

THE EXECUTIVE

THE STATE CHAMBER

Nebraska Chamber of Commerce & Industry

April 2007

Nebraska Ranked In Top 10 Of Pro-Business States

Nebraska has become one of the nation's top 10 pro-business states, according to a new survey. The 2007 Pollina Corporate Top 10 Pro-Business States list was unveiled in late March at the International Economic Development Council in Arlington, Virginia. The publisher of the report credited Nebraska's business tax incentive program (the Nebraska Advantage Act) and aggressive efforts by the state's Department of Economic Development for the improvement in the state's ranking. Previous reports ranked Nebraska 17th in 2006 and 18th in 2004 and 2005. The 2007 Pollina study compared job creation and retention efforts, and ranked states based on factors such as

tax rates, human resources policies, energy costs, infrastructure spending, and net job creation. The report also credited Nebraska's Right-to-Work status, its excellent employment index, low electricity rates, and strong quality of life ratings.

Governor Dave Heineman applauded the new ranking, stating that "The Nebraska Advantage continues to have a positive impact on our ability to attract businesses interested in creating quality jobs." The Governor added that "our status as a top 10 state is another tool we can add to our efforts in business recruitment." With nearly 100 companies expressing an interest in the new incentives, the Governor said the state's business

tax incentives have the potential to spur the creation of more than 9,100 jobs and investments totaling more than \$3.5 billion. He also noted, however, that the ranking does not reduce the need for tax cuts. "I still think we have work to do, obviously, on the income tax side," the Governor told one news agency. In terms of individual and corporate income tax systems, Nebraska is ranked 32nd and 34th respectively, according to the Governor — resulting in the nation's 18th highest individual taxes and 16th highest corporate income taxes. ■

Plan To Attend Washington Visit

The annual State Chamber congressional visit to Washington, D.C. will be May 8-10, 2007. As in past years, there will be a luncheon for the Nebraska congressional delegation and key staff members in the Russell Senate Office Building (Room 188) on Wednesday, May 9, sponsored by the Federal Home Loan Bank of Topeka.

Attendees may go to the traditional Nebraska breakfast on May 9. A newly-added agenda item is an evening reception for attendees that will be held at the Washington offices of Blackwell Sanders Peper Martin, LLP at 5:30 p.m., Tuesday, May 8. To stay abreast of the latest issues and developments, those attending will receive issue briefings at the National Association of Manufacturers (NAM) and the headquarters of the U.S. Chamber of Commerce. With a new agenda on Capitol Hill, contact with your congressional representatives is important. See the enclosed flier for more details, or contact Don Mihovk at the State Chamber at (402) 474-4422. ■

Help Us Grow Your State Chamber Of Commerce

The Nebraska Chamber of Commerce & Industry has successfully represented business and industry for more than 95 years. In doing so, your State Chamber has earned the reputation of being the most effective advocate of Nebraska's business community. However, in order to expand our influence and compete with growing special interests, we must seek to expand our membership base to make our voice more powerful. Let us know of those who would benefit from the services and information provided by the State Chamber. Enclosed with this month's *Executive* is a form to help us identify "New Member Prospects." Please take a few minutes to help us grow your State Chamber. ■

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State Chamber Views...

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"Never Let Your Guard Down"

The Nebraska Legislature is winding down to the last 30 days of the 90-day 2007 legislative session. Several issues being debated are "headline grabbers" that need little or no explanation. Most people have already lined up on one side or the other. Through debate, and sometimes compromise, Senators try to reach consensus on the topic.

Some emotional issues this session include repeal of the death penalty, water rights and school district boundaries. In addition, the state budget and a tax relief package will command both legislative time and news coverage as the session comes to a conclusion.

The State Chamber is committed to making Nebraska more competitive with a favorable tax climate that will enhance economic growth. Attracting people for new employment opportunities and developing a skilled workforce are high priorities. Income tax rate reduction and repeal of Nebraska's estate tax remain key elements to our competitiveness.

There are other proposals that I want to draw your attention to as we approach the end of the 2007 session, some of which will carry over into the 2008 session. These are bills that might appear to have little or no consequence at first sight. The State Chamber lobbying corps continues to monitor and actively work to make sure such measures do not affect you adversely.

This is no time to let our guard down.

I will cite only one example in this article to make the point that stopping low profile bills that are onerous to your business or the economic health of Nebraska is some of the most important work we do.

Earlier this session, there was extensive debate on a bill that would

have allowed unions to collect mandatory service fees from non-union members for the representation they provide in a union workplace. This issue is much more than simply a union vs. non-union situation. Nebraska is a "Right-to-Work" state. It is a right embedded in our state constitution. The State Chamber has a longstanding policy in support of maintaining Nebraska's Right-to-Work protections. It has also become an economic development issue. Many site selection entities prioritize Right-to-Work states when they are looking for new plant locations. Had the proposal passed, Nebraska would have become the only Right-to-Work state with a service fee law. We would be categorized as a non-Right-to-Work state by many of those site selection consultants.

At the State Chamber, lobbyists analyze each bill as it is introduced to identify any problems or other issues that may impact business and industry. Knowing the introducer of a bill may indicate who is behind the legislation and why or what other organizations may be involved in the proposal (e.g., labor, governmental unit, trade association or other professional organization). A visit with the legislator, legislative staff or interested organizations also gives our lobbyists additional information on the intent of the legislation. There still is no substitute for a thorough reading of each bill with several questions in mind: What purpose does the policy change accomplish? How does the proposal affect our members? What may be the unintended consequences of passing the proposal into law? And how do the definitions change current law?

The point is, the State Chamber's attention is not only directed toward a handful of high profile bills reported in the media. We monitor every bill that

could potentially have an adverse impact on our members. Although the State Chamber may not take a position on every legislative proposal, you can be assured that our lobbyists have analyzed each bill. Often, we share our analysis or information with other business groups or lobbyists. We are also receptive to any input from our members regarding the intent of the legislation or any unintended consequences that may arise from a proposal.

We do this because responsive government and economic growth are still our top priorities. Your vigilance and your attention are essential. That is also why we ask you to never let your guard down. ■

Employers Try to Tap Enthusiasm of Generation Y

The *Chicago Tribune* recently reported that the fast-growing pool of workers in their late teens and 20s are having a wide-ranging effect on the way employers engage employees and teach them to do their jobs. Employers are developing computer simulations and games, combining high-tech with high-touch approaches to harness the enthusiasm and energy of younger employees. Nike Inc. is experimenting with putting sales training on mobile devices, perhaps eventually cell phones. Other companies are posting videos and "vlogs," or video blogs, to give candidates a look at what jobs entail. Other companies are using online videos as recruiting tools.

One in every five private-sector workers is a member of Generation Y. Workplace experts list these common traits among many of Generation Y:

- Having grown up online with instant messaging, they type as easily as they talk;
- They are impatient with long explanations;
- They expect deeply involved bosses;
- They are used to being told they are winners even when they lose. ■

Taxes Are An Annual Nightmare For Small Businesses

Reuters reports that the federal tax code and its growing complexity are driving more small-business owners to seek help from accountants, lawyers and other tax professionals, according to a new survey. Of 1,000 small employers surveyed by Discover in March, 73 percent said they will hire a professional to do their taxes this year. What led most of them to outsource the annual task was the paperwork. More than 74 percent said tax preparation and documentation distracted them from the day-to-day operations of running their business. "We have crafted a tax system that is so complex and burdensome that small businesses are spending valuable time and financial resources ... instead of using these resources to invest and grow their business," said Macey Davis, a tax expert with the National Federation of Independent Business. According to Davis, hiring an expert to keep track of tax documents costs small businesses an average of \$75 an hour. ■

Companies Turn To Wellness To Reduce Health Costs

According to INC. Magazine, a growing number of U.S. workers are participating in company wellness programs as a way of reducing their healthcare costs, according to a new survey. One nationwide survey found that participation in wellness programs organized by employers is at its highest level since the survey began three years ago. Participation rates for on-site health screenings rose to 79 percent in 2006, up from 68 percent in 2005. Employees are also hitting the gym more than ever before, with 60 percent now taking advantage of company-offered fitness plans, compared to 38 percent in 2005. The survey found that such programs may also help boost productivity and retention. Fifty-one percent of employees said wellness benefits encourage them to work harder, while 55 percent said having a program in place makes them more likely to stay with their current employer. ■



Small Business Day At The Capitol

Governor Dave Heineman delivered the keynote address for Small Business Day at the Unicameral on March 15. The event was hosted by the State Chamber's Small Business Council, in cooperation with the Nebraska Federation of Independent Businesses (NFIB) and the Lincoln Chamber of Commerce. In addition to learning about the legislative process and effective lobbying, participants met at the State Capitol and heard from senators regarding relevant proposals before the Unicameral, including tax cuts and changes to labor law. ■

Hertz Card Brings Savings To Members

Enclosed with this issue of the *Executive* is your Nebraska Chamber Hertz Member Savings Card. Discounts can be a one car class upgrade; \$10 off a weekly rental; up to \$15 a weekend rental; or a free child seat on a weekly rental. The Hertz card is one of the benefits you receive as a State Chamber member. Visit Hertz.com, call your travel agent, or call Hertz directly at 1-800-654-2210. ■

Manufacturers Council Meeting Set For May 1

The State Chamber Manufacturers Council will sponsor a special meeting for all Chamber members on May 1 at The Cornhusker Marriott in Lincoln. The program will begin with a Legislative Update, followed by a review of the current state of manufacturing. The keynote address and economic outlook will be provided at lunch by Jason R. Henderson, regional economist for the Federal Reserve Bank. Registration will begin at 10 a.m., with the program beginning at 10:30 and concluding after lunch.

Thanks to our sponsors: Behlen, Mfg., Chief Industries, ConAgra Foods, Lincoln Plating, NUCOR and Valmont. There is no charge for this meeting, but reservations are necessary. Please use the enclosed flyer to make your reservations. There are more than 2,000 Nebraska manufacturers throughout the Cornhusker State contributing nearly \$8 billion to Nebraska's GDP. In 2005, Nebraska manufacturers exported \$2.5 billion worth of goods, 85 percent of all state exports. ■

State Chamber Workshop Calendar

Sept. 7, 9:00 a.m. to Noon – "I.D. Theft: Are You At Risk?"

Sept. 21, 8:30 a.m. to Noon – "Negotiation & Principled Bargaining" with Senator Dave Landis

Watch for detailed information in future *Executive* mailings.

FBLA Leaders Shadow State Chamber Staff



Five officers of the Nebraska Future Business Leaders of America (FBLA) recently spent a morning shadowing staff at the State Chamber. As part of the experience, State FBLA President Jamie Dick (Aurora), State Treasurer Brittani Faimon (Crete), State Secretary Leslie Watermeier (Syracuse), State Reporter Katy Connealy (Lyons), and State Parliamentarian Alice Reynolds (Wood River) participated in the State Chamber's Public Affairs Council meeting, where they heard from Speaker of the Legislature Mike Flood.

Later in the morning, the FBLA officers stopped by the State Chamber

office and learned about the daily tasks performed by staff members during the legislative session. The officers then accompanied State Chamber President Barry Kennedy and Vice President–Public Affairs Jamie Karl to the State Capitol, where they met with their state senators. They were escorted onto the floor of the George W. Norris Legislative Chamber by Senator Annette Dubas (Fullerton) to watch the Legislature conduct business.

The shadowing project is part of the State Chamber and the FBLA's Partnership Program. ■

(Left) Nebraska FBLA state officers meet with members of the Legislature representing their home district. Lawmakers pictured are Senator Russ Karpisek of Wilber; Senator Annette Dubas of Fullerton; Senator Kent Rogert of Tekamah; and Senator Lavon Heidemann of Elk Creek.

(Below) On the Rotunda Floor at the Nebraska State Capitol, State Chamber President Barry Kennedy briefs the FBLA officers on the activity taking place in Unicameral Chamber and in the lobby.



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.

BEEMER

First National Bank

David D. Steffensmeier

Sponsor: Jeffrey M. Scherer, Smeal Fire Apparatus Co.

COLUMBUS

Northwest Electric, Inc.

Larry Fritz

CREIGHTON

North Central Public Power District

Doyle Hazen

FREMONT

Eagle Distributing, Inc.

Bruce Nelsen

GENEVA

Valero, LP

Tracy Wallick

JOHNSTON, IA

DuPont

Billi Hunt

LINCOLN

Concentra Medical

Lisa Silva

Pierson, Fitchett, Hunzeker, Blake & Katt

Mark Hunzeker

Schrock Innovations, Inc.

Thor Schrock

MINDEN

Minden Chamber of Commerce

Sonya Nelsen

NEW YORK, NY

Chinese American Business

Development Center Inc.

Li Li

OMAHA

American Classifieds

Otis J. Seals

AOI Corporation

Marlene Knight

FirstComp Insurance Co.

Kristine M. Thomas

K.B. Building Services

D.J. Rezac

Masters Sheet Metal Company

William F. Masters

SOUTH SIOUX CITY

Machined Ideas Co., Inc.

Ken Dinges

WEST POINT

Farmers & Merchants National Bank

Brad Koehn

Sponsor: Jeffrey M. Scherer, Smeal Fire Apparatus Co.