

THE STATE CHAMBER

Nebraska Chamber of Commerce & Industry

2009 Results for Business

What passed.



What didn't.

***And what it means
to your bottom line.***






2009 Legislature

— TAXATION —





<p>Sales Tax ‘Holiday’ LB161</p>		<p>Would have created a three-day, “tax-free” weekend in August for consumers, forcing businesses to pay the sales tax instead. State and local option sales tax on designated items would have been absorbed by the retailer. The State Chamber believes if a sales tax holiday is offered in Nebraska, it should be a true tax holiday. State Chamber Opposed.</p>	<p>DEFEATED</p>
<p>Sales Tax Expansion LB385</p>		<p>Would have phased out all sales tax exemptions and applied the tax to hundreds of additional items, including food; prescription medicine and medical supplies; ingredients and parts used in manufacturing; farm and ranch inputs; water for manufacturing and irrigation; the sale, lease and rental of manufacturing machinery; purchases by churches and public schools; newspapers; garage sales; etc. The power to use a local option sales tax would have also been repealed. Sales tax exemptions are relied upon by businesses and organizations statewide; decisions to locate in the state and to conduct business here are based on the availability of such tax incentives. Eliminating all exemptions over the course of three years would have been economically harmful, especially in a difficult economic environment. State Chamber Opposed.</p>	<p>DEFEATED</p>

— ECONOMIC DEVELOPMENT —




<p>Nebraska Advantage Extension LB164</p>		<p>The primary economic development bill of the 2009 session. Extends the termination date for portions of the Nebraska Advantage Act. The new sunset date of December 31, 2015, applies to Tiers 1 and 3 of the Nebraska Advantage, as well as the Research and Development Act and the Microenterprise Tax Credit Act. State Chamber Supported.</p>	<p>PASSED</p>
<p>Research Incentives LB555</p>		<p>Expands Nebraska’s research and development incentives with an enhanced 35% income tax credit for any business spending on research and experiments conducted at a facility owned by a Nebraska college, community college or university. The former R&D incentive was 15%. State Chamber Supported.</p>	<p>PASSED</p>
<p>Economic Development ‘Opt Out’ LB640</p>		<p>Would have given a city, village or county the option to determine whether or not local sales and use taxes are refundable under the Nebraska Advantage Act. Passage of this legislation would have hindered the state’s economic development efforts and pitted Nebraska communities against one another. State Chamber Opposed.</p>	<p>DEFEATED</p>

COVER: (Left) 2009 State Chamber Chairman Marc LeBaron, along with State Chamber President Barry Kennedy and Senator Abbie Cornett of Bellevue, watch as Governor Dave Heineman signs into law LB164, the key economic development bill of the session. (Right) Barry Kennedy and State Chamber Vice President-General Counsel Ron Sedlacek discuss legislative priorities with Norfolk Senator Mike Flood, Speaker of the Legislature.



— LABOR RELATIONS —

Workers' Comp Insurance LB208		<p>Addresses businesses that intentionally misclassify workers or take other actions to reduce the premium rate they would otherwise pay for workers' compensation insurance. The primary areas of concern involve the misclassification of workers as independent contractors when they are actually employees; the understating of payroll upon which workers' compensation premiums are based; and the erroneous designation of employee status to reflect a less risky category of employment than is actually the case. A violation under LB208 is a Class IV felony. State Chamber Supported.</p>	PASSED
Workers' Comp Expansion LB630		<p>As amended by the Business and Labor Committee, LB630 would have required an annual cost-of-living adjustment for high-wage workers' compensation beneficiaries, which would have significantly increased costs for employers. During floor debate, senators voted to remove this language. State Chamber Opposed Provision.</p>	PROVISION DEFEATED
Workers' Comp Settlements LB630		<p>As signed into law, LB630 includes language authorizing lump-sum workers' compensation settlements to become final without approval of the Workers' Compensation Court if the employee is represented by counsel. State Chamber Supported Provision.</p>	PASSED
Workers' Comp Appeals LB622		<p>As amended by the Business and Labor Committee, LB622 would have established a hefty fine (50%) for delayed workers' compensation payments and created new obstacles for employers pursuing legitimate appeals of workers' compensation court decisions. Senators removed this provision from the bill, which remains on Select File. State Chamber Opposed Provision.</p>	BILL AMENDED

— AG & NATURAL RESOURCES —

Livestock Waste Management LB56		<p>Amends the Livestock Waste Management Act so that a violation will be applied against the facility at which the discharge occurred, not against other separate facilities. This bill helps ensure the growth of Nebraska's livestock sector while upholding strong environmental standards. State Chamber Supported.</p>	PASSED
Biotechnology Expansion LB246		<p>Re-authorizes the Biopower Steering Committee and requires the Legislature's Natural Resources Committee to develop a statewide strategic biotechnology plan. Funded by private and state resources, the plan will address strategies for developing the biotechnology economy. State Chamber Supported.</p>	PASSED
Renewable Energy LB561		<p>Removes some of the obstacles to developing wind energy facilities in Nebraska. The bill contains language to help Nebraska attract community-based energy development (C-BED) projects funded by the private sector. Currently, the only C-BED project in Nebraska is an 80-megawatt wind farm in Knox County. State Chamber Supported Provision.</p>	PASSED

— OTHER BUSINESS-RELATED LEGISLATION —

<p>Roads Funding Formula LB320</p>		<p>Would have eliminated the so-called variable portion of the state fuel tax, thereby ending the state’s traditional policy of relying strictly on user fees to pay for roads funding. Enactment of LB320 would have pitted highway needs against other state priorities, including education and Medicaid. The State Chamber believes roads should be funded by the interests they serve, generally user fees and fuel taxes. State Chamber Opposed.</p>	<p>DEFEATED</p>
<p>Business Confidentiality LB16</p>		<p>Formally establishes a searchable Web site that includes information on state expenditures and tax receipts. In its original form, LB16 would have required the disclosure of confidential, company-specific information for businesses receiving economic development incentives. Senators voted to amend the bill due to concerns regarding company confidentiality and competitive intelligence. State Chamber Supported Amendment.</p>	<p>BILL AMENDED</p>

— Key Carryover Legislation —

(Some of the Bills to Re-Emerge In 2010)

Employee Notification: LB107. Would require public employers to provide employees a written explanation when they are being terminated. Employers who failed to do so would face a fine. The bill would contradict Nebraska’s employment-at-will doctrine. **State Chamber Opposes.**

Mandatory Union Fees: LB557. Would require all non-union public employees in a unionized workplace to pay “fair share” representation fees to the representing labor organization. The bill would undermine Nebraska’s constitutional right-to-work guarantee. **State Chamber Opposes.**

Sales Tax Expansion: LB583. Would expand the state sales tax on all services other than medical services. The bill would also impose a sales tax on food. LB583 would have a particularly harmful effect on business-to-business transactions, as seen in states that tax services. **State Chamber Opposes.**

Paid Leave: LB554. Would prohibit an employer from asking an employee to substitute paid leave for unpaid leave unless requested by the employee. Congress authorized substitution of paid leave to prevent the “stacking” of leave time and to discourage the unnecessary use of leave. LB554 would likely force many employers offering generous paid-leave programs or flexible hours to reduce or eliminate such plans. **State Chamber Opposes.**

Insurance Mandates: LB149 and LB493. LB149 would require health insurance policies in Nebraska to include coverage for prosthetics. LB493 would require coverage for single or bilateral cochlear implants for persons with severe hearing loss. Both bills would exceed federal minimum standards for health insurance coverage, negatively affecting affordability for employers and insurance access for employees. **State Chamber Opposes.**

Livestock-Friendly Counties: LB646. Would establish the Livestock Growth Act, creating a revolving loan program to facilitate the growth of livestock production in “livestock-friendly” counties. **State Chamber Supports.**

Long-Term Care Tax Credits: LB159. Would provide a new incentive for the purchase of long-term care insurance, creating a non-refundable income tax credit equal to 25% of premiums paid. **State Chamber Supports.**

Exemption for Ag Machinery Repairs & Parts: LB57 and LB65. Would exempt repairs and parts for agricultural machinery or equipment used in commercial agriculture from the sales or use tax. **State Chamber Supports.**

2009 Legislature

When the Legislature meets in Lincoln every year, the actions of lawmakers can profoundly impact your business and its ability to grow. That is why the Nebraska Chamber of Commerce & Industry works hard to represent our business community.

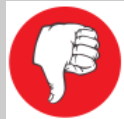
Located a half block from the Capitol, the State Chamber staff stays in close contact with Nebraska's 49 lawmakers, as well as state agencies and the Governor. Put simply, the State Chamber is one of the most effective lobbying teams in Nebraska, ensuring that businesses of every type and size have a powerful and respected voice in the legislative process.

The 2009 session of the Nebraska Legislature saw actions taken on a broad range of issues. A total of 681 bills were introduced this year, in addition to 269 resolutions. Your State Chamber monitored or took positions on at least 230 of the measures that had a potential direct impact on Nebraska businesses.

What passed. What didn't. And what it means to your bottom line.



During this year's session, the State Chamber SUPPORTED pro-business, growth-oriented legislation.



The State Chamber OPPOSED legislation that posed a substantial risk to the success of Nebraska businesses.



(Top left) Senator Deb Fischer of Valentine, chair of the Transportation and Telecommunications Committee, visits the State Chamber's Public Affairs Council. The council meets every Tuesday morning during the legislative session to discuss legislation and issues of interest to the Nebraska business community. (Bottom left) State Chamber President Barry Kennedy and Vice President-General Counsel Ron Sedlacek review legislation currently before the Unicameral with Senator Scott Lautenbaugh of Omaha. (Right) Senator Chris Langemeier of Schuyler addresses one of the State Chamber's fall forums, held annually to inform local leaders about recent legislative developments.



(Top left) State Chamber President Barry Kennedy and a delegation of Nebraska business representatives met with U.S. Senator Ben Nelson in opposition to federal 'Card Check' legislation. The State Chamber has devoted significant resources to defeat this bill. (Bottom left) Barry Kennedy meets with Appropriations Chairman and Elk Creek Senator Lavon Heidemann. (Bottom middle) State Chamber staff discusses pending legislation with Senator Tom White of Omaha. (Bottom right) Business and Labor Committee Chairman and Senator Steve Lathrop of Omaha addresses the State Chamber's Public Affairs Council, as council chairman, Timothy Keigher, looks on.



The Membership & Mission Of The State Chamber

For almost a century, the State Chamber has proudly served as the voice of Nebraska's business community. Today, it is the only statewide, broad-based business association, representing a grassroots membership of more than 100,000 people in 400 different categories of businesses in more than 150 communities.

The State Chamber works hard to promote the interests of employers of all sizes, as well as self-employed individuals, other Nebraska associations and local chambers of commerce. What links our members is the shared goal to improve Nebraska's business climate.

The State Chamber staff works effectively with members of the Legislature and other government officials, as three full-time lobbyists lead our legislative efforts. Throughout every legislative session, the State Chamber keeps its members well informed on day-to-day legislative action through the *Legislative Report* and electronic communications, such as the daily *News Update*.

State Chamber members know when lawmakers are considering legislation that could impact their interests. Our action alerts notify members when they should contact senators regarding upcoming votes. After the session, State Chamber members receive complete summaries of the year's legislative activities, as well as a scorecard on key votes.

The State Chamber also monitors legislative activities in Washington, D.C. and is in close contact with Nebraska's congressional delegation.

Beyond legislative services, the State Chamber provides many programs, publications and other tools for our members, including educational workshops; member directories; labor law publications; unemployment services; and car rental discounts.

With a record of major legislative accomplishments and solid service, Nebraska's business community can count on the State Chamber to stand strong for its interests.



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