

THE EXECUTIVE

THE STATE CHAMBER 
Nebraska Chamber of Commerce & Industry
January 2009

State Chamber Announces 2009 Legislative Goals

The Nebraska Chamber of Commerce & Industry recently announced its top legislative priorities for the 2009 legislative session. State senators reconvened in Lincoln on Jan. 7.

As approved by the State Chamber Board of Directors, the Chamber's legislative priorities include efforts to:

- ♦ **Reduce the Tax Burden.** To promote new job creation and economic growth, the State Chamber believes that Nebraska's tax climate must be more attractive. Further tax reform is needed to reduce the overall burden on all Nebraska taxpayers. Specifically, Nebraska's corporate income tax should be competitive with entities operating under other types of business structures, while efforts to expand the sales tax to include services should be opposed. The State Chamber supports initiatives to freeze or reduce state and local government spending.

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New State Chamber Leaders Elected

On January 1, 2009, **Marc LeBaron**, Chairman and CEO of Lincoln Industries, Lincoln, began his duties as the State Chamber's Chairman of the Board. LeBaron succeeded **G. Lee Glenn**, Vice President/CFO of Kelley Bean Co., Scottsbluff, and will officially be recognized as the State Chamber's top elected officer when he receives the gavel at the State Chamber's Annual Meeting and Legislative Caucus on February 5. Glenn will continue to serve on the Executive Council as Immediate Past Chairman.

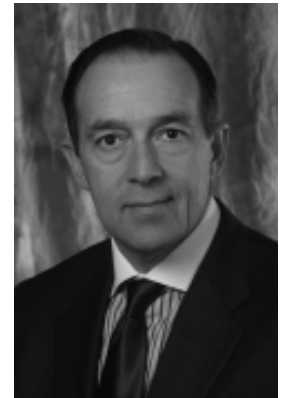
LeBaron was elected Chairman during the December Board of Directors' meeting in Lincoln. Lincoln Industries is a manufacturing company that provides a wide variety of services to national customers, including Harley Davidson. Under LeBaron's leadership, Lincoln Industries has grown from a small plating company into an organization of more than 500 people that produces finished products and provides services such as fabrication, engineering, assembly and logistics management.

In 2008, Lincoln Industries was recognized for the fifth consecutive year as one of America's best places to work by the Society for Human Resource Management.

Outside the workplace, LeBaron has been recognized for his contributions to the education of economics for young people. He is a recipient of the University of Nebraska's Business Excellence Award and was the first Nebraskan to receive Junior Achievement's Gold Award. He serves on the boards of many local organizations and has been an active leader in Lincoln's 2015 initiative. LeBaron and his wife, Kathy, have two daughters, Katie and Kassy.

Other State Chamber board changes also came with the new year. **Richard S. Reiser**, Executive Vice President & General Counsel, Werner Enterprises, Inc., Omaha, will serve as the 2009 Chairman-Elect. **John E. Cederberg**, CPA, Lincoln, was re-elected Treasurer, while **Barry L. Kennedy**, CAE, IOM, Lincoln, will continue to serve as President and Corporate Secretary.

Elected to the 2009 State Chamber Executive Council as District Vice Chairmen were: **Rex Fisher**, President, Qwest Communications, Omaha; **Tonn M. Ostergard**, President and CEO, Crete Carrier Corp., Lincoln; **Jeffrey M. Scherer**, CFO, Smeal Fire Apparatus Co., Snyder; **Julie L. Krebs**, Vice President, AIRLANCO, Falls City; **Tim D. White**, Vice President, Midlands Associates,



Marc LeBaron

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State Chamber Views...
*Editorial by Barry L. Kennedy, CAE, IOM
 President
 Nebraska Chamber of Commerce & Industry*

Measuring Nebraska's Competitiveness

The Nebraska Chamber of Commerce & Industry is once again publishing the *Competitiveness Redbook: Key Indicators of Nebraska's State Business Climate*.

The report is comprised of more than 50 rankings that provide a snapshot of Nebraska's business climate as compared to the other 49 states. As a member of the State Chamber, you are receiving one copy of the publication free of charge.

The *Redbook* should serve as a useful guide for analyzing our state's overall business environment. The information contained in the book is a powerful tool you can use to demonstrate to elected officials the changes that must be made in order to grow Nebraska's economy.

The issues we face are well documented: an aging population; retention of younger workers who have the necessary skills and education for the 21st century; competitive cost of doing business; and high tax rates. These are all among the areas that need improvement in Nebraska.

The *Redbook* makes it clear that Nebraska must expand the percentage of our population that is of working age and paying taxes. On the other hand, our overall cost of doing business is quite competitive and Nebraska's tort liability system ranked second-best in the nation. This is a key point for employers who are seeking a fair and reasonable litigation environment in which to do business.

There are also other areas of strength, such as the overall cost of unemployment insurance and workers' compensation. It should be noted, though, that in some of these areas Nebraska has lost ground to other states in recent years.

The information contained in the *Redbook* is attributed to reputable

sources. We have tried to present a broad array of information in one publication so the reader can make comparisons on a variety of data that might affect their particular operation or profitability.

As we move through the 2009 legislative session, the *Redbook* may help you when visiting with elected officials at either the state or local level. For example, the information in the *Redbook* should help you explain that nothing is solved when policymakers shift the burden from one tax to another. Shifting taxes only exacerbates the problem and causes confusion, paperwork and compliance issues.

It is important to remember that as the Unicameral convenes, there are 16 new State Senators and that 37 of the 49 total will have no more than two years of experience. Employers need to be an information resource to elected officials who will make decisions affecting your ability to prosper in Nebraska.

State Chamber-endorsed candidates did well in the elections, and we believe that the Legislature will be more business friendly. Out of 21 contested races, the State Chamber either endorsed or co-endorsed 18 of the successful candidates. But it will be the input of employers, with credible information and real examples of how legislation could affect their business, that will be invaluable.

We hope the data in the *Redbook* will help guide the efforts of Nebraska's business leaders and public officials in our common goal of improving and growing our economy and state.

The *Redbook* will answer some questions and generate others. By having this information, we can more confidently pave the way for future growth and expansion. ■

State Chamber Annual Meeting Is February 5

On Thursday, February 5, the State Chamber will hold its Annual Meeting and Legislative Caucus at The Cornhusker Marriott Hotel in Lincoln. This is the State Chamber's largest event of the year – and several special guests plan to take part in the upcoming gathering.

Late registration will begin at 9 a.m., with the Board of Directors meeting starting at 10 a.m. Governor Dave Heineman will address the noon luncheon, which is open to all members. The afternoon will feature the annual business meeting, followed by panel discussions regarding key business-related issues. The evening will include a 6 p.m. reception and the annual banquet at 7 p.m. The Business Hall of Fame induction ceremony will begin at 8 p.m.

To register for the Annual Meeting or for more information, call (402) 474-4422. ■

Nebraska Advantage Update

The State Chamber was an early proponent of the state's premier economic development plan, the Nebraska Advantage. The Nebraska Advantage Act, first implemented in January 2006, helps ensure the state is competitive in attracting new employers, while encouraging current Nebraska employers to expand their in-state operations.

As of November 30, 2008, Nebraska Advantage programs had produced:

- ♦ 173 applications;
- ♦ Potentially \$5.06 billion in investments;
- ♦ 14,694 jobs.

Where the Projects Have Gone?

- ♦ Omaha area.....86 projects
- ♦ Greater Nebraska59 projects
- ♦ Lincoln area28 projects

From January 2006 through November 2008, the rural component of the Nebraska Advantage has created 83 project applications, \$120.4 million in investments and 231 jobs. ■

Columbus Forum Examines Nebraska Economy

President of the Nebraska Independent Community Bankers. ■

Last month, approximately 250 Nebraskans gathered at Columbus' Central Community College to hear speakers at a state economic forum presented by the Columbus Area Chamber of Commerce, the State Chamber, and Industrial Systems and Supply. The forum's keynote speaker was Governor Dave Heineman, who noted that during the past three years, "more than 170 companies decided they wanted to locate or expand in Nebraska, resulting in more than \$5 billion invested in the state and 14,000 new jobs."

Dr. Ernie Goss, professor of economics at Creighton University, said although the economy is on the

decline, conditions appear worse than they actually are due to the financial boom the country experienced just months ago. Goss and Dr. Eric Thompson, director of the Bureau of Business Research at UNL, forecast that the Nebraska economy and employment loss will stabilize toward the end of 2009. Thompson said Nebraska experienced job growth of one percent in 2008, which is better than the one percent decline found in much of the nation.

Other speakers included Richard Baier, Nebraska Department of Economic Development Director; Cathy Lang, Nebraska Department of Labor Commissioner; and Kurt Yost,



Governor Heineman and State Chamber President Barry Kennedy discuss economic issues before the start of the Columbus forum.

Senator Nelson Speaks To State Chamber Board



Last month, U.S. Senator Ben Nelson spoke to more than 50 members of the State Chamber's Board of Directors. In his address to the board, the senator shared his insights on several key issues, including the U.S. trade deficit, federal assistance for the financial and auto industries, and a second federal stimulus plan that could dedicate significant resources to the nation's roads and infrastructure. Senator Nelson fielded several questions from board members on a variety of topics, such as the proposed "Card Check" bill – legislation that would end secret ballot elections in the workplace when employees decide whether to unionize. ■

Left: State Chamber board members George Beattie, William Harding and Robert Harris chat with Senator Nelson prior to the meeting. Bottom Left: Senator Nelson speaks as State Chamber Chairman Lee Glenn listens. Bottom Right: Philip Mullin of Garner Industries asks Senator Nelson a question, as fellow board member Patrick Gorup of Lyman-Richey Corp. looks on.



Business Hall of Fame Nominations Due April 10

April 10, is the deadline for nominating the next inductees to the Nebraska Business Hall of Fame. Nominations of outstanding Nebraska business leaders should be sent to the State Chamber office.

Nominees may be living or deceased individuals who have added to the prestige and growth of business in Nebraska. In addition, a recipient can be from a large or small business. The main criterion is that the individual has made a significant contribution to Nebraska's private enterprise system.

This year, four new inductees to the Nebraska Business Hall of Fame will be announced the evening of February 5. They are: Gates Minnick of Lincoln, DuTeau Chevrolet/Subaru; the late Don Smeal of Snyder, Smeal Fire Apparatus; Willard Waldo of DeWitt, Waldo Farms; and the Simon Family of Omaha, Omaha Steaks International.

For information on Business Hall of Fame nominations – or if you are interested in attending this year's Hall of Fame Banquet and Program – call the State Chamber at (402) 474-4422. ■

Legislative Goals Announced

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♦ **Continue Economic Development.** The State Chamber supports Nebraska's targeted job and investment incentive programs, such as the Nebraska Advantage. To ensure the state is competitive in attracting new employers while helping current employers to grow, performance-based incentive laws need continual review and updating. To ensure an adequate number of skilled employees, the State Chamber also supports workforce-related educational funding and public/private partnership programs to recruit and train employees.

♦ **Provide Adequate Highway Funding.** As funding for new road construction becomes tighter, the State Chamber supports the preservation of the state Highway Trust Fund and opposes efforts to divert funds for other purposes.

♦ **Protect Nebraska's Right-to-Work Guarantee.** The State Chamber supports Nebraska's Right-to-Work constitutional guarantee and opposes any effort to weaken or repeal it.

♦ **Review Workers' Compensation & Unemployment Programs.**

Because employers pay the entire cost of workers' compensation coverage and unemployment insurance, the State Chamber recommends continued legislative review and implementation of necessary reforms to avoid increased costs or costly drains.

♦ **Ensure Affordable Health Care Coverage.** As the cost of health care continues to be a top concern for Nebraska businesses, the State Chamber opposes any legislation that would negatively impact the affordability and availability of group health insurance coverage, including mandates to require coverage beyond federal standards.

"The new legislative session will present both opportunities and challenges for Nebraska's business community," said Barry L. Kennedy, State Chamber President. "The State Chamber will continue to educate state lawmakers about the issues facing Nebraska businesses and their employees, to improve the state's business climate and increase opportunity for all Nebraskans." ■

New State Chamber Leaders Elected

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Grand Island; and **Matthew H. Williams**, President, Gothenburg State Bank & Trust Co., Gothenburg.

At the State Chamber's final board meeting of 2008, two newly-elected Directors were introduced. They are:

Bob McChesney, President, McChesney Martin Sagehorn, P.C., North Platte; and **J. Kent Wimmer**, Director of Shareholder Administration, The Western Sugar Cooperative, Scottsbluff.

New Directors who were appointed by the Chairman are: **Dirk A.**

Petersen, Vice President & General Manager, NUCOR Steel, Div. of NUCOR Corp., Norfolk; **Timothy P. Keigher**, Executive Director, Nebraska Petroleum Marketers & Convenience Store Association, Lincoln; **Lori Warner**, IOM, President/CEO, Beatrice Area Chamber of Commerce, Beatrice; and **Eldon Russell**, President, Nebraska Junior Chamber of Commerce, Humboldt.

Re-appointed to the Board were the following Directors: **Michael Baldino**, P.E., Baldino Enterprises, LLC, Omaha; **Joseph R. Bateman, Jr.**, Vice President Public Affairs, Union Pacific Railroad Co., Omaha; **Ralph W. Castner**, CFO, Cabela's, Inc., Sidney; **Robert Hinson**, Vice President and Deputy General Manager, Northrop Grumman, Bellevue; **Marion Kroeker**, IOM, Executive Director, Ogallala/Keith County Chamber of Commerce, Ogallala; and **James B. Milliken**, President, University of Nebraska, Lincoln.

The State Chamber expressed its appreciation to the following Directors, who retired at year's end: **George G. Beattie**, President, Nebraska Bankers Association, Lincoln; **Dan S. Mauk**, IOM, President, Norfolk Area Chamber of Commerce, Norfolk; **Richard McGinnis**, President & CEO, Home Federal Savings & Loan Association of Nebraska, Lexington; **Galvin Parker**, President, Nebraska Junior Chamber of Commerce, North Platte; and **Joanne F. Shephard**, President & CEO, First National Bank of Valentine, Valentine. ■