

July 11, 2007

Kevin Hall
804.225.4260
804.393.9406 (cell)

Governor Kaine Announces Virginia's Top Business Ranking for Second Year

- Virginia named "Best State for Business" by Forbes.com -

RICHMOND – Governor Timothy M. Kaine today announced that Virginia again led the nation in Forbes.com's "Best States for Business" ranking. In its second year, the review examines multiple objective measurements, including business cost, regulatory climate, quality of the workforce, and economic growth. Forbes.com is the official Internet site of the Forbes family of business publications.

Virginia finished in the top 10 in four of the six main categories, including regulatory environment (1st), quality of its workforce (5th), overall quality of life (6th), and prospects for growth (8th). Overall, Utah was ranked second, followed by North Carolina, Texas and Washington. Idaho, Florida, Colorado, North Dakota and Minnesota rounded out the Forbes.com top 10 states.

"To receive this honor for a second consecutive year underscores Virginia's commitment to creating and maintaining a positive economic climate, and it validates the decision our business partners have made to locate here," Governor Kaine said. "It's great to be designated the best in the nation, but its even more rewarding to know that Virginia will keep the No. 1 title for yet another year."

Today's Forbes.com ranking comes just after a March announcement by top U.S. corporate relocation firm Pollina Corporate Real Estate designating Virginia as "America's Most Business-Friendly State."

"It is extremely gratifying that Virginia once again is recognized as a stellar performer in terms of its tax climate, financial management, educated and skilled workforce, and quality of life in general," said Virginia Senate President John H. Chichester. "I believe that these honors will continue to come our way if we make sound investment decisions that cement our future."

"Achieving this recognition two years in a row is testimony to Virginia's commitment to policies that aid the expansion of existing businesses, attract new ones, and encourage entrepreneurs," said Virginia House of Delegates Speaker William J. Howell. "While other states have been working to catch up, we've been working diligently to improve our business climate, and our continued number #1 ranking by Forbes is evidence that our efforts are delivering results. And, the landmark transportation legislation we passed this year will further improve our standing. By keeping our tax burden low and our regulations reasonable, and by further developing our work force, Virginia can continue at the top of this ranking next year."

Forbes.com studied **business costs** (cost of labor, energy, and taxes), **labor issues** (educational attainment, net migration, and projected population growth), **regulatory climate** (regulatory and tort environment, incentives, and bond ratings), **economic climate** (job, income, and gross state product growth, as well as unemployment and corporate headquarter relocations), **growth prospects** (projected job, income, and gross state product growth, as well as announced business openings and closings), and **quality of life** (index of schools, health, crime, cost of living, and poverty rates).

Governor Kaine has announced \$3.4 billion in new economic development investments and 31,422 jobs since taking office in January 2006.