



## **New Jersey, Illinois Look To Convince Companies To Relocate From States With Anti-Abortion Policies**

Garden State Gov. Phil Murphy Sends Letters to Roughly 60 Firms in Texas, Georgia, Florida, Ohio and Missouri



*Jersey City, New Jersey, has proved to be an attractive option for some companies considering a relocation to the region because of lower rents than nearby New York City. (Getty Images)*

By Linda Moss and Andy Peters  
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New Jersey and Illinois are urging companies in states with what they call too restrictive abortion laws to relocate or move operations to their jurisdictions, where the Garden State's governor said women are protected from the "dangerous potential new reality" of the U.S. Supreme Court's expected decision to overturn *Roe v. Wade*.

In an aggressive campaign, New Jersey Gov. Phil Murphy, a Democrat, has sent letters courting nearly 60 unidentified companies mainly in Georgia, Texas, Ohio, Missouri and Florida, his spokeswoman, Alyana Afaro Post, confirmed in an email Tuesday. The firms that were contacted either have their headquarters or a significant corporate presence in those states.

“Economic strength is about more than just value — it is about values,” Post said. “Gov. Murphy encourages businesses looking to stand with their employees to look to New Jersey, a state where they can be confident that the rights of women, the LGBTQIA+ community, and voters will always be protected.”

In Illinois, officials are set to step up their effort to attract out-of-state businesses if the Supreme Court reverses *Roe v. Wade*, the landmark 1973 decision establishing a constitutional right to abortion in the United States. Last September, Illinois Democratic Gov. J.B. Pritzker wrote letters to CEOs of Texas companies including Oracle’s Safra Catz, Dell’s Michael Dell and Hewlett Packard Enterprise’s Antonio Neri touting Illinois strengths and criticizing Texas’ “radical” politicians.

A Chicago economic development group plans to resume running ads in Texas, and potentially other states, regarding reproductive and voting rights once the expected court decision is handed down.

Arguments and warnings about women losing their right to choose don’t always determine the actions of companies. It didn’t stop Caterpillar, the world’s largest maker of construction and industrial equipment, from deciding to relocate its global headquarters to Irving, Texas, from Deerfield, Illinois, a decision that was announced Tuesday.

Competition is fierce to attract company headquarters and operations, welcoming commercial real estate tenants in an era when the office market took a hit following the peak of the pandemic. And governors are increasingly using social issues that are viewed as important to workers as a draw to employers. New Jersey has taken this approach before, with Murphy sending letters to movie and TV studios in Georgia after the Southern state passed more restrictive voting laws last year. Some studios ended up canceling film projects because of the legislation.

## **Blue Versus Red States**

Public officials directly contacting CEOs in other states to convince them to relocate has become a more common tack.

“This is a strategy also being utilized by a number of other blue state governors, including J.B. Pritzker in Illinois, essentially assuring job creators or C-Level executives that in Illinois and New Jersey — despite what the Supreme Court does — we will keep abortion legal, unlike states like Louisiana, Georgia and Texas, which all have thriving film industries,” said John Boyd Jr., a principal of relocation consultant Boyd Co.

“We don’t know yet the degree a Roe v. Wade reversal will really, truly impact corporate-site selection decisions,” he said. “But on the economic development side, we are certainly seeing governors like Phil Murphy utilize this and strengthen economic development coalitions to attract new film and multimedia industries.”

States without restrictive abortion laws, including New Jersey, now have the opportunity to tout their benefits, including the ability to protect women’s health options, to a variety of companies who have taken a public stance on the issue, said David Jacobson, an executive director of online education at Southern Methodist University in Dallas, who specializes in real estate risk management and business law.

“If Roe v. Wade is overturned, I think we’re going to see a great repositioning of companies and their employees,” Jacobson, who has been a professor for about 15 years including at Duke University and the University of North Carolina at Chapel Hill, told CoStar News. “The states that can protect women’s rights will be able to attract some business and workforce other states won’t be unable to attract.”

This could give some states the ability to not only extend economic incentives, Jacobson said, but also social liberties as part of their corporate recruiting efforts. For companies making public stances to protect the social liberties of diverse employee groups, such as women and LGBTQ+, Jacobson said he wouldn’t be surprised if companies, including Amazon, Starbucks and Microsoft, are seeing pitches from certain states.

Beyond New Jersey, he said Colorado, New Mexico and California are also likely making pitches of their own to would-be corporate residents.

“Company leaders know their employee constituents are concerned about their social liberties, so they are taking an ethical stance even if it costs them,” Jacobson said. “Taking an ethical stance and having a culture go hand-in-hand with companies creating the most value over a sustained amount of time being highly diverse.”

## **Murphy’s Pitch**

Murphy, in his letters dated May 25, reached out to the CEOs of companies in the digital media and entertainment, financial services, information technology and manufacturing industries. The governor described how in January he signed “historic legislation” codifying reproductive choice into New Jersey law in advance of the looming Supreme Court ruling.

“The overturning of a woman’s right to bodily autonomy — and the chilling effect this decision will have on your ability to attract and retain top female talent by being located in a state which has refused to recognize women’s reproductive freedom — cannot be ignored,” he wrote.

Murphy’s letter campaign was first reported by The Atlanta Journal-Constitution.

Pritzker, whose office didn't respond to a request for comment, offered a similar message as Murphy to the Texas companies he first contacted last fall.

"So as radical legislators in Texas functionally eradicate the autonomy of half the state, cutting off their access to basic health care, family planning, and the freedom to thrive, I invite you to consider a new home base for you company — one that embraces the policies of the 21st century and aligns with your company's values to ensure women succeed," Pritzker's letters read in part.

Also last September, Chicago's economic development agency, World Business Chicago, took out a full-page ad in the Dallas Morning News aimed at Texas' Republican governor, Greg Abbott, and recently passed laws restricting reproductive and voting rights in the state.

The "Dear Texas" ad read, in part: "In Chicago, we believe in every person's right to vote, protecting reproductive rights and science to fight COVID-19."

World Business Chicago told the Chicago Tribune this week that it plans a new round of ads if the Supreme Court overrules Roe v. Wade, saying it could expand the effort to states beyond Texas.

Abbott's office did not immediately respond to an emailed request for comment Tuesday, and neither did Ohio Gov. Mike DeWine's office or Florida Gov. Ron DeSantis' office. All three are Republicans. A spokesman for Missouri Gov. Mike Parson, also a Republican, declined to comment. But Georgia Gov. Brian Kemp, another Republican, had plenty to say.

## **Georgia Highlights Successes**

He isn't worried about New Jersey, said spokeswoman Katie Byrd. She pointed to two companies that moved headquarters from the Garden State to Georgia: Mercedes-Benz USA and Newell Brands.

Kemp's office said later this summer global shipping company Hapag-Lloyd will move its U.S. headquarters to Atlanta from Piscataway, New Jersey. A Hapag-Lloyd spokesman, Nils Haupt, confirmed those plans to CoStar News.

"The Peach State's pro-business environment is the best place to grow and serve a global customer base," Byrd said in an emailed statement.

Georgia has won trade magazine Area Development's award as the top state for business for eight consecutive years. But Georgia's economic development efforts have been criticized in some corners.

The state agreed to provide electric vehicle manufacturer Rivian Automotive with \$1.5 billion in tax breaks and other financial incentives to convince the company to build a new plant in Georgia.

During this year's Republican gubernatorial campaign, former U.S. Sen. David Perdue hammered Kemp for the huge financial package he gave to Rivian.

"This may be the worst deal I have ever seen in my 40-year business career," Perdue said during a May campaign event, according to the Morgan County Citizen.

Kemp defeated Perdue in the primary election.

*CoStar News Chicago reporter Ryan Ori and Dallas reporter Candace Carlisle contributed to this story.*