

# THE EXECUTIVE

**THE STATE CHAMBER**   
Nebraska Chamber of Commerce & Industry  
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## Nebraska Continues Strong Showing In Competitiveness Rankings

**T**he Cornhusker State continues to get high marks in national economic competitiveness rankings. Last month, *Forbes* magazine reported that Nebraska had the lowest debt per capita in the nation, and the periodical ranked Nebraska No. 3 for fiscal fitness among the 50 states and the District of Columbia. In an article titled "Blue State Blues," *Forbes* noted that, by and large, the states in the worst financial condition are those where "strong unions and bigger public programs" are more prominent.

*Forbes'* top five states for fiscal fitness are: Utah (debt per capita: \$447); New Hampshire (debt per capita: \$525); Nebraska (debt per capita: \$17); Texas (debt per capita: \$520); and Virginia (debt per capita: \$782). The worst state for fiscal fitness is New York, followed by Illinois, Connecticut, California and New Jersey. Connecticut held the nation's highest debt per capita at \$4,490.

Also in March, the U.S. Chamber Institute for Legal Reform released its 2010 ranking of the states with the best and worst legal climates. According to

the survey, the states with the least favorable legal climates are California (46th), Alabama (47th), Mississippi (48th), Louisiana (49th), and West Virginia (50th).

The states with the best legal climates are Delaware (1st), North Dakota (2nd), Nebraska (3rd), Indiana (4th), and Iowa (5th). Nebraska dropped one spot from the Institute's 2008 ranking.

The survey considered how a state's legal climate could impact the manner and location in which a company does business and creates jobs.

The survey was compiled with feedback from general counsels and senior attorneys or executives in companies with annual revenues of at least \$100 million. Participants ranked the states for their overall treatment of tort, contract, and class action litigation. Among other elements, respondents also ranked the states for the impartiality and competence of its judges and fairness of its juries. ■

### Last Chance To Register For State Chamber's D.C. Visit

**T**he State Chamber's annual visit to Washington, D.C. is set for May 4-5. This year's fly-in, sponsored by Nebraska Public Power District, will feature lunch with Nebraska's U.S. senators and congressmen and their senior aides at the State Chamber Congressional Luncheon. Attendees will also have the opportunity to attend the traditional Nebraska Breakfast. To help State Chamber members stay up-to-date on the latest policy and political developments, briefings will be held at the headquarters of the National Association of Manufacturers (NAM) and the U.S. Chamber of Commerce.

Considering the current issues and legislation being debated on Capitol Hill, it is important for State Chamber members to maintain contact with their federal representatives. The State Chamber's D.C. fly-in is the perfect opportunity to make your voice heard. For more details or to register, call (402) 474-4422 or e-mail [jkarl@nechamber.com](mailto:jkarl@nechamber.com) as soon as possible. ■



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## State Chamber Views...

Editorial by Barry L. Kennedy, CAE, IOM  
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# "Nebraska's Economy Depends On Plentiful, Affordable Energy Supplies"

**N**ebraska's economic future and global competitiveness are tied directly to the nation's energy policy. Unfortunately, more than thirty years after the energy crisis of the 1970s, the United States has failed to implement a long-term, comprehensive plan to produce more abundant, affordable energy supplies.

High fuel and electricity costs present one of the largest obstacles for the business community. Together, they are certain to stifle any economic rebound. Small business, manufacturing, transportation, retail and agribusiness are especially vulnerable.

According to economists, every time oil prices go up 10 percent, the U.S. economy loses between \$26 billion and \$142 billion – and an average of 150,000 jobs are eliminated by employers.

America's energy use has increased by more than 30 percent over the last 30 years, thanks to an expanding economy. The bad news is that domestic energy production has increased only 12 percent over that same span, according to government figures.

Elected officials have been campaigning on a theme of "energy independence" ever since President Nixon first mentioned the concept in the early 1970s. Back then, the United States imported 30 percent of our crude oil from exporting nations.

Today, the country imports 65 percent of its crude oil, while domestic production has plummeted to its lowest point since the late 1940s. We even import about 3 million barrels per day of refined petroleum products – such as gasoline, diesel fuel and jet fuel – since no new U.S. refinery has been built in 34 years.

Due to America's energy policy, or lack of one, the United States last year imported more than \$253 billion in

petroleum-related products, which accounted for more than half of the total nation's trade deficit.

Some in Washington have made careers by demonizing utilities and energy companies. By denying new leases and permits, removing incentives and adding unrealistic regulations, they have significantly eroded America's energy base.

All of this only underscores the immediate need for a forward-thinking strategy on energy. Our 21<sup>st</sup> century economy requires a rational approach that includes:

- ♦ setting goals for energy efficiency;
  - ♦ raising the energy intelligence of the public;
  - ♦ strengthening research and development;
  - ♦ streamlining existing regulations;
  - ♦ increasing electricity generation;
- and
- ♦ diversifying and increasing our domestic energy portfolio.

Last year, the House of Representatives passed "cap-and-trade" climate legislation that would have sweeping and negative impacts on energy costs and the economy. The bill would impose strict limits on energy use and allow Washington to dictate what type of energy we could use.

One study shows that the House climate bill would cost Nebraska up to 20,000 jobs, raise gasoline prices 25 percent, and send electricity prices soaring by as much as 64 percent. Such legislation would be another step backward at a time when America desperately needs to move forward.

Nebraska has proven that prudent action on energy can create jobs, grow the economy and make us more energy secure. The State Chamber supports reasonable efforts to enhance markets in the renewable energy sectors – and our state leaders have

worked hard to ensure that Nebraska can take advantage of such opportunities.

But policymakers must not turn their backs on the proven, reliable and bountiful energy sources that have allowed the United States to establish itself as the world's sole economic superpower. Regrettably, the "cap-and-trade" legislation being considered on Capitol Hill and some actions proposed by the administration could very well do more harm than good.

The State Chamber is working with the U.S. Chamber's Institute for 21<sup>st</sup> Century Energy and the National Association of Manufacturers to ensure that legislation before Congress does not further restrict access to domestic energy supplies.

At this critical juncture, it is imperative that Washington delivers real leadership on the energy challenge – not feel-good politics. ■

## Help Us Grow Your State Chamber

**T**he Nebraska Chamber of Commerce & Industry has successfully represented the state's business community for more than 98 years. Today, the State Chamber is at its strongest level ever, with record membership, major legislative accomplishments and a strong record of service to Nebraska's employers and their businesses.

Your State Chamber has earned the reputation of being the most effective advocate of the state's business sector. But to expand our activities and compete with opposing interests, we must grow our membership base to make the Chamber's voice even more influential.

Please take a moment and let us know of businesses and individuals you know who would benefit from the services provided by the State Chamber. Enclosed with this issue of *The Executive* is a form to help us identify new member prospects. By providing us with the names of potential new members, you will help us grow your State Chamber and ensure our organization's continued success throughout the 21<sup>st</sup> century. ■

# Small Business Day At The Capitol

Nebraska's "Small Business Day at the Capitol" was held March 16. Attended by approximately 40 participants, the event was hosted by the State Chamber, NFIB/Nebraska, the Lincoln and Omaha Chambers, and the Lincoln Independent Business Association. Attendees heard from Governor Dave Heineman and key legislative leaders, including Senators Tony Fulton of Lincoln, Tom White of Omaha, and Galen Hadley of Kearney. Nebraska Chamber President Barry Kennedy and NFIB/Nebraska Director Bob Hallstrom provided legislative updates and briefed participants on various state and federal issues impacting the business community. ■



## Federal Fly-Back Set For August 19

State Chamber members should note that the second annual Federal Fly-Back is planned for August 19. This unique event will again be held at the Strategic Air & Space Museum located off Interstate 80 at Exit 426.

Hosted by the State Chamber in partnership with the Lincoln, Omaha and Bellevue Chambers, last year's

inaugural Federal Fly-Back drew more than 750 business and community leaders from across the state. Attendees heard directly from Nebraska's federal delegation on a variety of issues.

This year's Fly-Back will feature a "Nebraska Good Life Breakfast" congressional briefing; individual breakout sessions on key federal issues; and

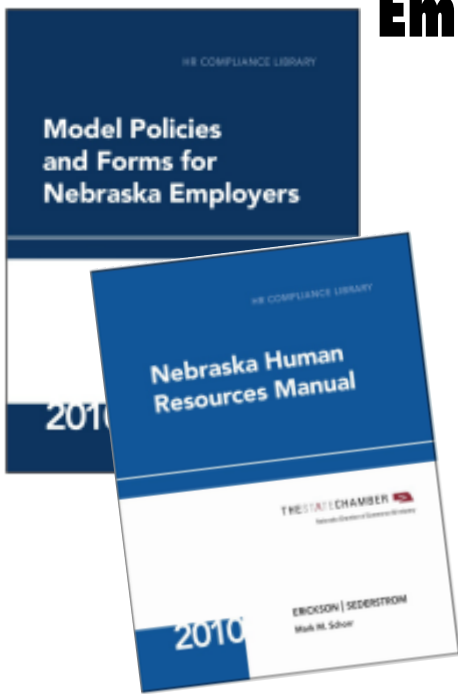
the Federal Fly-Back luncheon. The Nebraska congressional delegation has been invited. Former Michigan Governor John Engler, President of the National Association of Manufacturers (NAM), is the invited keynote speaker.

Please look for more information and how to register in upcoming issues of *The Executive*. ■



State Chamber President Barry Kennedy meets with Senator Ben Nelson at the 2009 Federal Fly-Back, while Senator Mike Johanns meets with other Fly-Back participants.

# Chamber Members Eligible For Discount on Employment Law Guides



Over the past year, have you hired a new employee? Calculated your employees' hours? Given a performance evaluation? Dealt with an unemployment claim? Good human resources guidance can help employers steer clear of costly lawsuits and legal fees waiting in the jungle of employment law.

Fortunately, the Nebraska Human Resources Library is now available. As a member of the State Chamber, you can save a significant amount on the purchase of these publications.

Written in plain English by top employment lawyers, the HR Library features the "2010 Nebraska Human Resources Manual" and the "2010

Model Policies and Forms for Nebraska Employers." Together, these manuals are an employer's one-stop reference. Bonus digital downloads allow you to easily personalize and print policies and forms, saving you time.

The manuals are regularly priced at \$99 each, but State Chamber members can get them for \$79 each, or purchase both books for \$126. To place an order, call toll-free 1-866-439-2227 or go to <http://accr.biz/nebraska>. During check out, enter the code **NEEM10M** in the coupon box and you will receive your State Chamber discount. ■

## Unemployment Insurance Program Reduces Paperwork, Could Lower Taxes

Unemployment Insurance tax is one of the few controllable business taxes for employers. "UC Direct" from TALX – a provider of HR and payroll services – is a Web-based unemployment claim processing service to help businesses and other organizations save money by effectively managing claims and potentially lowering their unemployment tax rate. This user-friendly tool prompts employers with questions about an employee's separation, leading to the most complete and effective claim response possible.

"UC Direct" will allow employers to respond effectively to each claim they receive using a tool called "CaseBuilder." With this first-class program, you can be assured your claims are being submitted properly to minimize follow-up calls from the state. And you will always have easy access to everything you have processed. To learn more about "UC Direct," log onto [http://www.talxdirect.com/?c\\_id=NECHM](http://www.talxdirect.com/?c_id=NECHM). ■

## The Cost Of Workers' Comp

Workers' compensation costs are a key consideration for businesses when deciding where to locate or whether to expand. According to a well-respected analysis that examines all 50 states, Nebraska has recently lost ground in this important area of economic competitiveness.

The Oregon Workers' Compensation Premium Rate Ranking shows that Nebraska has slipped from 14th

lowest in 2004 to 20th lowest in 2008, the most recent year available. The study's authors report that while workers' compensation costs fell in several states, costs in Nebraska remained mostly stagnant.

The study also noted that Nebraska employers pay higher workers' compensation rates than employers in neighboring states, with the exception of Missouri. ■

### Workers' Compensation Rate Ranking

1. North Dakota (least costly) .....	\$1.08 (per \$100 of payroll)
9. Colorado .....	\$1.76
10. Kansas .....	\$1.77
11. Iowa .....	\$1.86
15. Wyoming .....	\$2.06
16. South Dakota .....	\$2.08
<b>20. Nebraska (tied with Mich. and N.M.) .....</b>	<b>\$2.15</b>
23. Missouri .....	\$2.20
50. Alaska (most costly) .....	\$3.97

**U.S. Average: \$2.26 per \$100 of payroll**

(Source: Oregon Workers' Comp. Premium Rate Ranking, 2009)