring that Nebraska, with an overall population growth rate of 5.1% since 2010, continued to grow faster than both Kansas (2.1%) and Iowa (3.2%). ■

Governor Signs Workforce Housing Bill

At the conclusion of the Nebraska Legislature's 2018 session, Governor Pete Ricketts signed LB496, legislation that allows Nebraska communities to use tax increment financing (TIF) to support the construction of workforce housing. This will include the construction of single-family or multi-family housing.

The State Chamber strongly supported LB496 as a needed tool to help address the shortage of available housing across Nebraska.

Sponsored by Gering Senator John Stinner, LB496 was passed by lawmakers 35-8 on April 18. LB496 applies to municipalities in counties with fewer than 100,000 inhabitants. The bill also allows the use of TIF to finance workforce housing in areas with high unemployment and poverty rates within cities. LB496 defines workforce housing as owner-occupied housing units that cost no more than \$275,000 to build or rental housing units that cost no more than \$200,000 to build.

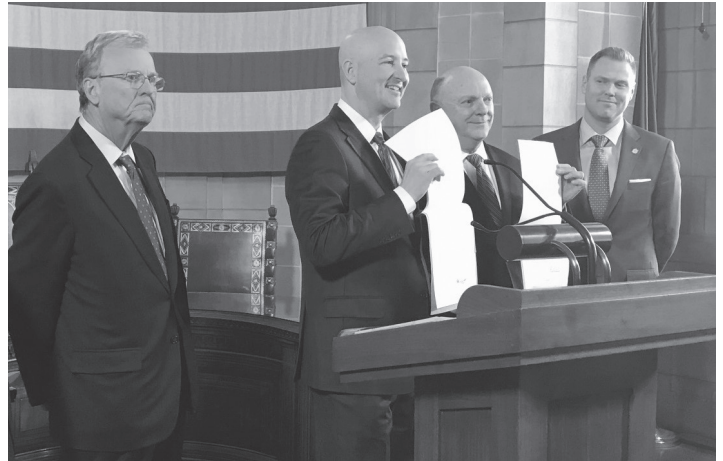
The bill requires a municipality to conduct a housing study, prepare an incentive plan for the construction of housing meant for new or existing workers, and hold a public hearing on the plan. A public hearing on a workforce housing incentive plan must be separate from a public hearing on a TIF redevelopment plan. ■

Governor Signs Bill To Prevent Tax Increases

In April, State Chamber representatives joined Nebraska Governor Pete Ricketts as he signed three tax measures designed to shield residents from state tax increases. All three measures were supported by the Nebraska Chamber. The bills signed into law were:

- LB1090: Makes key changes to Nebraska's tax code to prevent a \$226 million tax increase that would have unintentionally occurred due to the federal tax overhaul enacted in late 2017.
- LB1089: Restores the state's personal property tax exemption for purchases of agricultural and business equipment when using trade-ins, thereby preventing valuation increases on personal property taxed at the local level.
- LB738: Ensures that inflation will not increase the tax burden on Social Security recipients in Nebraska. The bill indexes for inflation the state's Social Security income tax thresholds beginning in 2020.

Pictured is Nebraska Chamber President Barry Kennedy (left) next to Governor Ricketts and State Senators Jim Smith – sponsor of LB1090 and LB1089 – and Brett Lindstrom, sponsor of LB738. ■



Jena Bouma Joins Chamber Staff



The Nebraska Chamber has a new addition to its staff.

Jena Bouma, a Lincoln native, joined the State Chamber in January as administrative services coordinator.

Jena comes to the Chamber after serving four years as a legislative assistant for government affairs at Husch Blackwell LLP. Prior to that, she served on the staff of two state

senators at the Nebraska Legislature and was a member of the Nebraska Air National Guard.

Jena lives in Firth with her husband, Tory, and step-daughter, Sage. She enjoys spending time outdoors, traveling and golfing. ■

Still Receiving Chamber E-Mails?

The Nebraska Chamber makes it a priority to keep our members updated on a regular basis, whether through our News Update, electronic legislative service and Legislative Report, or general notices and alerts.

If you are a State Chamber member who is no longer receiving your News Update or other electronic communications, it is likely due to one of two reasons:

1.) Bulk e-mails are occasionally delivered to your e-mail provider's "junk folder." Sometimes they are even blocked by individual servers. Be sure to check to see if either situation applies to you.

2.) If you have forwarded the Chamber's News Update or Legislative Report to others and they click the "unsubscribe" link at the bottom of your forwarded e-mail, your subscription will be deleted. If you suspect this has occurred, contact Kay Koch with the Nebraska Chamber at kkoch@nechamber.com or call (402) 474-4422. ■

State Chamber Welcomes New Members

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. We encourage you to consider doing business with fellow chamber members.

COZAD
Hunt Cleaners, Inc.
Mike Neill

FIRTH
Dorn Farms
Nathan Dorn

LINCOLN
BCom Solutions, LLC
Brent Comstock

Catalyst Public Affairs
Tim Gay

Friedman Law Offices, PC, LLO
Pat Heyen

OMAHA
Verde Martin
Jill Slupe

ST. LIBORY
Hodges Carpentry
Roni Hodges

WAVERLY
Phoenix Web Group, Inc.
Neil Johnson