

Anatomy of Top States for Business

CNBC uses 85 measures to produce an annual ranking of state competitiveness. The exact measures used by CNBC are not identified. Here we rely on their own description of the methodology to identify the kinds of measures employed within each category.

Workforce

- Education level of the workforce
- Available workers
- State's performance in attracting and retaining college-educated workers
- Concentration of workers in science, technology, engineering and math
- Labor productivity (output per job)
- Diversity of the workforce
- Union membership
- Right-to-work status

Cost of Doing Business

- Wages
- Occupancy rental costs
- Utility rates
- Tax climate and taxes for various types of businesses
- Incentives, including those targeted at disadvantaged communities

Infrastructure

- Value and volume of goods shipped by air, waterways, roads and rail
- Availability of air travel
- Condition of roads and bridges
- Access to markets — population within 500 miles of the state
- Quality, access and price of broadband
- Reliability of the electric grid
- Sustainability in the face of climate change
- Condition of state's drinking water and wastewater systems
- Availability of sites

Economy

- Economic growth
- Job growth
- Health of the residential real estate market
- State credit rating
- State spending, revenues, and pension obligations
- Number of major corporate headquarters

Life, Health and Inclusion

- Crime rate
- Antidiscrimination protections
- Voting rights
- Quality of health care
- Health insurance coverage
- Public health and hospital resources
- Covid-19 vaccination rates
- Environmental quality

Technology and Innovation

- State support for innovation
- Number of patents issued per capita
- High-tech business formation rate
- Federal health, science and agricultural research grants

Education

- Number of higher education institutions
- Long-term funding trends for higher education
- Historically black colleges and universities
- K-12 education: test scores, class size, spending
- Digital and lifelong learning opportunities

Business Friendliness

- Lawsuit and liability climate for business
- Trade and labor regulation
- Bureaucracy

Cost of Living

- Cost of housing food, energy, and other goods and services.

Access to Capital

- Covid-related state grants and loans to business
- Federal Paycheck Protection aid and Economic Injury Disaster Loans
- Venture capital investments
- Small business lending