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## Our view: Hard to knock ND for targeting Minn.

That didn't take long. Gov. Mark Dayton and legislative leaders hadn't even finished hammering out the details of their taxing and spending plans late last week when Minnesota's neighbors to the northwest, North Dakota, made a bold play to steal away business and jobs.

The Greater North Dakota Chamber put up the first of what it promised would be a series of billboards promoting its friendlier business climate. "NORTH DAKOTA OPEN FOR BUSINESS" read the billboard that went up Thursday along the interstate in Moorhead, Minn., a border city like Duluth.

Minnesota shouldn't be surprised.

"In a substantial way, we raised the price of doing business in Minnesota this legislative session," Minnesota Chamber of Commerce Senior Vice President Bill Blazar told the News Tribune Opinion page a day after that first billboard was erected. "(What Minnesota lawmakers did) creates, in this economy, opportunities for other locations and other states. Businesses are very cost-conscious ... and more mobile now than ever. They know they have choices."

The tax policies of this year's DFL-controlled Legislature — endorsed by the governor, also a DFLer — reminded Blazar of the pre-recession policies of the early 1990s. "The policies (from) then don't work now," he said.

The Legislature was expected to approve more than \$2 billion of tax increases before adjourning today, including one of the highest tax rates in the nation.

"If you're a small business and filing your business taxes through your personal returns, as so many businesses do, it's a huge hit for your bottom line to be in Minnesota," North Dakota Chamber President Andy Peterson told the Opinion page. "We looked at what was going on in St. Paul and said, 'Oh, my.'"

Oh, sure, it's easy for North Dakota to talk, right? Its oil boom fuels rapid economic growth and the nation's lowest unemployment rate.

But the economic benefit of massive oil reserves is only the frosting on the cake, insisted Peterson, the former director of policy and education for the Duluth Area Chamber of Commerce.

“It’s not the cake,” he said. “The cake is the business climate we have,” with low tax rates, pro-business laws, and a favorable regulatory environment. “Our state government is very, very approachable. You put those things together and you have a really good recipe for success.”

Peterson sees a far different climate across the border.

“Minnesota’s economy expanded by 2 percent last year, but you guys are proposing to spend 7 percent more,” he said. “The numbers don’t add up, and you’re going to tax everyone for that increase.

“And then you’ll be wondering why businesses won’t want to invest or expand in Minnesota,” he said. “Minnesota is an island at the moment. You’ve got to think differently.”

Until Minnesota does, neighboring states will try — and will succeed at — stealing away industry, businesses and jobs.

And they’ll be as bold and unabashed about it as a sign on the highway as bright as the sun and as large as a three-car garage.