



# LED Committee Report

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*An Information Service of the NCSL Labor and Economic Development Committee*

## LABOR AND ECONOMIC DEVELOPMENT COMMITTEE UPDATE

### Staff Updates

The Officers would like to thank NCSL staff member James Ward for his excellent work with the Labor and Economic Development Committee over the last year-and-a-half. James was the lead staff on workforce development issues, served as a resource on all other issues under the committee's jurisdiction, and assisted in planning programs for meetings. James will be taking over committee director duties with NCSL's Communications, Financial Services and Interstate Commerce Committee. The officers welcome Michael Reed, who has joined the staff for the Labor and Economic Development Committee, working with committee co-directors Diana Hinton Noel and Jeanne Mejeur.

## MEETINGS

### Fall Forum Report

The Labor and Economic Development Committee presented several timely and informative programs at the recent Fall Forum meeting in Phoenix. Sessions included:

- Offender Reentry and Collateral Consequences
- International Trade Policy and the States
- The Growing Problem of Employee Misclassification
- Strategic Planning for Arts and Economic Development
- Jobs, Jobs, Jobs: State Actions to Boost Employment (audio recorded)

Copies of the handouts from the sessions will be available soon on the committee's agenda page, at <http://www.ncsl.org/?tabid=21435>

## IN THE NEWS

### Bureau of Labor Statistics

#### State Unemployment Figures Released For November 2010

In November 21 states and the District of Columbia had over-the-month unemployment rate increases, 15 had decreases, and 14 showed no change. Nonfarm payroll employment fell in 28 states, rose in 20 and the District of Columbia, and was unchanged in 2 states.

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

#### Consumer Prices Rise Slightly in November 2010

On a seasonally adjusted basis, the CPI-U increased 0.1 percent in November after increasing 0.2 percent in October. The index for all items except food and energy rose 0.1 percent in November after being unchanged in October, 2010.

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

## U.S. Dept. of Labor

### **Georgia Firm Fined for Pension Plan Irregularities**

The U.S. Department of Labor has obtained a consent order requiring C.S. Capital Management Inc. of Atlanta, Ga., and its owner to restore \$1,090,000 to the Plumbers and Pipefitters National Pension Plan as restitution for improperly investing \$25 million in risky private placement bonds. The firm also was ordered to pay \$109,990 in fines to the federal government.

<http://www.dol.gov/opa/media/press/ebsa/EBSA20101680.htm>

### **Mobile Equipment Dangers Cited in Coal Mines**

Through a new safety initiative, the U.S. Department of Labor's Mine Safety and Health Administration is calling special attention to the potential dangers that shuttle cars and scoops in underground coal mines pose to miners. Between January 2000 and September 2010, nearly 800 miners have been injured and 16 killed in coal mine accidents involving shuttle cars and scoops.

<http://www.dol.gov/opa/media/press/msha/MSHA20101709.htm>

### **Studies Released on International Child and Forced Labor**

The U.S. Dept. of Labor's Bureau of International Labor Affairs has issued three new reports regarding international child and forced labor. The studies were based on data collected from U.S. embassies, foreign governments, international and nongovernmental organizations, technical assistance and field research projects, academic research and the media. The reports are: Findings on the Worst Forms of Child Labor; List of Goods Produced by Child or Forced Labor; and List of Products Produced by Forced or Indentured Child Labor.

<http://www.dol.gov/opa/media/press/ilab/ILAB20101706.htm>

## U.S. Dept. of Commerce

### **Manufacturing Research Nets \$22 Million in Grants**

The U.S. Department of Commerce has announced \$22 Million in funding for advanced manufacturing research in the areas of Electronics, Biotechnology and Nanotechnology. The Department's National Institute of Standards and Technology will provide more than \$22 million in funding for nine research projects targeting innovative manufacturing technologies in fields ranging from biopharmaceuticals and electronics to renewable energy sources and energy storage. Funded by NIST's Technology Innovation Program (TIP), the awards will be matched by other funding sources and are expected to result in an estimated \$46 million in new advanced manufacturing research over the next three years.

<http://www.commerce.gov/news/press-releases/2010/12/15/us-commerce-department-announces-22-million-funding-advanced-manufact>

## NEW REPORTS

### **Bureau of Labor Statistics Reports**

#### **Monthly Labor Review Online – November, 2010**

The featured articles in November's issue are:

- The Nation's Underemployed in the "Great Recession" of 2007–09;
- Reversals in the Patterns of Women's Labor Supply in the United States, 1977–2009
- Fatal Occupational Injuries at Road Construction Sites, 2003–07

<http://www.bls.gov/opub/mlr/>

#### **Issues in Labor Statistics – Comparing Key Labor Indicators in Recessions**

The job market weakened dramatically during the recent recession compared to past recessions. Two of the most commonly used gauges of labor market performance are the unemployment rate (the proportion of the labor force that is unemployed) and the employment-population ratio (the proportion of the civilian non-institutional population that is employed). Graphically comparing the changes in these measures across past downturns highlights the severity of the recent recession in the labor market.

<http://www.bls.gov/opub/ils/pdf/opbils88.pdf>

### **Charting International Labor Comparisons (2010 Edition)**

The U.S. Dept of Labor has released a new report, Charting International Labor Comparisons, exploring how key labor market and other national economic measurements compare across countries. Charts cover Gross domestic product (GDP), Labor market, Competitiveness in manufacturing, Prices, and Indicators for large emerging economies.

<http://www.bls.gov/fls/chartbook/chartbook2010.pdf>

## **Congressional Budget Office Reports**

### **Immigration Policy In the United States: An Update**

The CBO has released an update to its 2006 paper *Immigration Policy in the United States*. The publication summarizes federal immigration policies and includes tables and statistics. The update presents data through 2009 and makes comparisons with 2004, the most recent year for which most data were reported in the earlier paper.

[http://www.cbo.gov/ftpdocs/119xx/doc11959/12-03-Immigration\\_Chartbook.pdf](http://www.cbo.gov/ftpdocs/119xx/doc11959/12-03-Immigration_Chartbook.pdf)

### **Monthly Budget Review – Dec. 6, 2010**

The federal budget deficit was \$283 billion for the first two months of fiscal year 2011, CBO estimates, \$14 billion less than the shortfall recorded through November of last year. Outlays and revenues alike are higher than they were last year at this time, by about 2 percent and 9 percent, respectively.

<http://www.cbo.gov/ftpdocs/120xx/doc12000/December6MBR.pdf>

## **Congressional Research Office Reports**

### **Economic Recovery: Sustaining U.S. Economic Growth in a Post-Crisis Economy**

The 2007-2009 recession was long and deep, and according to several indicators was the most severe economic contraction since the 1930s. The slowdown of economic activity was moderate through the first half of 2008, but the weakening economy was overtaken in the second half by a major financial crisis that would exacerbate the economic weakness and accelerate the decline. Evidence suggests that the process of economic recovery began in mid-2009, including gross domestic product figures, stock market recovery and increased employment.

<http://fpc.state.gov/documents/organization/153278.pdf>

### **Trade Primer: Qs and As on Trade Concepts, Performance, and Policy**

The 112th Congress faces a full agenda on international trade, including pending free trade agreements, enhanced enforcement of current trade agreements, negotiations at the World Trade Organization's Doha Round, and trade relations with China. This report provides background information for those who may be new to trade issues, covering trade concepts, U.S. trade performance, formulation of U.S. trade policy, and trade and investment issues. Additional suggested readings are provided in an appendix.

<http://fpc.state.gov/documents/organization/153299.pdf>

## **GAO Reports**

### **Export Controls: Agency Actions and Proposed Reform Initiatives May Address Previously Identified Weaknesses, but Challenges Remain** (GAO-11-135R November 16, 2010)

Each year, billions of dollars in arms and dual-use items, items with both commercial and military applications, are exported to U.S. allies and strategic partners. The U.S. government controls the export of these items because of national security, foreign policy, and economic interests. The report found numerous weaknesses in the export control system, including poor coordination among the multiple agencies involved and the lack of systematic assessment of the overall effectiveness of the export control system.

<http://www.gao.gov/new.items/d11135r.pdf>

### **Pension Benefit Guaranty Corporation: Improvements Needed to Strengthen Governance Structure and Strategic Management** (GAO-11-182T December 1, 2010)

The Pension Benefit Guaranty Corporation (PBGC) is a self-financing government corporation that insures the pensions of 44 million workers in more than 27,000 private sector defined benefit pension plans. Yet, PBGC faces financial instability that could pose a future threat to this source of protection for Americans' retirement income. <http://www.gao.gov/new.items/d11182t.pdf>

**Sudan Divestment: U.S. Investors Sold Assets but Could Benefit from Additional Information about Companies' Ties to Sudan** (GAO-11-245T November 30, 2010)

Recognizing the humanitarian crisis in Darfur, Sudan, Congress enacted the Sudan Accountability and Divestment Act (SADA) in 2007. This law supports U.S. states' and investment companies' decisions to divest from companies with certain business ties to Sudan. <http://www.gao.gov/new.items/d11245t.pdf>

**Small Businesses: Tax Compliance Benefits and Opportunities to Mitigate Costs on Third Parties of Miscellaneous Income Reporting Requirements** (GAO-11-218T November 18, 2010)

Third party businesses reported more than \$6 trillion in miscellaneous income payments to the Internal Revenue Service (IRS) in tax year 2006 on Form 1099. Payees are to report this income on their tax returns. It has been long known that if these payments are not reported on 1099, it is less likely that they will be reported on payee tax returns. This report addresses needed changes for more accurate reporting. <http://www.gao.gov/new.items/d11218t.pdf>

**Social Security Reform: Raising the Retirement Ages Would Have Implications for Older Workers and SSA Disability Rolls** (GAO-11-125 November 18, 2010)

Life expectancy has increased and by 2050 persons age 65 or older will account for more than 20 percent of the total U.S. population, up from about 13 percent in 2000. Without significant changes in retirement decisions, these improvements in longevity will lengthen the average number of years spent in retirement and contribute to the expected long-term revenue shortfall in the Social Security and Disability Insurance programs. The 2010 report from the Social Security Board of Trustees projects that the trust funds' assets will be exhausted by 2037. <http://www.gao.gov/new.items/d11125.pdf>

**Surface Coal Mining: Information on Clean Water Act Section 404 Permit Reviews under Enhanced Coordination Procedures in Appalachia, Focusing on West Virginia** (GAO-11-101R October 19, 2010)

In 2009, West Virginia accounted for about 43 percent of the surface coal mining production in Appalachia. Surface coal mining, often referred to as mountaintop mining, has generated opposition because of its impact on landscapes, streams, ecosystems, and communities. In mountaintop mining, before the underlying coal can be extracted, the land is cleared of forest and other vegetation. Explosives are then used to break up the overlying solid rock, creating dislodged earth, rock, and other materials known as spoil, which is either placed back on the mined-out area or deposited as fill in adjacent valleys or hollows, sometimes burying the headwaters of streams. <http://www.gao.gov/new.items/d11101r.pdf>

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