

THE EXECUTIVE

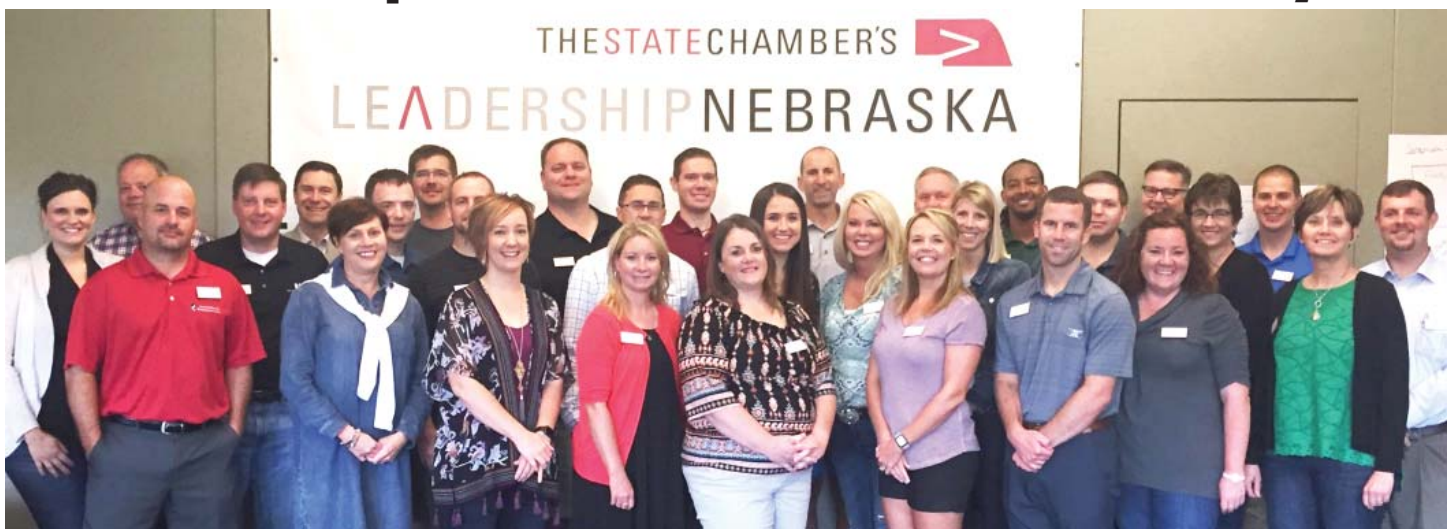
THE STATE CHAMBER



Nebraska Chamber of Commerce & Industry

July/August 2017

Leadership Nebraska's Class X Now Underway



The State Chamber's Leadership Nebraska Class X recently held their orientation session in Nebraska City.

In mid-June, 30 Nebraskans began their journey with the State Chamber's leadership program as Leadership Nebraska's Class X held its orientation at the Lied Lodge in Nebraska City.

Orientation activities included:

- ◆ An "emergenetics" session to explore in the way people think and behave;

- ◆ A refresher on Nebraska history with Dr. Sara Crook of Peru State College;

- ◆ Briefings on Nebraska's current issues in agriculture, education, economic development and health care by industry experts; and

- ◆ A presentation and discussion on leadership with Matt Harris, CEO of the Arbor Day Foundation.

Industry experts addressing the group included Dr. Joann Schaefer with Blue Cross Blue Shield of Nebraska; Dr. Robert Wergin, a family physician from Seward; Dr. Ryan Foor with the State Board of Education; Greg Adams of the Nebraska Community College Association; Dan Curran of the Nebraska Dept. of Economic Development; Randy Thelen with the Greater Omaha Chamber &

Economic Development Partnership; Mat Habrock of the Nebraska Department of Agriculture; and Jay Rempe with Nebraska Farm Bureau.

In the coming months, Class X will conduct five additional sessions at the following locations: western Nebraska in August; the Omaha metro area in September; Kearney and Grand Island in October; Norfolk in November; and Lincoln in January. A commencement ceremony will be held in February 2018.

Founded in 2006, the State Chamber's Leadership Nebraska helps identify current and emerging leaders, enhances their leadership skills, and deepens their knowledge of the challenges and opportunities facing our state. More information on Leadership Nebraska is available at www.leadershipnebraska.com. ■

Nebraska Chamber of Commerce & Industry
PO Box 95128, Lincoln, NE 68509-5128
Tel: (402) 474-4422 Fax: (402) 474-5681
<http://www.nechamber.com>
nechamber@nechamber.com
Editor: Jamie Karl



State Chamber Views...
Editorial by Barry L. Kennedy
President
Nebraska Chamber of Commerce & Industry

Chamber Network Helps Spur Good News In Nebraska's Communities

In this era of 24-hour news, breaking news, fake news, social media, cable and network news, and satellite radio, there is no shortage of news.

And yet we often struggle to find good news.

We wanted to take a minute to spotlight some of the positive news taking place in Nebraska communities – developments that might be flying under the radar of the news wires. We also want to recognize the hard work of Nebraska's local chambers of commerce, which are often behind the scenes to making good things happen.

Too often, local chambers are taken for granted. That's unfortunate because our local chambers tackle the issues that matter. When no one else is willing or able to lead, local chambers of commerce say, "Follow us."

Part of the reason the State Chamber is successful is because Nebraska has so many strong local chambers, supported by professionals and volunteers who do not hesitate to take steps to ensure a better future.

Here are just a few of the positive, chamber-supported developments taking place across our state. (I apologize in advance to all the communities and chambers not mentioned; we will try to share their success stories in a future editorial.)

◆ **West Point:** The West Point Chamber is currently overseeing an effort to raise approximately \$7 million in funds to support four local campaigns – a new long-term care facility; a trails project; a new technical and career education center; and the redevelopment of a main street lot into the American Veterans Park, a memorial to recognize God, county, veterans and their families. In less than four months, nearly \$2.75 million had been raised locally to help make these projects a reality.

◆ **Columbus:** The Columbus Chamber's Housing Task Force has

facilitated completion of a housing study and worked with several developers interested in working in Columbus. Meanwhile, the Chamber's "Engaging Diversity" task force has built a relationship with a local non-profit, Centro Hispano, which is providing Spanish-language business training to emerging business people and bringing them into the Chamber as members to continue the process of building one business community in Columbus. Columbus also witnessed the opening of the Columbus High School STEM Academy this past spring – and the Chamber helped facilitate conversations between the school and the local business community to design curriculum and facilities.

◆ **Bellevue:** The Greater Area Bellevue Chamber and Bellevue University have partnered to launch "Opportunity Campus," a partnership to help some of Sarpy and Douglas counties' most promising entrepreneurs expand and grow their businesses. With a long-term vision for economic development, job creation and community advancement, Opportunity Campus provides a location and resources for up-and-coming businesses to rise to the next level. Participants are provided office space and access to essential resources, including internet, printers, and meeting spaces. This affords startups the opportunity to work alongside other entrepreneurs in a high energy, collaborative environment, while receiving mentoring and professional business instruction from the Chamber's executive peer group.

◆ **Sidney:** Thanks in large part to the work of the Cheyenne County Chamber, Sidney's Hickory Street Square is now a reality, bringing value and a growth attitude to the community, which is especially important during this time of uncertainty with the change of ownership at Cabela's. The project is

considered a key to revitalizing downtown Sidney. Hickory Street Square has seen continued growth and use, from Christmas programs, music programs, Downtown Sounds Summer concert series, farmers market, trunk or treat, and the sesquicentennial celebration.

◆ **Henderson:** The Henderson Chamber has worked closely with interested community members to open a non-profit daycare called Henderson Child Development Center. There is already talk of expanding this effort into an after-school program this fall and a full-time daycare center in the future.

We do not have enough space in one article to mention every local chamber and their many important activities. But it's obvious that local chambers of commerce are where people turn to when heavy lifting needs to be done – and done right. This is because the public knows that chambers are looking out for their economic interests and their community's overall well-being.

While many other membership organizations struggle to survive, chambers of commerce will continue to grow and play an integral role in the ongoing effort to make Nebraska's "good life" even better. ■

State Chamber Announces 2017 Legislative Forums

Autumn is approaching and the Nebraska Chamber is preparing for its fall legislative forums.

For more than three decades, the Nebraska Chamber – in coordination with local chambers of commerce across the state – has held its forums to inform business and community leaders about state legislative activities. These forums are also used to gather input from Nebraska's business community on issues of concern.

State Chamber members, as well as members of local chambers and the news media, are invited to participate. State lawmakers are also invited.

Enclosed in this issue of *The Executive* is the 2017 schedule of the Nebraska Chamber's fall forum tour. (Note: More dates and locations may be added in the future.) ■

Register Now For Aug. 9 Federal Legislative Summit

Whether it is tax policy, health care, trade, or regulatory reform, what happens in Washington, D.C. can dramatically impact Nebraska's business community. That is why the Nebraska Chamber encourages chamber members across the state to attend the ninth annual Federal Legislative Summit on Wednesday, August 9, 2017.

Co-hosted by the Nebraska Chamber, the Lincoln Chamber, and Greater Omaha Chamber, this unique event



will be held at the Strategic Air Command (SAC) & Aerospace Museum, located just north of Exit 426 on I-80, near Ashland.

Attendees will be treated to:

- ◆ An update on federal issues as presented by Nebraska's U.S. senators and congressmen;

- ◆ A special presentation by keynote speaker Frank Newport, Ph.D., editor-in-chief at Gallup and past president of the American Association for Public Opinion Research; and

- ◆ An issues update from the U.S. Chamber.

A continental breakfast and buffet lunch will be served.

Cost for Nebraska Chamber members — or any local chamber in the state — is \$99 per person. Cost for non-chamber members is \$125. Space is limited. To register, call 402-474-4422 or e-mail cvolnek@nechamber.com, or register online at www.nechamber.net/event/2017-federal-legislative-summit. ■

At A Glance: Nebraska's Special Relationship With Canada

In August, Nebraska Governor Pete Ricketts will conduct a trade mission to Canada. The governor will lead a delegation of Nebraska officials and business leaders on the August 7 to 11 trade mission, which will occur during a time of concern regarding the North American Free Trade Agreement and a possible rewrite of the trade pact.

Also in August, the Nebraska Public Service Commission will hold a formal public hearing in Lincoln to gather input on the proposed Nebraska route for TransCanada's Keystone XL pipeline. In Nebraska alone, this project's construction will create hundreds of new jobs and is expected to expand Nebraskans' personal incomes by more than \$300 million. It will also generate an estimated \$150 million in new property tax revenue for Nebraska's K-12 schools and local governments over the lifetime of the pipeline.

The Keystone XL pipeline and the upcoming trade mission spotlight the importance of our nation's and state's relationship with Canada. Here are some key points highlighting our economic ties to our neighbor to the north:

- ◆ The United States and Canada boast one of the largest trade relationships in the world, with bilateral investment and trade totaling \$1 trillion annually. (Source: U.S. Embassy and Consulates in Canada)

- ◆ Canada is Nebraska's top trade partner with Nebraska goods and services exported to Canada totaling \$1.6 billion annually. (Source: Nebraska Dept. of Economic Development)

- ◆ Canada is easily the No. 1 export market for Nebraska's manufactured goods, buying more than a fifth (20.04%, or roughly \$1.08 billion) of our state's manufactured exports in 2015. (Source: National Association of Manufacturers)

- ◆ Canada is Nebraska's fourth largest export market for agricultural products, with nearly \$470 million in total ag

exports from Nebraska to Canada in 2016. (Source: USDA)

- ◆ In 2014, Canadian-owned businesses employed approximately 2,100 Nebraska workers. (Source: U.S. Dept. of Commerce)

- ◆ Over the 18 years since implementation of NAFTA, trade between Canada and the United States has more than doubled. As of 2014, Nebraska's exports to Canada and Mexico had increased by \$3.0 billion (696%) since NAFTA's implementation in 1994. (Source: Business Roundtable) ■

Governor Hosts Chamber's Annual Cornerstone Dinner

For more than a decade, Nebraska's governor has hosted the State Chamber's Cornerstone Dinner at the governor's residence in Lincoln. The contributions from cornerstone members allow the Nebraska Chamber to enhance and expand its services for all members.

This year's Chamber Cornerstone Dinner was held in late May. In his comments to attendees, Governor Pete Ricketts stressed the need for tax relief in 2018 after a comprehensive tax relief bill (LB461) failed to overcome a filibuster in the Legislature earlier this year. LB461 would have lowered Nebraska's personal and corporate income tax rates for the first time in a generation.

Governor Ricketts asked members of the business community to talk directly to their state senators and local leaders regarding the need to make Nebraska's tax climate more competitive.

The governor also spoke about cost-saving reforms his administration has made to the state's unemployment insurance program, which is fully funded by Nebraska employers. ■

At A Glance: Nebraska's Skewed Property Tax Credit

Over the years, the Nebraska Chamber has opposed initiatives that promise property tax relief by shifting the tax burden to the state's income tax or sales tax. One example of such a "tax shift" is Nebraska's property tax credit program, which uses income and sales tax revenue to subsidize local property tax bills (levied primarily by K-12 schools, counties, and municipalities).

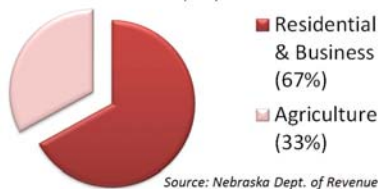
Since 2007, Nebraska's property tax credit program has redistributed more than \$1.2 billion in income tax and sales tax revenue collected by the state.

Authorized by Nebraska Legislature, the property tax credit redistribution formula has intentionally favored agricultural land owners over other types of property owners.

In 2016, ag land owners received roughly half of the state's property tax credits (funded by income and sales taxes), while residential and business property owners paid more than two-thirds of property taxes statewide. This is in

Who's Paying Property Taxes?

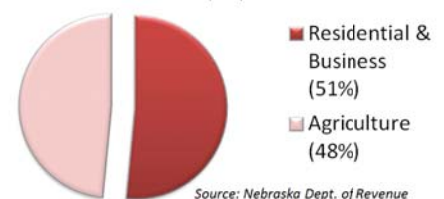
2016 Statewide Property Tax Collections



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Who's Getting Property Tax Credits?

2016 Distribution of Property Tax Subsidies



large part because Nebraska ag land is assessed at 75% of its market value, rather than the 100% valuation imposed on other types of real property.

The disparity will grow in the current tax year, since 2016 legislation added \$20 million in additional property tax credits to be distributed to ag land owners only. ■

Study: Nebraska Is Top State For Retirement

It was recently reported that a new "Retirement Environment Index" published by LPL Financial – the largest independent broker-dealer in the U.S. – has ranked Nebraska as the top retirement spot.

LPL Financial describes its index as a "holistic ranking of the attractiveness of each U.S. state as a retirement destination" for pre-retirees ages 45-64. It should be noted that the index heavily weighted financial factors, including the cost of living and state government financial health.

Nebraska received a grade of A in the financial category, as well as in "community quality of life." Nebraska was, however, downgraded in the index's housing category compared to 2016 — receiving a grade of C.

Nebraska was aided in the study by the fact the index weighed tax burden the same as other financial factors, such as cost of living.

According to the index, the worst state in which to retire is New York, followed by California and Oregon. ■

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.

BROKEN BOW

Custer Public Power District
Rick Nelson

LINCOLN

Central Data Storage LLC
Edward T. Conklin

OMAHA

Gavilon
Lance Kotschwar

HASTINGS

Thermo King Corp./Ingersoll Rand
Tom Herberg

LONE TREE, CO

Nationwide
Melissa Crawford

Lutz

Scott Carrico

HOLDREGE

Central Valley Irrigation
Monty Vonasek
Recommended by: Holdrege Chamber of Commerce

NORFOLK

Continental ContiTech
Jamie Kinzer
Recommended by: Dirk Petersen, NUCOR Steel, Div. of NUCOR Corp., Norfolk

OnTrac

Rob Grinnell

KEARNEY

Wilkins Architecture Design Planning LLC
Jeffrey L. Hinrichs
Recommended by: Kearney Area Chamber of Commerce

SurgiCenter of Norfolk

Danielle Johnsen
Recommended by: Dr. Keith Vrbicky, Midwest Health Partners

TierPoint, LLC

Jason Black
Recommended by: Chad Denton, CFO Services

Vandenack Weaver LLC

Mary Vandenack