

Senate President Pro Tempore Del Marsh
Press Clips
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Sen. Bill Holtzclaw selected as Fellow for national leadership conference

State Sen. Bill Holtzclaw, R-Madison, has been selected to attend as a Fellow for a national leadership conference in September.

Holtzclaw is one of 48 state policymakers nationwide selected as a Council of State Governments' Henry Toll Fellow.

The Toll Fellowship Program, named for CSG founder Henry Wolcott Toll, is one of the nation's premier leadership development programs for state government officials, according to the announcement. The program annually brings 48 of the nation's top officials from all three branches of state government to Lexington, Ky., for a six-day, five-night "intellectual boot camp."

"As states face similar challenges, I hope to enhance my leadership abilities by interfacing with a variety of state leaders that are successfully addressing challenges for their community and state," Holtzclaw said in the announcement. "We have much to gain from each other's shared experiences."

Gov. Bentley declines to reinstate Alabama State University Trustee Marvin Wiggins

Gov. Robert Bentley is refusing to reinstate ousted Alabama State University Trustee Marvin Wiggins.

In an email sent Thursday, Wiggins requested Bentley rescind his letter of removal and provide for a hearing before the ASU Board of Trustees in accordance with its bylaws.

Calling the allegations against him "false and baseless," he alleged Bentley had denied him due process and violated the standards of the university's accrediting agency, the Southern Association of Colleges and Schools Commission on Colleges.

"If you are unwilling to withdraw and rescind your letter, I am duty bound as a trustee to report your conduct to SACSCOC," Wiggins wrote.

[Download a copy of Wiggins' email to Bentley here.]

Bentley removed Wiggins from the board last week, alleging the trustee had violated state conflict-of-interest laws.

In response to Wiggins' email, David Byrne, Bentley's chief legal adviser, said in a letter today that Wiggins was not due a hearing because he was not an employee of the university.

"The position of trustee at any university is a position of service, not a job or employment," he wrote.

He also said that the bylaws of the ASU Board of Trustees do not provide protection since they only apply in cases when a trustee is removed by the board, not by the governor.

Byrne additionally said the state's conflict-of-interest trump the board's bylaws. David Watkins, a former ASU trustee and pro bono attorney to the board, said last week that the conflict of interest laws cited by Bentley were trumped the specific statutes relating to ASU.

[Download a copy of Byrne's letter of response here.]

Bentley cited the following law giving him authority to remove Wiggins in his letter last week:

"It shall be unlawful for any member of the board to be financially interested in any contract or transaction affecting the interests of the university ... except, through the prescribed procedures for such purposes, and the violation of this provision shall subject the member so offending to removal by the governor of the board."

Regarding Wiggins' claim that the governor was in violation of the standards set by the university's accrediting agency, the Southern Association of Colleges and Schools, Byrne noted that SACS itself found Wiggins had a familial conflict of interest when it placed ASU on a six-month warning July 19.

Byrne's letter alleged Wiggins' family members, including his wife, received a total sum of \$250,301 between 2010 and January 2013 by operating Camp Eagle, a summer camp for at-risk youth hosted by the university.

He also said Wiggins failed in his duty as trustee when he did not notify the board or the president that his sister-in-law, Michelle Crawford, had been disbarred in North Carolina for taking client funds before the board hired her as a professor at ASU.

Crawford was disbarred in 2008, more than two years before the board hired her as an assistant professor of business administration starting in the spring of 2011 with an annual salary of \$80,000, according to Byrne.

Crawford resigned from the university in August 2013 after pleading guilty in July of that year to charges of mortgage fraud conspiracy, money laundering, conspiracy and wire fraud in North Carolina, Byrne wrote.

"Based on this chronology you should have take action to protect ASU and its students," he wrote.

"For these reasons and others, the governor respectfully declines to rescind his letter of removal dated July 25, 2014."

Wiggins abstained from the vote to hire his sister-in-law, but she listed him as a reference on her application to the university, Byrne said during a ASU board meeting last year.

Wiggins has defended his relatives' work for Camp Eagle, saying he had nothing to do with his wife's appointment as director of the program and that none of the relatives were blood relations.

SACS said it was irrelevant that they were in-laws in its warning letter. Wiggins was not available at his office this evening.

[Expert: Alabama needs to focus on workforce to raise its economic development prospects](#)

From population figures to the number of people with a doctorate degree, site selectors are taking a more detailed look at an area's workforce when deciding where to invest millions of dollars in a new factory or office.

That was the main message from Jeff Forsythe, principal with Greenville, S.C.-based McCallum Sweeney Consulting site selection firm, when he addressed Alabama economic developers at the Economic Development Association of Alabama's Summer 2014 Conference.

Among the Alabama projects McCallum Sweeney worked are the \$100 million Dollar General distribution center in Bessemer and the expansion of the Austal shipyard in Mobile.

Forsythe said there is a workforce component to every phase of the site selection process and at any point a major workforce issue can get a site cut from consideration.

Among the workforce criteria a company typically finds favorable is a large pool of industrial workers to draw from and wages that the company feels like it can pay and remain competitive.

Among the workforce criteria that can turn off a company is the proximity to labor unions – particularly those related to their industry – and the proximity to competitors.

Forsythe said McCallum Sweeney has its own scoring system based on different workforce criteria identified for the company.

An example of a total rating of Alabama communities based on an example of the McCallum Sweeney rating system. (contributed)

For example, an area that has an average manufacturing wage of less than \$18 per hour would score it two points. An average wage of \$18-22 per hour could get a site one point and wages averaging more than \$22 per hour would be worth zero points.

Similar scoring would be given to size of manufacturing labor force, percent of workforce with a high school degree or bachelor's degree, proximity to labor unions with membership larger than 250 members and any number of similar criteria.

All of those factored together would give a site a total score which would be used in evaluating a site. The criteria and the scoring could change, depending on the factors the prospective project cites as most valuable.

"Businesses cannot endure long-term lack of access to required skill sets," Forsythe said.

Forsythe said even incentives are tied to workforce – with states like Alabama using AIDT for worker recruitment, screening and training. Even in the final project agreement, the number of workers and their compensation are key factors the company has to commit to in order to receive incentives.

With companies using greater scrutiny when it comes to selecting sites based on workforce, Forsythe said there are things Alabama communities need to be doing to boost their rating.

For instance, taking a closer look at growing the STEM (Science, Technology, Engineering and Math) workforce can go a long way. Also, as the military downsizes, those communities near military bases need to make a concerted effort to add those highly-skilled workers to their civilian workforce, he said.

Forsythe said young people need to be steered towards advanced manufacturing jobs rather than all of them pursuing professional degrees. Today's manufacturing jobs are highly skilled and can have better salaries and benefits than many white-collar jobs, he said.

While recruiting workers with some specialized skills from a regional or national labor pool could help in some cases, Forsythe said having those workers already there obviously is an advantage.

"You must grow the skilled workforce locally," by working with educators and partnering with post-secondary schools, Forsythe said.

Keeping those workers is also a challenge.

"You have to not only be able to entice them to come, you've got to convince them to stay," Forsythe said.

Insurance companies cutting choices significantly in bid to counter Obamacare costs, study finds

Insurance companies are cutting the number of doctors and hospitals available to their customers in a bid to cut costs that have been pushed up by the Affordable Care Act, the New York Times reports.

About half of those for whom a narrow-network plan is an option choose one. Source: Commonwealth Fund

Citing a new study by the consulting firm McKinsey & Co., the Times reports that the percentage of plans that are so-called "narrow network" plans has increased substantially. Among the lower-cost plans available via ACA exchanges, 70 percent are now narrow-network plans. McKinsey defined narrow-network plans as those that include less than 70 percent of the doctors and hospitals in a market.

The McKinsey study found that:

Premiums for broad-network plans are 13 to 17 percent higher than premiums for narrow-network plans.

Faced with a choice between fewer choices and higher premiums, a majority of consumers knowingly opt for the cheaper plans even when more expensive ones with more choices are available.

About 10 percent of consumers don't have a choice. Narrow-network plans are their only option.

About a quarter of people who bought narrow-network plans via the ACA did not understand they would have fewer choices of doctors and hospitals.

Separately, a survey conducted by The Commonwealth Fund also found that most of the newly insured were happy with their network choices, but that 40 percent didn't know what doctors and hospitals were covered by their plan.

Writing in the Times' Upshot blog, Margot Sanger-Katz reports that the narrow-network plans are here to stay.

"...Insurers have every motivation to keep these plans on the market."

BP's second quarter profit jumps, but still wary of future expense of oil spill

BP PLC saw its profits rise Tuesday on the account of its investments in Russian energy company Rosneft. BP reported \$3.18 billion in replacement cost profit for the second quarter compared with \$2.4 billion the same period last year.

The British energy company's 20 percent stake in Rosneft was behind the large boost, profit from the joint venture jumping from \$218 million to more than \$1 billion year over year. But the company said it did not expect the same profits in the next quarter as the prospect of further sanctions against Russia loom.

While the company has been active in U.S. energy production recently after an agreement with the Environmental Protection Agency, the 2010 Deepwater Horizon oil spill still hovers largely over its operations. Oil spill related activities cost the firm \$280 million in the first half of 2014, a 20 percent increase from the previous year.

So far, attempts to slow down claims paid under a economic and property damage claims settlement have been unsuccessful. BP appealed a federal appeals court's denial of a rehearing to the U.S. Supreme Court in May, which was also denied, allowing the claims process to continue.

The company plans to file another petition by Aug. 18 for the nation's highest court to hear other objections to the interpretation of the settlement agreement.

"There is significant uncertainty regarding the extent and timing of the remaining costs and liabilities relating to the 2010 Gulf of Mexico oil spill...", the company said in an earnings statement. "These uncertainties are likely to continue for a significant period and may cause our costs to increase materially."

Mercedes-Benz builds 2 millionth vehicle at Alabama plant

German automaker Mercedes-Benz has produced its 2 millionth Alabama-made vehicle.

The milestone was celebrated today at the Tuscaloosa County plant, according to a company statement. There was a brief ceremony to mark the completion of the white ML 350 BlueTec, which is bound for an internal customer in Germany.

Mercedes began auto production in Alabama in 1997. It reached the 1 million vehicle milestone in 2007.

Along with the M-Class, workers there also produce the GL-Class SUV and R-Class crossover. And, last month they launched production of the C-Class sedan.

A new SUV is expected to join the assembly lines next year.

"We have had a challenging, but rewarding year and we have more excitement ahead of us with the launch of a fifth vehicle coming in 2015," Jason Hoff, head of Mercedes' Alabama operations, said in a prepared statement. "Demand for our vehicles continues to be strong, especially for our SUVs and particularly the M-Class. Our expansions over the past few years will allow us to better meet that customer demand. We have a great team and I'm impressed by this organization's commitment to quality, hard work, diligence and commitment. We have a great future ahead."

Last year alone, the plant produced more than 185,000 vehicles.

EDPA unveils new website, database to aid in Alabama economic development

The Economic Development Partnership of Alabama unveiled a new website and a revamped version of its popular property database tool this morning to economic developers at the Economic Development Association of Alabama's Summer 2014 conference.

The EDPA announced it had started making improvements to the database search tool at the conference a year ago. The new tool has been more than a year in developing and testing with economic developers throughout the state.

The new Economic Development Partnership of Alabama's database allows users to filter searches, such as the certified AdvantageSite properties in the state shown here. (contributed)

The finished product allows a user to search for potential property and buildings for a new plant, corporate headquarters or other economic development purpose. It will plot the results on a map of Alabama and then reveal details of the results by hovering the cursor over them.

Some other useful functions of the new database is the ability to plot supplier companies to the automakers in the state and the ability to identify the different business incubators in Alabama.

Greg Knighton, vice president of EDPA, said the changes were needed, based on those who use the site.

"This is a direct response to what site consultants said we needed to do to stay out in front," Knighton said.

The previous EDPA database was already a popular tool. It would regularly get around 4 million searches annually with corporate leaders and site consultants from throughout the U.S. and from nearly every major country in the world looking and comparing the properties.

In addition to the new database rollout, the EDPA unveiled its new website today.

Val Walton, communications director at EDPA, said the new site will include more information on key industries in the state, links to numerous resources and virtual video tours of key landmarks and attractions in the state.

"At your desk, on your phone, at your fingertips you will be able to take a virtual tour of some of Alabama's greatest assets," Walton said.