

THE EXECUTIVE

THE STATE CHAMBER 
Nebraska Chamber of Commerce & Industry
July/August 2010

Meet Your State Chamber Board

The State Chamber's Executive Council is comprised of the chairman, chairman-elect, immediate past chairman, treasurer, president and six district vice chairmen. These vice chairs represent six separate geographic districts that cover Nebraska, and are elected for one-year terms by the full board.

In this issue of *The Executive*, we feature the vice chairmen from Districts II and III.

Steve Ford of Lincoln is in his first year as District II vice chairman. Ford is president and general manager of LinPepCo Partnership, which has a staff of more than 300 employees. He has been with LinPepCo for nearly 25 years. The company owns and operates four Pepsi-Cola franchises in the Midwest.



Steve Ford

Ford is past president of the Nebraska Beverage Association and currently serves as its treasurer. He has served on several Pepsi-Cola committees, including the board of directors of the Pepsi-Cola Bottlers Association.

Ford is a member of the Nebraska Society of CPAs and serves on various

boards and committees within the state community. Recently, he was presented the Nebraska CPAs' Outstanding CPA in Business and Industry award. Ford also serves on the Wells Fargo Advisory Board in Lincoln, as well as several University of Nebraska committees. He has volunteered in various capacities with Junior Achievement and serves in a leadership role at his church.

Steve received his undergraduate degree from UNL. He and his wife, Sue, have two children.

Hugh Fugleberg of South Sioux City is serving his first year as District III vice chairman. He is president and chief operating officer of Great West Casualty Company, which specializes in motor carrier (trucking) insurance. Its largest coverages are commercial auto (trucking) liability and physical damage, cargo and inland marine, and workers' compensation insurance. The company's products and services are offered in more than 40 states.



Hugh Fugleberg

In addition to his responsibilities at Great West Casualty Company, Fugleberg has served on the board of directors for the American Transportation Research Institute since 2004. He is also a

former chairman of the Nebraska Trucking Association and is currently on its board of directors.

As a leader in his community, Fugleberg is a former chairman of the South Sioux City Chamber of Commerce and of the Siouxland Area Chapter of the American Red Cross.

Fugleberg is a graduate of Chadron State College. He and his wife, Deb, have two children and two grandchildren. ■

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State Chamber Views...
Editorial by Barry L. Kennedy
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"Would You Fire One Of Your Most Valuable Employees?"

At first blush, you are probably thinking: Who would ask such a stupid question?

In reality, many businesses ponder that very decision every year when they decide whether to renew their dues investment with the Nebraska Chamber of Commerce & Industry.

The State Chamber is, in fact, one of your employees. We are not a charitable organization. We provide a valuable service for a fee, and we truly appreciate the companies that hire us on an annual basis. Our members hire us to provide effective representation at the State Capitol on issues such as employment law, taxation, economic development and regulation.

In addition, we are hired to keep our members well informed on issues of importance that affect their operation and on changes in laws and regulations that they must comply with.

Each year, a few of our members decide to "fire" the State Chamber by not renewing their dues investment. This decision would be more difficult if the company actually viewed the State Chamber for what it is – an outstanding employee who produces results that boost the operation's bottom line.

Dues investments to the State Chamber are generally much, much less than the yearly compensation of most of your employees and perhaps even less than what any of them make in a month. Therefore, they should be evaluated on the same criteria – that is, your company's cost to hire the employee weighed against the amount of income that the employee produces for your business.

In nearly every case, regardless of business size, the State Chamber's efficiency ratio will far exceed that of any other single employee of comparable salary.

Let's use some examples to illustrate this point:

The State Chamber has long been considered the state's leading organization on issues related to Unemployment Insurance (UI) costs. Currently, Nebraska has some of the lowest UI costs per employee in the nation. A year ago, Nebraska employers were paying an annual average of \$124 per employee for UI taxes. In the neighboring state of Missouri, employers paid more than \$260 on average; in Wyoming, more than \$250. And in several states, employers paid more than \$300, \$400 or \$500 per employee for UI taxes.

Now take the number of employees you have and multiply the difference between Nebraska's \$124 for UI taxes and the national average of \$226 and you will see an actual dollar amount saved due to the State Chamber's continued vigilance.

Another example: During the 2010 legislative session, the State Chamber worked with state senators as they crafted cost-neutral legislation (LB1020) to make Nebraska eligible for \$43.6 million in federal UI funds. At the request of the State Chamber and others, the bill offset new costs by tightening some UI eligibility rules. The infusion of federal money, combined with the offsets, is expected to stabilize Nebraska's UI trust fund and help prevent significant, long-term UI tax spikes for employers in the future.

Taxes are always too high and somebody is always trying to raise them even higher. The State Chamber is always at the forefront of debate to hold down the tax burden on both individuals and businesses. While it would be nice to see additional tax relief for the business community, we can be proud that state taxes have not

been increased in several years – and that additional taxes have not been created to accommodate the appetite for more spending and bigger government programs.

Meanwhile, Nebraska has been recognized in recent years by prominent publications as a top ten state for business. Our legal climate for business is consistently in the top two or three. Our cost-of-business measurements are also among the nation's best. The State Chamber's persistence has paid off.

The State Chamber worked extremely hard this year, as we have in the past, to educate both elected officials and the general public on the importance of modernizing our state's tax incentives for businesses that invest capital and create jobs in Nebraska. These incentives help create a level playing field so that Nebraska companies can compete in the new economy, at a time when the rest of the nation is experiencing little or even negative growth.

Rather than looking at your State Chamber investment as an expense, look at the State Chamber as an employee. Then do a cost-benefit analysis. In most cases, you will find that the dues investment you make in the State Chamber is returned many times over in the savings generated by the lobbying efforts on tax, regulatory and other cost-of-business issues.

Every time we lose a member, it weakens our association. If it were to continue, our adversaries would sense that vulnerability and, like wolves, try to take advantage of that weakness.

The Nebraska Chamber of Commerce & Industry has enjoyed one of the highest retention rates of any State Chamber in the nation, and we are extremely proud of that fact. We will not, however, rest on our laurels. We will continue to work hard to defend the business community from groups that try to weaken it through higher taxes and onerous regulations.

We will always remember who we work for. As one of your employees, we are obligated to put in a full day's work for the investment that you have made in our organization – and the confidence you have in our ability to get the job done. ■

Leadership Nebraska Accepting Applications

The State Chamber's Leadership Nebraska program is in its fourth year of developing a cross-section of leaders who are using their talents and abilities to foster a new spirit of enthusiasm and vitality throughout the state.

Each year, a class of up to thirty Nebraska leaders – in their 20s, 30s,

40s, and 50s – is selected to participate in the program. Those selected must have demonstrated skills and experience in civic activities and in their professional careers.

Applications are now being accepted for the 2011 Nebraska Leadership class, which will begin in February

2011. For more information, call Don Mihovk, the program's executive director, at (402) 474-4422 or e-mail dmihovk@nechamber.com.

To download an application form, go to <http://nebraskaleadership.nechamber.com/> ■

The Legislature's 2010 Interim Studies

When the Nebraska Legislature adjourns its regular session, interim studies are conducted to help educate senators and citizens on important policy issues. Conducted by legislative committees whose jurisdiction includes the subject matter of the investigation, an interim study sometimes resolves the issue that prompted its introduction, or it may lead to the introduction of new legislation the following session. The committee often schedules a public hearing – typically held in the fall – to gather information, outline its recommendations and provide for public response.

Several of the studies introduced this year involve key issues impacting Nebraska's business community. The State Chamber is following the interim studies – including the selected studies below, which are separated by issue:

Taxation

- LR500 - To examine the tax laws, policies, and programs of Nebraska
- LR504 - To examine policies and programs for addressing property tax relief, including existing and alternative policies
- LR506 - To examine state and local property tax valuation and exemption protest and appeal processes and procedures
- LR536 - To examine gross receipts taxation in other states

Health Care

- LR334 - To determine whether Nebraska's insurance laws should be

- amended to provide requirements relating to health benefit plan prescription drug coverage
- LR372 - To examine the potential effect of national health care reform proposals on Nebraska
- LR427 - To determine if hospitals in Nebraska are communicating their community benefit to community members and how newly-licensed hospitals affect the cost of health care
- LR436 - To review, assess and provide recommendations relating to the implementation of the Nebraska Health Care Funding Act
- LR439 - To review recent changes in federal law regarding health care insurance and to identify administrative and legislative responses which Nebraska must make
- LR454 - To conduct research and provide recommendations regarding for-profit, specialty, or physician-owned hospitals

Economic Development

- LR469 - To examine the economic development program options available for municipalities
- LR497 - To examine urban and commercial area development laws, policies, and programs
- LR510 - To examine issues relating to refunds of local option sales taxes under the Nebraska Advantage Act
- LR511 - To examine issues relating to expanding the Local Civic, Cultural, and Convention Center Financing Act to help employers create jobs in small communities

Energy/Natural Resources

- LR435 - To examine issues relating to oil and natural gas pipelines in Nebraska
- LR450 - To examine the establishment of an electronic waste recycling program in Nebraska
- LR465 - To examine the benefits associated with constructing another nuclear power plant in Fort Calhoun
- LR496 - To examine issues relating to state and local taxation of wind energy electrical generation facilities
- LR524 - To examine regulation of renewable energy generation in other states and in regional transmission organizations
- LR533 - To examine the State Natural Gas Regulation Act

Technology

- LR443 - To review and monitor the progress of the National Broadband Plan proposed by the Federal Communications Commission

Labor Law/Business Regulation

- LR451 - To examine issues relating to the Small Business Regulatory Flexibility Act proposed by LB709
- LR486 - To examine issues relating to the health, safety, and working conditions of Nebraska meat and poultry workers
- LR494 - To examine the effect of Nebraska's workers' compensation statutes on businesses, other than agricultural operations, that employ only related employees ■

Plan To Attend the 2010 Chamber Legislative Summit On August 19

From new federal mandates to state taxes, there are several issues being considered in Washington and Lincoln that could substantially impact your business. That is why State Chamber members are invited to take part in the 2010 Chamber Legislative Summit (formerly known as the Federal Fly-Back) on August 19 at the Strategic Air & Space Museum, located just off Interstate 80 at Exit 426. Doors will open at 8 a.m. (CT), and the event will conclude by 1:30 p.m. The Summit includes breakfast and lunch.

The Summit will again be co-hosted by the Nebraska Chamber of Commerce & Industry, along with the Lincoln Chamber, the Greater Omaha Chamber, and the Bellevue Chamber. This year's Summit will feature a briefing from the members of Nebraska's congressional delegation. Senators Ben Nelson and Mike Johanns, along with Congressmen Lee Terry, Jeff Fortenberry and Adrian Smith, have been invited. Attendees will also hear from keynote speaker former Michigan Governor John Engler,

president and CEO of the National Association of Manufacturers.

Cost is \$95 per State Chamber member and \$125 for non-members. Space is limited. To register, please call (402) 474-4422 or e-mail csibley@nechamber.com. If your business is interested in sponsoring the Summit, contact James Berringer at the State Chamber at jberringer@nechamber.com or (402) 474-4422. ■

Schedule For State Chamber's Legislative Forums Announced

The Nebraska Chamber of Commerce & Industry wants to hear from you this fall. State Chamber staff will visit more than 30 communities statewide as part of the association's annual Legislative Forums. Held in conjunction with local chambers of commerce, the forums begin September 1 and will continue through October.

This year's program will focus on the Legislature's 2010 session – including economic development incentives, labor law, unemployment

insurance – while providing a look ahead at next year's session. The forums will also include a review of several competitiveness rankings, showing participants how Nebraska compares to other states in categories that impact business growth.

The legislative forums will provide you and your employees an opportunity to visit with your state senator and legislative candidates, who will be invited to the forums in your district. In addition, State Chamber board members and staff will be present to answer

questions. We hope you will take advantage of this excellent opportunity to review the important issues being discussed at the State Capitol, while also voicing your concerns and suggestions.

Enclosed with this issue of *The Executive* is the schedule of forum locations and dates. For more information, contact the State Chamber office at (402) 474-4422. ■

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

DAKOTA DUNES, SD

Beef Products, Inc.
Regina Roth

Nebraska Center for
Excellence in Electronics
Doug Kramer

Leo A. Daly Co.
Lloyd A. Meyer

PARKER, CO

R.J. Reynolds Tobacco
Co.
Randy Morris

LINCOLN

Invest Nebraska Corp.
Daniel Hoffman

NORFOLK

Beckenhauer Construc-
tion, Inc.

Lowell Beckenhauer, Jr.
*Recommended by: Bob
Dudley, Appera*

The Maids International,
Inc.

Dan Kirwan

WEST POINT

Prinz Grain & Feed, Inc.
Glen Leo Prinz
*Recommended by: Jeff
Scherer, Smeal Fire
Apparatus Co.*

The Joshua Collingsworth
Memorial Foundation
Meghan A. Sodoro

OMAHA

CFO Systems LLC
Brett L. Frevert

Omaha Marriott
James Crawford

WebEquity solutions
Doug McGregor