



LED Committee Report

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May 31, 2011

An Information Service of the NCSL Labor and Economic Development Committee

COMMITTEE UPDATE

On Friday, May 13, the officers and members of the Labor and Economic Development Committee held a conference call to discuss our six expiring policies. Co-chairs Representative Lana Gordon (R-Kansas) and Representative Brent Yonts (D-Kentucky) led the discussion and solicited volunteers to serve on the policy working groups which will review and consider changes to the expiring policies. Below is the list of expiring policies and members on the working groups.

Policies and Working Group Members:

- **Coordination of Social Security and Workers' Compensation**
Recommendation: Sunset
Reasoning: After a session at the Spring Forum, the members present felt that this may be one of the policies that we allow to sunset because Congress has not looked into this issue and it's not likely to be on the horizon anytime soon. Also, during presentations, it became apparent that the policy addresses only a small portion of the issue. Following the direction of the executive committee to streamline our policies and NCSL's lobbying activities, the committee felt that this one could sunset and if we need to address the issue in the future, the committee can work on an action calendar resolution.)
- **Maintaining the Solvency of Social Security** (*Joint with Human Services*)
Working Group: Rep. Anna Fairclough, Alaska; Rep. Brent Yonts, Kentucky; Andrea Wilko, Utah; Greg Williams, New Jersey
- **Mine Safety**
Working Group: Senator Karen Mayne, Utah; Rep. Norine Kasperik, Wyoming; Rep. Brent Yonts; Linda Bussell, Kentucky; Peggy Piety, Indiana
- **Presidential Trade Promotion Authority**
Working Group: Senator Spencer Coggs, Wisconsin; Rep. Jimmy Pruet, Georgia; Rep. Lana Gordon, Kansas; Rep. John Kowalko, Delaware; Rep. Edward Osienki, Delaware; Greg Williams, New Jersey
- **Western Hemisphere Travel Initiative**
Recommendation: Sunset
Reasoning: The Western Hemisphere Travel Initiative passport requirements has been in effect since 2007, air and 2009, land and sea. The committee felt that this policy is outdated and an action calendar resolution could be brought up if any future action needs to be taken. Also, this issue may cross jurisdiction with the Transportation Committee.
- **World Trade Organization Negotiations**
Working Group: Rep. Julie Fisher, Utah; Rep. Lana Gordon; Rep. John Kowalko; Rep. Edward Osienki; LeNee Carroll, Indiana; Greg Williams, New Jersey

For more information on the policies or working groups, please contact Diana Hinton Noel (202-624-7779 or diana.hinton@ncsl.org) or visit the committee's website at <http://www.ncsl.org/?TabId=19108>.

UPCOMING MEETINGS

2011 NCSL Legislative Summit

Below is an overview schedule of sessions planned by the Labor and Economic Development Committee, along with Issue Forums that may be of interest to committee members.

Labor and Economic Development Committee Sessions

Mon. Aug 8	Tues. Aug 9	Wed. Aug 10	Thurs. Aug 11
<p>Pre-Conference Program and Site Visit: Economic Development in the Lone Star State 9:00-2:30 pm</p>	<p>Committee Business Meeting 10:45 am-12:00 pm</p>	<p>Issue Forums 10:00-11:30 am</p> <ul style="list-style-type: none"> ◆ Creating Jobs By Rolling Back State Regulations ◆ State Pensions: The Financial and Legal Framework 	<p>Issue Forums 8:00-9:15 am</p> <ul style="list-style-type: none"> ◆ The Changing Face of State Government ◆ Maximizing State Economic Growth <p>NCSL Business Meeting 11:00 am-12:30 pm</p>
	<p>Arts and Economic Development 12:00 pm-1:30 pm</p>		
<p>Mine Safety 3:00-4:15 pm</p> <p>Trade 101: A Legislator's Guide 4:15-5:30 pm</p>	<p>Housing Issues 1:30-3:15 pm</p> <p>Unemployment Trust Funds 3:30-5:00 pm</p>	<p>Issue Forums 1:00-2:15 pm</p> <ul style="list-style-type: none"> ◆ Building Skills and Creating Jobs ◆ State Pensions: States Respond to Challenges <p>Issue Forums 2:30-3:45 pm</p> <ul style="list-style-type: none"> ◆ Growing Green: Fertilizing Job Growth and Local Economies ◆ The Special Case of Teachers' Pensions 	<p>DLCC & RLCC Lunches 12:30-2:00 pm</p> <p>Issue Forums 2:15-3:45 pm (programs to be announced)</p>

Registration is now open for the meeting. For more information on the Legislative Summit, including the preliminary agenda, plenary speakers, housing, events and registration information, visit the main meeting page at <http://www.ncsl.org/Meetings/LegislativeSummit11/Home/tabid/22195/Default.aspx>.

The Officers of the Labor and Economic Development Committee continue to work on the agenda for the Committee. Updates, including titles and program descriptions, will be provided in upcoming issues of the newsletter and also on the Committee's web page at <http://www.ncsl.org/Default.aspx?TabID=773&tabs=855,26,638#855>.

IN THE NEWS

Mass Layoffs Rise in April

There were 1,564 mass layoffs in April, involving 143,927 workers, according to the U.S. Bureau of Labor Statistics. Mass layoff involve at least 50 workers from a single employer and must be reported under the federal WARN Act. The number of mass layoff events in April increased by 278 from March. School, temporary services and food service sectors had the most workers affected by mass layoffs.

<http://www.bls.gov/news.release/mmls.nr0.htm>

OSHA Conducts Survey on Workplace Safety and Health Management Practices

The U.S. Department of Labor's Occupational Safety and Health Administration has launched a survey of private sector employers as a tool toward better designing future rules, compliance assistance and outreach efforts. As many as 19,000 employers nationwide will receive the Baseline Survey of Safety and Health Practices, which asks questions about workplace safety and health management practices. The survey will be sent to private sector employers of all sizes and across all industries under OSHA's jurisdiction. Questions include whether respondents already have a safety management system, whether they perform annual inspections, who manages safety at their establishments and what kinds of hazards they encounter at their facilities. Participation in the survey is voluntary.

<http://www.dol.gov/opa/media/press/osha/OSHA20110676.htm>

Time Sheets: There's An App For That!

The U.S. Department of Labor announced the launch of its first application for smartphones, a timesheet to help employees independently track the hours they work and determine the wages they are owed. Available in English and Spanish, users conveniently can track regular work hours, break time and any overtime hours for one or more employers. Glossary, contact information and materials about wage laws are easily accessible through links to the Web pages of the department's Wage and Hour Division. Additionally, through the app, users will be able to add comments on any information related to their work hours; view a summary of work hours in a daily, weekly and monthly format; and email the summary of work hours and gross pay as an attachment.

<http://www.dol.gov/opa/media/press/whd/WHD20110686.htm>

Upcoming Funding Opportunities

The Employment Training Administration with the U.S. Dept. of Labor has announced three upcoming funding opportunities:

H-1B Technical Skills Training Grants - \$240 Million

The Dept. of Labor will make awards under the H-1B Technical Skills Training grants totaling approximately \$240 million through two rounds of grants. This grant program will provide education, training, and job placement assistance in the occupations and industries for which employers are using H-1B visas to hire foreign workers, and the related activities necessary to support such training.

Jobs Accelerator Challenge - \$33 Million

The Jobs Accelerator Challenge will offer a combination of \$33 million in funding from the Dept. of Labor, the Economic Development Administration and the Small Business Administration to support customized solutions for approximately 20 competitively selected industry clusters in urban and rural regions. Funds awarded may be used to support and accelerate a range of measurable outcomes including innovation, commercialization, business formation and expansion, job creation, development of a skilled workforce, increasing exports, sustainable economic development and global competitiveness. Thirteen

Disability Employment Initiative Grants - \$20 Million

The Disability Employment Initiative (DEI) is designed to fund competitive grants to improve educational, training, and employment opportunities for youth and adults who are unemployed, underemployed, and/or receiving Social Security disability benefits; and assist individuals with disabilities in finding a path to the middle class through the public workforce system. The Dept. of Labor will fund approximately six to 10 grants, ranging from \$1.5 million to \$6 million for a three year period.

For more information on any of the above funding announcements, see

http://www.doleta.gov/pdf/ETA_Funding_Opportunities.pdf

NEW REPORTS

Bureau of Labor Statistics Reports

Monthly Labor Review Online – May 2011

The May issues features a visual essay on science, technology, engineering, and mathematics (STEM) occupations, plus an article on how data from a key labor survey, the Job Openings and Labor Turnover Survey (JOLTS), can be used to shed light on employment patterns among small businesses.

<http://www.bls.gov/opub/mlr/2011/05/mlr201105.pdf>

Issues in Labor Statistics: How Long Before the Unemployed Find Jobs or Quit Looking?

From 1994 to 2008, half of job seekers found employment within five weeks or less. That changed dramatically during the recent recession, when only 34% of job seekers were reemployed in less than five weeks. The median number of weeks of unemployment also rose significantly since 2008. This brief report summarizes how unemployment duration changed during the downturn.

<http://www.bls.gov/opub/ils/pdf/opbils89.pdf>

Compensation and Working Conditions: Auto Industry Labor Costs in Perspective

This report summarizes wages and benefits in the auto industry and compares them to other manufacturing sectors. Blue-collar workers in the auto industry receive higher compensation than blue-collar workers in other manufacturing industries, but this premium may be at least partly explained by the relative complexity of jobs performed by auto workers; the ratio of workers to employers in the auto industry; and the number of employers in the auto industry.

<http://www.bls.gov/opub/cwc/cm20110419ar01p1.htm>

Congressional Budget Office Reports

Monthly Budget Review Online

The federal government incurred a budget deficit of \$871 billion in the first seven months of fiscal year 2011, according to CBO estimates. The year-to-date total is roughly \$70 billion more than the deficit incurred in the same period in 2010. Both outlays and revenues were about 9 percent higher they were last year at this time. With the completion of the spring tax-filing season, receipts of individual income taxes have been significantly greater than CBO anticipated.

http://www.cbo.gov/ftpdocs/121xx/doc12172/2011_04_MBR.pdf

Estimated Impact of the American Recovery and Reinvestment Act on Employment and Economic Output from January 2011 Through March 2011

The American Recovery and Reinvestment Act of 2009 (ARRA) requires recipients of grants and loans, contractors, and subcontractors to report each calendar quarter the number of jobs funded through ARRA. The CBO is required to measure the economic and employment impact of those recipient reports. During the first quarter of 2011, recipients reported, ARRA funded more than 571,000 full-time-equivalent (FTE) jobs. CBO estimates that in the first quarter of calendar year 2011, ARRA's policies raised GDP by between 1.1 percent and 3.1 percent, lowered the unemployment rate by between 0.6 and 1.8 percentage points, increased the number of people employed by between 1.2 million and 3.3 million, and increased the number of FTE jobs by 1.6 million to 4.6 million compared with what would have occurred otherwise.

<http://www.cbo.gov/ftpdocs/121xx/doc12185/05-25-ARRA.pdf>

U.S. Dept. of Commerce

New Report Sees Strong Travel and Tourism Growth

According to new data released by the U.S. Dept. of Commerce, the U.S. can expect to see 6 to 8 % average annual growth in tourism over the next five years. This year, 64 million foreign travelers are projected to visit the United States, spending \$144 billion during their stays, setting a new record for travel exports. The 2011 International Travel and Tourism Forecast also shows that the surplus from services trade , which includes travel and tourism, is up 28 % so far this year, putting it on track to exceed the record of \$32 billion set in 2010. Tourism is one of the

most significant sources of exports in the United States, and money spent by international tourists in the U.S. supports millions of service sector jobs.

<http://www.commerce.gov/news/press-releases/2011/05/23/new-report-forecasts-strong-us-travel-and-tourism-growth-during-next->

GAO Reports

Economic Development: Efficiency and Effectiveness of Fragmented Programs Are Unclear

GAO-11-651T, May 25, 2011

Multiply agencies oversee economic development programs funded by the federal government. In this GAO preliminary report, it was found that there is generally overlap with at least one other program in terms of the economic development activities that they are authorized to fund. The U.S. Dept. of Commerce, along with HUD, SBA, and USDA, appear to have taken actions to implement some collaborative practices but have yet to take steps to develop compatible policies or procedures with other federal agencies. This report looks at whether this potential for overlap and fragmentation is resulting in ineffective or inefficient programs.

<http://www.gao.gov/new.items/d11651t.pdf>

Federal Workers' Compensation: Issues Associated With Changing Benefits for Older Beneficiaries

GAO-11-655T, May 12, 2011

The Federal Employees' Compensation Act (FECA) program pays benefits to federal employees who are unable to work because of injuries sustained while performing their federal duties, including those who are at or older than retirement age. Concerns have been raised that federal employees on FECA receive benefits that could be more generous than under the traditional federal retirement system and that the program may have unintended incentives for beneficiaries to remain on the FECA program beyond the traditional retirement age. This testimony discusses possible changes to the FECA program.

<http://www.gao.gov/new.items/d11655t.pdf>

Employment and Training Programs: Providing Information on Co-locating Services and Consolidating Administrative Structures

GAO-11-645T, May 11, 2011

There are 47 federally-funded employment and training programs designed to enhance the job skills of individuals in order to increase their employability, identify job opportunities, and help job seekers obtain employment. These programs are administered by nine separate federal agencies. The multiplicity of employment and training programs and limited information regarding their impact raises concerns about the extent to which the federally-funded employment and training system is performing as efficiently and effectively as it should. This testimony discusses the findings from GAO's recent work on federal employment and training programs and prior work on the Workforce Investment Act

<http://www.gao.gov/new.items/d11645t.pdf>

Private Pensions: Some Key Features Lead to an Uneven Distribution of Benefits

GAO-11-333, Mar 30, 2011

Despite sizeable tax incentives, private pension participation has remained at about 50 % of the workforce. For those in a pension plan, there is concern that these incentives primarily benefit higher income employees and do relatively little to help lower income workers save for retirement. The financial crisis and labor-market downturn may have exacerbated these difficulties. This reports examined recent trends in new private pension plan formation, the extent of defined contribution plan participants contributing at or above statutory limits, how suggested options to modify an existing credit for low-income workers might affect their retirement income, and the long-term effects of the recent financial crisis on retirement savings.

<http://www.gao.gov/new.items/d11333.pdf>

Troubled Asset Relief Program: Results of Housing Counselors Survey on Borrowers' Experiences with the Home Affordable Modification Program

GAO-11-367R, May 26, 2011

Congress established the \$700 billion Troubled Asset Relief Program (TARP) to, among other things, preserve homeownership and protect home values. In February 2009, Treasury announced that up to \$50 billion in TARP funds had been allocated to help struggling homeowners avoid potential foreclosure. However, the number of

borrowers facing potential foreclosure has remained at historically high levels. In fact, in the first 2 years of the TARP-funded Home Affordable Modification Program (HAMP), more borrowers were denied or canceled from trial loan modifications than were given permanent modifications.

<http://www.gao.gov/new.items/d11367r.pdf>

Troubled Asset Relief Program: Survey of Housing Counselors about the Home Affordable Modification Program

GAO-11-368SP, May 2011 - E-supplement to GAO-11-367R

This e-publication provides the results of a Web-based survey of housing counselors that we conducted between October 21 and November 5, 2010, as part of GAO’s work for the report listed above. These counselors belonged to network of counseling agencies that received funding from the National Foreclosure Mitigation Counseling Program (NFMC), which is administered by NeighborWorks America, a national nonprofit organization created by Congress that provides foreclosure prevention and community revitalization assistance.

<http://www.gao.gov/special.pubs/gao-11-368sp/index.htm>

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~~~~~ **NCSL Standing Committee on Labor and Economic Development** ~~~~~

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