

# Business Monthly

## Message from Executive Director, Rhonda Jordal

Congratulations to the Chamber Business Education Collaborative for hosting a wonderful Educational Event for our businesses in Freeborn County. The event, "Pipeline; Employee Development Funding," was centered on the dollars available to businesses to help with skilled labor. We all know that the unemployment rate is so low in our area and a lot of areas. To hire any employees can be difficult let alone skilled labor. Kathleen Gordon from the Minnesota Dept of Labor talked about using the Pipeline grant you are able to take from the workforce you currently have or hire new. The Pipeline program will pay up to \$6,000 per person per year and up to a total of dollars of \$150,000 per year. I also really appreciated learning about other opportunities and pools of money available and some you can use together in the process. Like, for instance, if you used the Pipeline grant for 5 current employees and trained them for 5 skilled level positions you currently need. You would then have 5 positions at entry level to fill. Val Kvale at Workforce Development has OJT On the Job training dollars. Individuals need to qualify for these and Val can tell you more about how that works. The OJT will pay 75% or 50% of the wages up to \$7500 depending on the number of employees that you have. The event also talked about Higher Education money and Apprenticeships. Riverland's Peggy Young talked about how many of the trainings can be done by Riverland and done right on site. The Pipeline grant covers Advanced Manufacturing, Healthcare, Agriculture, IT as well as Management and Supervisory. We have packets at the Chamber for anyone interested. The Pipeline grant is not difficult and you have help with it from the Dept of Labor, Riverland and the Chamber. A Big thank you to St. Johns for hosting at their new location, Mayo and Albert Lea Select Foods for sponsoring the lunch and learn event.

The Chamber will be having a number of these events to help our businesses with workforce issues, childcare, housing, e-commerce and other things that affect our businesses and community. The events are planned and hosted by the Chamber committees. On Friday, March 22<sup>nd</sup> the Chamber Governmental Affairs Committee will be hosting an Eggs & Issues Forum on the Childcare Crisis at Wedgewood Cove from 7:30am – 9:30am. Cost is \$10 a person. Please register by calling the Chamber at 373-3938 so we can plan for food.

Wishing you a safe and warm March!



### Special points of interest:

- Worksite Wellness Summit
- Eggs & Issues Event on Child Care Crisis
- Number of referrals.

## Business Bears The Brunt of Governor's Budget

By Doug Loon

Gov. Tim Walz has unveiled his expansive and expensive budget proposal. The impact is crystal clear: Minnesota businesses are being asked to pay billions of dollars in additional taxes to support his budget that approaches \$50 billion for the next two years, up more than 8 percent over the existing biennium.

We share his goal of investing in the state's future for workforce, infrastructure and quality of life for Minnesota families. But, simply put, the governor's budget is an overreach and unaffordable.

The governor says Minnesota businesses benefited from the 2017 federal tax reform, justifying his proposal to disproportionately raise business taxes to grow state government. We've heard this repeated from a number of sources, but the facts are that individual taxpayers received a majority of the federal tax relief, and Minnesota already imposes a high cost of doing business. The federal tax changes will make Minnesota's higher tax rates more pronounced due to the cap on the state and local tax deduction for individuals and businesses that report business income on their personal income-tax returns.

What the governor did not mention is that the increased costs on businesses, if enacted, will be felt in the pocketbooks of all Minnesotans. We will all be on the hook for more than \$7 billion in tax increases for the four-year budget cycle beginning in July 2019.

The governor's gas tax proposal generated the most attention. We agree we need to invest more in the state's infrastructure, but a 20-cent, or 70-percent, increase would make Minnesota's gas tax the fourth highest in the nation. His proposal would automatically increase the gas tax each year, and would increase the motor vehicle sales tax, metro area sales tax and tab fees now. The cost will be felt especially by businesses that pay 50 percent of the gas and sales taxes. Rather than doubling down on the gas tax – an increasingly unreliable revenue source – we recommend diversifying our revenue sources through existing transportation-related sales taxes.

The governor recommends raising other costs of doing business in Minnesota. Over the next four years, these tax increases are part of his overall \$3 billion tax increase proposal:

- A 23-percent increase in the corporate income tax, totaling nearly \$1 billion.
- An increase in income taxes for businesses that report business income on their personal income-tax returns, totaling \$763 million.
- Continuing the health care provider tax, totaling nearly \$1.7 billion.
- Reinstating automatic increases in the state tax levy on business properties, totaling \$218 million.
- A new state mandate for paid family leave with initial IT costs of \$68 million. Total costs are unknown, but it's proposed to be financed by a new payroll tax paid by all employees and employers including independent contractors.

These bills may be considered individually in the legislative process, but their impact is cumulative. Policymakers must remember that business costs cannot be analyzed in a vacuum. Each new cost, each new regulation hinders their ability to grow their business and fuel the state's economy.

In the end, consumers and employees will pay the price. Don't just take my word for it. That's a recurring conclusion of the Minnesota Department of Revenue's biannual Tax Incidence Study. Businesses cannot simply absorb higher taxes and higher costs of regulations year after year. Costs are passed along to consumers in three ways: lower salary and benefit packages for employees; higher costs for products and services; lower returns to shareholders.

The Minnesota Chamber Federation is prepared to fight for the economic interests of all Minnesotans. The pathway toward economic prosperity isn't through increased spending and higher taxes. Instead of growing government, we should be handing private-sector innovators the tools to fuel growth and not make it more costly to do business in Minnesota.



## Why Wellness Matters

**Featured Speaker: Joel Spoonheim**

Joel Spoonheim is the Director of Health Promotion for HealthPartners. Previously, Mr. Spoonheim worked for Healthways as the founding staff member and Executive Director for the Blue Zones Project. This City by City Program coordinates initiatives to change people's daily environments to make healthy choices easy. Passionate about community and organization transformation, he has worked for healthcare companies, city governments, and non-profits directing major initiatives that require engaging diverse stakeholders and complex problem solving.

Also learn from the success of others: Local Wellness Leaders:

Albert Lea Children's Center

Freeborn Mower Cooperative Services

Albert Lea Select Foods

Join us at the Freeborn County Historical Museum, Library and Village  
Wednesday, March 13, 7:30—9:30 a.m.

Breakfast served at no charge. Reservations are required.

Call the Albert Lea—Freeborn County Chamber of Commerce at  
373-3938 or by emailing [alfcoc@albertlea.org](mailto:alfcoc@albertlea.org)

Thank you to our Sponsors



## Thank You

The following members renewed their memberships in February

Freeborn County Coop Oil Company	Village Cooperative of Albert Lea
Leuthold's	Diamond Jo Casino
Morreim Drainage	The INTERCHANGE Wine & Coffee Bistro
Troy Thompson Agency	Senior Resources of Freeborn County
Pepsi Cola of Rochester	It's Worth It Massage & Wellness Studio
Thompson Sanitation Service	



### ***Referrals***

We had 82 referrals during the month of February.

## Committee Updates

**CHAMBER BOARD** – met on February 27. The Board welcomed Mike Chandler as a new Board Member. Update reports were given by the City of Albert Lea, ALEDA, Riverland Community College and the Shell Rock River Watershed District. The Board discussed the Main Street Project.

**AGRICULTURE COMMITTEE:** met on February 27 to select the “Farm Family of the Year”.

**AMBASSADOR’S** - met on February 6. Committee nominated the new Chairs which are Melissa Barr and Kathy Leidal. Discussed the volunteering at the Governor’s Fishing Opener and the fireworks fundraiser on the corners of East Main and Broadway.

**GREEN COMMITTEE** – met on February 20. The Committee is considering a name change to better describe the Committees mission.

**GOVERNMENTAL AFFAIRS COMMITTEE** – met on February 14. City representative reported that a forum may be held to discuss the future of the Northbridge Mall. The Watershed District reported that they have a contract for the Fountain Lake Dredging Project thru 2021. The March 22 Eggs & Issues event which will be held at Wedgewood Cove will focus on the Child Care Crisis. Minnesota Chamber of Commerce representative, Jennifer Byers, informed the Committee on what is happening at the Legislature regarding mandating paid leave, tax reform, wage theft, sexual harassment, child care, housing and workforce.

**WORKSITE WELLNESS COMMITTEE** – met on February 15. Worksite Summit Speaker is Joel Spoonheim. The Event will be held at the Freeborn County Historical Museum, Wednesday, March 13, 7:30–9:30 a.m. Discussed re-engaging in the Quarterly Newsletter.



Friday, March 22, 2019

Wedgewood Cove

7:30 am to 9:30 am

\$10.00 per person (includes Breakfast)

Please contact the Chamber office at 507-373-3938 for registration or  
email [alfccoc@albertlea.org](mailto:alfccoc@albertlea.org)

## ***Minnesota's Child Care Crisis***

Child Care is a crisis, affecting outstate Minnesota in particular. Lack of affordable child care is an economic issue, with nearly 30% of respondents of a survey by First Children's Finance indicating they declined a position in our area due to lack of child care. According to this same study, Freeborn County has a shortage of 314 child care slots.

Help our community find solutions to this child care crisis!

### **Presenters:**

Rae Jean Hansen, Southern Minnesota Initiative Foundation (SMIF)

Clare Sanford – Director of Governmental & Community Relations at New Horizon Academy

Marnie Werner, Center for Rural Policy and Development

### **Community Stakeholders invited:**

Jenny Hanson – ISD 241 or appropriate person

Noelle Hagen – ALEDA (or Phillip)

Dan Dorman - Greater Minnesota Partnership

Brady Engelby – Freeborn County Child Care Licensor

RICC Committee – Rural Impact Community Challenge Committee. (this is the group that received a grant from SMIF to address this very issue)

Jeff Woodside – Albert Lea Select Foods

Tetyana Nielsen – Cargill Foods

Tricia Dahl – Mayo Clinic Health System Albert Lea & Austin

Chad Adams – City of Albert Lea



## Board of Directors

Patricia Dahl, Board Chair  
Mayo Clinic Health System  
Albert Lea and Austin  
373-2384

George Gonzalez, 1<sup>st</sup> Chair  
Dave Syverson Auto  
373-1438

Kathy Sabinish  
Dave's Phone  
Booth/Frames-R-Us  
377-0848

Dr. Mike Funk  
Albert Lea Area Schools  
Superintendent  
379-4802

Angie Eggum  
Edward Jones  
373-2000

Angie Kolker  
Freeborn-Mower  
Cooperatives Services  
373-6421

Brandon Stevens, 2<sup>nd</sup> Chair  
Cargil Cooked Turkey and  
Meats  
377-2526

Beau Hartman  
Hartman Law Office  
507-200-0301

Catherine Buboltz  
Director of Sales & Marketing  
Thorne Crest Senior  
Living Community  
373-2311

Kim Nelson, Past Chair  
Riverland Community College  
433-0607

Mike Chandler  
Renewable Energy Group, Inc.  
507-448-0124

Kevin Miland  
Mrs. Gerry's  
507-373-6384

### **ALBERT LEA-FREEBORN COUNTY CHAMBER OF COMMERCE**

1725 West Main Street  
Albert Lea, MN 56007  
Phone: (507) 373-3938  
Fax: (507) 373-0344

[www.albertlea.org](http://www.albertlea.org)

<https://www.facebook.com/alfcchamber/>

### **Chamber Staff**

Rhonda Jordal  
Executive Director  
[director@albertlea.org](mailto:director@albertlea.org)

Elaine Wallace  
Executive Administrative Assistant  
[alfccoc@albertlea.org](mailto:alfccoc@albertlea.org)

Geri Jensen  
Event & Social Media Coordinator  
[member@albertlea.org](mailto:member@albertlea.org)