

Fact Check

# Obama Understates Keystone XL Jobs

BY MATTHEW DALY  
Associated Press

WASHINGTON — President Barack Obama has revived debate about the number of jobs that would be created by the proposed Keystone XL oil pipeline from Canada to Texas. The 1,700-mile pipeline would carry oil from tar sands in Alberta to refineries in the Houston area, passing through Montana, South Dakota, Nebraska, Kansas and Oklahoma.

During a jobs speech Tuesday in Tennessee, Obama downplayed the pipeline's effect on jobs, calling it a "blip" compared with the overall economy. He also made that point in an interview with *The New York Times* last week.

The president correctly characterized the project's overall effect on U.S. employment but underestimated the number of jobs it would create.

The \$7 billion pipeline has become a contentious issue. Project supporters, including unions and lawmakers from both parties, tout the jobs it would create and demand its approval, while environmentalists urge the president to reject it, saying it would carry dirty, carbon-intensive oil.

The State Department expects to issue a final report later this year on whether the project should move forward. The department has authority over the pipeline because it crosses a U.S. border.

Asked Wednesday about the number of jobs that would be created by the pipeline, State Department spokeswoman Marie Harf

said, "The president was clearly stating the proposed Keystone XL project would have a negligible impact on the overall U.S. job market, which was the finding of the State Department" in a draft report last March.

A look at some of the president's recent assertions on the pipeline and jobs and how they stack up:

**OBAMA:** "Republicans have said that this would be a big jobs generator. There is no evidence that that's true," he said in *The New York Times* interview. "And my hope would be that any reporter who is looking at the facts would take the time to confirm that the most realistic estimates are this might create maybe 2,000 jobs during the construction of the pipeline — which might take a year or two — and then after that we're talking about somewhere between 50 and 100 (chuckles) jobs in an economy of 150 million working people. ... That is a blip relative to the need."

**THE FACTS:** It's not clear where Obama came up with the 2,000-jobs figure.

The project's developer, Calgary-based TransCanada, has said the pipeline could create as many as 13,000 construction jobs — 6,500 a year over two years.

In its March report, the State Department put the number of construction jobs at 3,900 on an annual basis. That figure doesn't include an estimated 4,000 workers that TransCanada says it has hired for a 485-mile southern segment of the pipeline that already is under construction and nearing completion.

Nor do the figures include the peripheral jobs that would be created as a result of a major infrastructure project.

TransCanada says about 7,000 manufacturing jobs will be needed to support the overall project, which will stretch from Canada to the Gulf of Mexico.

The State Department report goes further. It estimates that the project could help create — directly and indirectly — as many as 42,000 jobs, including jobs for suppliers and subcontractors that provide equipment and materials, as well as lodging, food services and other jobs related to construction. The figure includes part-time jobs.

The report said these jobs would amount to 0.02 percent of total U.S. employment, a figure that is consistent with Obama's characterization that the project would have minimal impact on the overall U.S. jobs picture.

**OBAMA:** Republicans "keep on talking about this — an oil pipeline coming down from Canada that's estimated to create about 50 permanent jobs. That's not a jobs plan," he said in Tennessee.

**THE FACTS:** Obama is on solid ground with this assertion. The State Department report, citing figures provided by TransCanada, said there would be about 50 permanent jobs created along the route of the pipeline once it is completed. The report says the number of permanent jobs in the six affected states would have "negligible impacts" on the economy.

## Inmate Makes Appearance In Crash Case

LINCOLN, Neb. (AP) — A Nebraska prison inmate has waived his right to an arraignment and agreed to forego a preliminary hearing.

The *Lincoln Journal Star* reports Jeremy Dobbe made his first court appearance Thursday since being charged with manslaughter in the death of 47-year-old Joyce Meeks.

Meeks died June 25 when a state-owned van driven by Dobbe crashed into her minivan in Lincoln.

By waiving his right to an arraignment, Dobbe didn't hear about the charge or possible penalties. By foregoing the preliminary hearing, he opted not to challenge whether prosecutors had enough evidence to charge him.

Defense lawyer DeAnn Stover declined to comment.

Although Dobbe was imprisoned for methamphetamine possession, he was allowed to drive other inmates to work-release assignments when the crash occurred.

The state has ended the prison-driver program.

## Odor, Taste In Aberdeen Water Rectified

ABERDEEN (AP) — Officials in Aberdeen have fixed an equipment problem that caused the city's water to have an odd smell and taste for a couple of weeks.

The *American News* reports that the strange smell and taste was caused by algae that form in the Elm River, the city's primary water source.

Aberdeen Water Plant Superintendent Janel Ellingson says the equipment that treats the water was not providing enough additives to deal with the algae.

Ellingson says the water is safe to drink, and the taste and odor should return to normal in a week or two.

## S.D. Teen Pleads Not Guilty In Shooting

ALEXANDRIA (AP) — A South Dakota teenager accused of accidentally shooting and wounding his friend with a handgun he got as a high school graduation present has pleaded not guilty to aggravated assault and other charges.

Logan Evans, 18, of Plankinton, is accused of pointing a 9 mm pistol at 17-year-old Nick Lawson on June 22 and pulling the trigger as a joke, thinking the gun was unloaded. It wasn't, and a bullet hit Lawson in the chest, authorities allege.

Evans is charged with aggravated assault and reckless discharge of a weapon. He could face up to 16 years in prison if convicted. He said little during his court appearance Wednesday, with his attorney entering written pleas. *The Daily Republic* reported.

Lawson had surgery in a Sioux Falls hospital after the shooting. He was released in early July and is recovering at home, family spokeswoman Jan Kristensen said.

"He's getting stronger every day," she said. "He's home now. He's not out and about, but he's doing well."

Lawson has lost 20 pounds since the shooting and has to sleep in a recliner because he can't sleep lying down, Kristensen said.

"Just thank God he's still alive," she said.

An Aug. 10 benefit meal is planned in Plankinton for Lawson.

## Top Schools In South Dakota Named

SIoux FALLS (AP) — Students at Armour High School, Rutland Junior High School and Kadoka Area's Midland Elementary School earned bragging rights for the top rankings in the latest statewide report card.

The South Dakota Department of Education said they were the best public schools in the state in the second annual School Performance Index. The index factors in Dakota STEP math and reading scores, attendance for the lower grades and high school completion and ACT scores for high schools, the *Argus Leader* reported Thursday.

The index "provides much richer data, more data, and we will continue to add to that," state Education Secretary Melody Schopp said. "The SPI will give a really good snapshot of what schools are doing systemically rather than on one assessment."

## Lightning Crashes



TERRENCE ANTONIO JAMES/CHICAGO TRIBUNE/MCT

Lightning strikes both the Willis Tower, right, and the Trump Tower in downtown Chicago, Illinois, as a severe storm rolls through the region on Wednesday.

## Nebraska Woman Sentenced To Prison For Arson

NELIGH, Neb. (AP) — A 61-year-old northeast Nebraska woman has been sentenced to prison for arson.

Sioux City television station KTIV reports that Daphne Hansen, of Neligh, was sentenced Wednesday in Antelope County District Court to 2 1/2 to 3 1/2 years. She had been convicted in May of arson, conspiracy to commit arson and aiding a felony.

Investigators say Hansen claimed a financial interest in a Neligh home and that she conspired with two other people to have the house burned down. No one was injured in the June 2010 blaze.

## Nebraska Lawmakers Weigh New Approach To K-12 Funding

BY GRANT SCHULTE  
Associated Press

LINCOLN, Neb. — Members of the Legislature's Education Committee are weighing different funding options for K-12 schools, including a suggestion to let districts impose a local sales tax.

The committee met on Thursday as part of its ongoing study of the funding formula that determines state aid for schools.

The formula seeks to fill the gap between school district needs and what each can generate locally through property taxes.

State aid for schools has led to recent conflicts between smaller and larger districts. Many districts have increasingly relied on property taxes since the recession, but surging farmland values and stagnant growth in urban areas have caused

the formula to shift more state to larger schools.

Sen. Jim Scheer of Norfolk said the state may want to consider letting school districts impose a local sales tax, which would let them fill more of their own needs. Current law lets districts generate local revenue through property taxes. Scheer said a sales tax imposed outside of the formula would help reduce school districts' need for state aid, and could ease pressure on local property taxes.

Scheer said he may introduce a bill when lawmakers reconvene in January. For districts that have reached the property-tax levy lid or have low valuations, he said, the sales tax could give them another revenue source other than state or federal aid.

"State aid was generated from sales and income taxes," Scheer said. "Why not let districts have those

directly to offset property taxes?"

The study is focused on ways to make funding more equitable, stable and predictable for school districts. Lawmakers also plan to work in tandem with members of a panel that is studying Nebraska's tax system.

Nebraska is expected to distribute nearly \$1 billion each year between July 2013 and June 2015. Of the 249 public districts in Nebraska, 114 don't qualify for equalization aid under the state formula.

Lawmakers also heard a presentation from the Platte Institute, a conservative Omaha think tank. Jim Vokal, the group's executive director, said lawmakers should consider a competitive block-grant program for schools that close their achievement gaps or increase graduation rates. Similar programs are in place in Colorado and Ohio, he said.

## As Sturgis Visitors Arrive, Some Businesses Make Way For Vendors

STURGIS (AP) — As motorcycle enthusiasts begin arriving in the western South Dakota city of Sturgis for an annual rally, another group of people is heading out.

Several Sturgis business owners close down and clear out their merchandise to make way for temporary vendors who pay big money to rent prime downtown space for the rally.

This is the fifth year that Sturgis Center for the Arts Executive Director Roxie Chownen has closed her facility for the rally so a tattoo artist could move in. Chownen told the *Rapid City Journal* it's just part of doing business in the Black Hills community that is in its 73rd

year of hosting the Sturgis Motorcycle Rally.

The rally draws hundreds of thousands of people to the region annually. This year's rally begins Monday and runs through Aug. 11.

"I like the rally. We've got to let them move in for a bit, then we go back in," said Chownen, who takes her annual vacation each year while the Arts Center is closed for about a month.

She and volunteers began packing up pianos and an assortment of other musical instruments, books, desks, a stage, shelving units and art supplies in mid-July during their annual "Packing Party," temporarily moving everything to a storage unit and

the basement of a nearby building.

"I just go with the flow. That's what we have to do," Chownen said.

Antique shop owner Jessica Kerlin is another owner who's making room for a tattoo artist, though she won't be taking any time off. She plans to work at a bar in the downstairs of the building where she rents space.

"I figured if I was going to work, I might as well be in my own basement," she said. "I figured by working the bar, I will have an opportunity to make back some of the money I'm losing in my other business."

## A Heartfelt Thank You . . .

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