LABOR AND ECONOMIC DEVELOPMENT COMMITTEE UPDATE

New Committee Officers Named
NCSL President Senator Richard Moore has named Representative Lana Gordon, R-Kansas, and Representative Brent Yonts, D-Kentucky, as Co-Chairs of the Labor and Economic Development Committee for 2010-2011. Both have years of experience with the Committee, as members and officers, and have expertise in the wide variety of issues under the Committee’s broad jurisdiction.

Representative Lana Gordon has served in the Kansas House of Representatives since 2001, representing the 52nd District. She serves as Chair of both the House Economic Development Committee and the House Economic Development and Tourism Committee and is a member of the Arts and Cultural Resources; Education; Health and Human Services; and Local Government Committees. Representative Gordon’s other career is serving as an Account Representative for ISS. Representative Gordon is a former schoolteacher. She has served as a vice-chair of NCSL’s Labor and Economic Development Committee since 2008. Representative Gordon and her husband, Arnold, have been married for 40 years and make their home in Topeka, Kansas. They have three grown children, Jennifer, Stacey, and Jamie and three grandsons, Dominick, Christopher and Seamus.

Representative Yonts has served in the Kentucky House of Representatives since 1997, representing the 15th District. He currently serves as vice-chair of both the House Judiciary Committee and the House Appropriations and Revenue Committee. He is a member of the House Labor and Industry Committee and the House State Government Committee. Representative Yonts is an attorney in private practice. He has been very active with NCSL’s Labor and Economic Development Committee, serving as a vice-chair for 2006-2007, as Chair for 2008-2009, and now as Co-Chair for 2010-2011. He has also served as a vice-chair of NCSL’s Standing Committees for 2009-2010. Representative Yonts and his wife, Jan, live in Greenville, Kentucky, and have three grown children, Emily, Ellen and Harrison. They were just blessed with their first grandchild, Colton, in early August.

Committee Sessions At The Legislative Summit In Louisville
The Labor and Economic Development Committee had a very full agenda at the Legislative Summit in Louisville. Below is a list of programs the Committee either presented or sponsored. Five of the sessions were taped and most handouts are now available online on the Committee’s Legislative Summit Agenda page.
Labor and Economic Development Committee Sessions: Committee Agenda with Handouts

- Small Businesses: Generating Jobs Through Trade
- State Innovations in Career and Technical Education (audio tape)
- American Manufacturing in the 21st Century
- Rags to Riches: Economic Growth and Vitality in Downtown Louisville
- Labor and Economic Development Committee Business Meeting
- State Unemployment Funds: Going for Broke?
- Workers’ Compensation: Containing Costs and Protecting Workers
- State Pensions Track: Pensions Track Video Tapes and Handouts
  - Legislators’ Guide to Public Pensions
  - Current Issues in State Retirement Policy
  - State Responses to the Pension Crisis
  - Financing Public Retiree Health Care

Sessions cosponsored by the Committee:

- Recovering from the Great Recession—The Role of Community Colleges
- Global Perspectives on Job Creation and Economic Development
- Jobs, Jobs and More Jobs

Committee Business Meeting And Policies
The Labor and Economic Development Committee held its Business Meeting on Monday, July 26, 2010. The Committee’s 2010 Chair, Representative Juan C. Zapata, R-Florida, presided over the meeting. A quorum was present, allowing the committee to take up five expiring policies and consider three new policies. Below are the policies and their disposition from the Business Meeting. Note that all policies passed by NCSL committees are subsequently voted on at the NCSL Business Meeting before becoming official NCSL policies.

<table>
<thead>
<tr>
<th>Expiring Policies</th>
<th>Committee Business Meeting</th>
<th>NCSL Business Meeting</th>
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<tbody>
<tr>
<td>Employment Security System Funding</td>
<td>Passed</td>
<td>Passed</td>
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<tr>
<td>Free Trade and Federalism</td>
<td>Passed</td>
<td>Passed</td>
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<tr>
<td>NCSL Supports Travel Promotion and Tourism</td>
<td>Allowed to Sunset</td>
<td>N/A</td>
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<td>Responsible Housing</td>
<td>Passed</td>
<td>Passed</td>
</tr>
<tr>
<td>Divestment (former title: Urging the Federal Government to Provide Authoritative Information to U.S. Public Sector Investors)</td>
<td>Passed</td>
<td>Passed</td>
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<table>
<thead>
<tr>
<th>New Policies</th>
<th>Committee Business Meeting</th>
<th>NCSL Business Meeting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Role in Career and Technical Education (Joint with Education)</td>
<td>Passed</td>
<td>Passed</td>
</tr>
<tr>
<td>Economic Development</td>
<td>Passed</td>
<td>Passed</td>
</tr>
<tr>
<td>Greening the Built Environment (Joint with Environment Committee)</td>
<td>Not considered</td>
<td>N/A</td>
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All of the current policies of the Labor and Economic Development Committee are available online.
IN THE NEWS

International Intern Program Opportunities
NCSL is conducting an exchange with English-speaking young professionals from Russia, Georgia, and Ukraine, through a Legislative Fellows Program sponsored by the U.S. Department of State. The fellows would visit the U.S. starting October 7 and stay through November 5 to observe the elections. The knowledge and interest of these young Eurasian professionals in the U.S. political processes will be expanded through short term fellowships in state legislatures and local governments across the U.S., as well as on Capitol Hill. They can work in a state legislature at no expense to you or to your state. Housing and other considerations will be arranged by our partner organization. It’s a wonderful opportunity for these young people, who are committed to public service, to see U.S. democracy in action. Some hosts will be selected to travel to Eastern Europe for the second part of the exchange, also at no cost to the Member or state. If you are interested, please contact NCSL Staff Maggie Lamborn at 202-624-3573.

Working Group To Revise A Legislator's Guide To Public Pensions
Public Pensions: A Legislator's Guide is a short publication on public pensions and retirement issues designed to give legislators and legislative staff an overview of the major issues in state pensions policy. NCSL has issued two editions, the first in 1985 and the second edition, substantially reworked, in 1995. The goal was the same in both cases: to provide an educational tool rather than policy recommendations, one that focused on the kinds of issues that are likely to be difficult or controversial, and to discuss the process of making policy in the area. New challenges have arisen since the second edition was published and there is a pressing need to provide a useful educational tool in the present context of substantial pressure on retirement plans and substantial turnover among legislators. Fewer legislators than ever before have had long experience with the subject area, and the issues they face are as difficult, if not more difficult, than those of previous decades. NCSL President Senator Richard Moore has requested that the NCSL Labor and Economic Development Committee appoint a working group of committee members to oversee a revision and update of this long-serving NCSL publication. NCSL Staff Ron Snell will lead the project. For more information, contact Ron Snell at 303-856-1534.

State Unemployment Rates For July 2010
State unemployment rates for July 2010 showed little change from June. Eighteen states, Puerto Rico and the District of Columbia saw unemployment drop slightly in July. Fourteen states saw slight increases in unemployment and the rates in 18 states remained steady. In comparison to a year ago, 27 states have lower unemployment rates than in July 2009, while rates have increased over the year in 14 states. The largest over-the-year increase was in Nevada, where unemployment has jumped two full percentage points from July, 2009. For the third month in a row, Nevada led the states with the highest unemployment rate, at 14.3%; Michigan followed at 13.1%, with California at 12.3%. North Dakota continued to lead the states with the lowest unemployment rate, at 3.6%, followed by South Dakota at 4.4% and Nebraska at 4.7%. State unemployment figures for August will be released on Tuesday, September 21, 2010. NCSL State Unemployment Page

National Unemployment Remains Steady At 9.5% For July 2010
The national unemployment rate remained at 9.5% for July, 2010, according to statistics released by the Bureau of Labor Statistics on August 6, 2010. Jobs with the Federal government fell by 143,000, as temporary workers hired for the Census completed their work. Private-sector payroll employment grew by 71,000 jobs in July. Most business sectors added jobs during July, including the manufacturing, health care, transportation and warehousing, and mining sectors. Employment in the professional and business services, temporary services, leisure and hospitality, and construction sectors remained steady. Financial services employment saw continued job losses during July. Unemployment has largely held steady in 2010, with a 9.7% unemployment rate for the first three months of the year, a slight increase to 9.9% for April, a drop back to 9.7% percent for May and another slight decrease, to 9.5% for June and July. The unemployment rate for July will be released on Friday, September 3, 2010. NCSL National Unemployment Page

State Trust Fund Balances
NCSL tracks state Unemployment Trust Fund balances, using the resources of the Bureau of the Public Debt. A chart on State Trust Fund Balances is available on NCSL’s website and is updated monthly. NCSL Trust Fund Balances Page
State Trust Fund Loans
NCSL provides periodic updates on state loans from the Unemployment Trust Fund. As of August 16, 2010, 31 states and the U.S. Virgin Islands were borrowing from the Fund, with a total of more than $38 billion dollars in loans. NCSL Trust Fund Loan Page

NEW REPORTS

Congressional Budget Office Report

GAO Reports
State and Local Governments: Fiscal Pressures Could Have Implications for Future Delivery of Intergovernmental Programs, July 30, 2010 GAO-10-899
Highlights of a Forum: Actions That Could Increase Work Participation for Adults with Disabilities, July 29, 2010 GAO-10-812SP
Small Business Administration: Undercover Tests Show HUBZone Program Remains Vulnerable to Fraud and Abuse, July 28, 2010 GAO-10-920T
Defined Benefit Pension Plans: Plans Face Valuation and Other Challenges When Investing in Hedge Funds and Private Equity, July 20, 2010 GAO-10-915T

NCSL Staff Contacts:
For more information, contact Jeanne Mejeur and James Ward.