

# VIRGINIA WATCHDOG

## Analysis: Virginia is fourth best state for business

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Virginia is the fourth best state for business, according to a recent **ranking** from CNBC. That's three spots better than last year, when Virginia ranked seventh.

Samantha Quig Moore, director of Communications and program manager at the Virginia Chamber of Commerce, told [Watchdog.org](http://Watchdog.org) that CNBC's rankings are important because businesses consider them when looking to relocate.

While pleased to see Virginia improving, Moore said the chamber is focused on "strategic areas of competitiveness" to get Virginia back at number one using their **Blueprint Virginia 2025 plan**. The plan includes investing in talent, fostering a competitive climate and enabling entrepreneurship, among other things.

Jason Sorens, one of the authors of the Cato Institute's **"Freedom in the 50 States"** study, told [Watchdog.org](http://Watchdog.org) that there is a strong correlation between economic freedom and business friendliness.

"The primary driver of state business success is probably the international economic environment, including trade and technological developments," Sorens said. "But after these macro factors, the state policy environment does make a substantial difference."

Virginia, he said, is attractive to businesses because it ranks higher than average in terms of economic freedom and because the federal government's growth results in a lot of opportunities in northern Virginia.

"Virginia has grown faster than Maryland because Maryland regulates the economy much more," Sorens said.

The states that finished ahead of Virginia were Texas, Washington and Utah at one, two and three.

"We welcome CNBC's recognition of our administration's work to make Virginia work better for families and businesses in every corner of our Commonwealth," Virginia Governor Ralph Northam, who took office in January, said in a news release. "This upgraded ranking affirms our move to make 21st-century workforce development a cabinet-level priority and our bipartisan agreement to streamline regulatory requirements facing hard-working Virginians."

The states were ranked for 10 different categories and the overall ranking was determined by CNBC's weighting system. The categories with the highest weight were workforce, infrastructure, cost of doing business, and the economy. CNBC used input from business and policy experts, as well as government sources and used 60 measures of competitiveness to calculate how business friendly they are.

