

## Issues affecting the cost of doing business

Policy, workforce, and other outside factors all impact the cost of doing business. In the weeks ahead, we'll continue to advocate and discuss issues that affect our local businesses including: Minnesota's legislative proposals, Waconia's workforce, and protecting our local businesses. April is filled with specific dates to discuss, advocate, and take action. Now is the time to "do no harm" for the businesses that support our thriving community.

### **Brief overview of the 2023 MN legislative proposals**

Minnesota has a record \$17.5 billion budget surplus. While over half of other states have enacted permanent tax relief in order to make their tax systems more competitive, Minnesota will spend down the entire surplus and has proposed to increase state spending by 34%. This is in addition to the cost of inflation, supply chain, and a tight labor market. Here's a brief look at legislative proposals affecting Minnesota businesses.

- Workforce benefit mandates, including 24-week paid leave
  - \$1.4 billion annual payroll tax. Includes every employer in Minnesota, regardless of size or number of employees. Includes part-time and seasonal workers.
  - Hiring replacement workers is a challenge given the state's tight labor market and workforce shortage.
- Increase in vehicle registration tax
- 1% sales tax increase in metro
- Capital gains tax - proposed rate of 13.85% would be the highest in the country
- 10-12 different health care program increases
- Legalization of recreational marijuana - What are the costs and workplace impacts?

**April 13:** 2023 Chamber Day at the Capitol: A mid-session review to move policy forward. We'll talk with legislative leaders and hear from community leaders.

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**Protecting Small Businesses:** burglary and theft is costly to businesses. Sergeant Tyler Stahn of the Carver County Sheriff's office will be offering ways to protect your business by preventing burglary and theft.

**April 18:** City Hall, 9:00-10:00 am

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## **Waconia Area Current & Future Workforce**

Attracting and retaining talent is a pressing issue, and labor shortages can hinder productivity and economic growth. What does our current local workforce look like today, and what might it look like in the future? At the April luncheon, we'll be hosting a discussion on challenges, solutions and strategies to break down employment barriers. Hear from some of Waconia's largest employers from a variety of industries.

**April 27:** Luncheon from 11:30-1:00 at Auburn Meadows, Waconia

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Here to champion your business,

*Christine*