

Georgia woos recruits as N.C., Miss., face fallout of LGBT laws

By Dan Chapman, Arielle Kass and J. Scott Trubey - **The Atlanta Journal-Constitution**

April 7, 2016

Threats of canceled conventions and lost jobs in North Carolina and Mississippi could not have come at a better time for Georgia.

Laws passed in the Tar Heel and Magnolia states that are viewed as discriminatory to lesbian, gay, bisexual and transgender people come on the heels of Gov. Nathan Deal's veto of similar legislation in Georgia — and just in time for The Peach State's biggest business recruiting event of the year.

The Red Carpet Tour, with about two dozen top economic development prospects, is making its way across Georgia this week. The four-day schmooze-fest designed to lure companies to Georgia is capped by VIP access for the first and third rounds of the Masters golf tournament in Augusta.



Industry observers say recruiters are no doubt emphasizing Georgia's newly burnished reputation for tolerance at every turn, even though a new "religious liberty" bill is likely to come up in Georgia next year.

They may even use it to try to lure payments technology firm PayPal, which announced it was no longer planning a 400-person operations

Some of Georgia's top economic development recruits were in the crowds Thursday, April 7, 2016, at the Augusta National Golf Club

center in Charlotte.

“Timing is everything in economic development,” said John Boyd, a site selection expert at The Boyd Company in New Jersey. “The timing is opportune for those states that were going to be bridesmaids but could re-enter the fray.”

Boyd said Deal “dodged a bullet” by vetoing the Georgia bill. In Mississippi, Gov. Phil Bryant signed a law this week that would allow businesses and government employees to deny services to LGBT people, citing their own religious beliefs. The bill specifically protects beliefs that “marriage is or should be recognized as the union of one man and one woman.”

North Carolina’s law bans the creation of local anti-discrimination codes — undoing a recent ordinance in Charlotte that offered protections to the LGBT community — and limits access to bathrooms based on the gender listed on a person’s birth certificate.



Georgia faced a similar media storm as corporations and civil rights groups condemned a much narrower “religious liberty” bill passed in the legislature but nixed by Deal. House Speaker David Ralston and Lt. Gov. Casey Cagle vowed to bring forward similar legislation next year. Fallout is already affecting North Carolina and Mississippi.

In addition to a travel ban for workers on government business announced by the city of Atlanta and several other mayors and governors, more companies have reconsidered bringing jobs to North Carolina.

Braeburn Pharmaceuticals, a New Jersey drug company, said it will reconsider building a \$20 million manufacturing and research facility and hiring 52 workers in Durham County. Braeburn called the law “unjust” and said it “believes in fair treatment and equality for all individuals in their communities.”

Charlotte Mayor Jennifer Roberts asked “like-minded cities that care about building a progressive future” to consider dropping their travel bans and said she was “deeply troubled” by PayPal’s decision. Roberts urged her state’s legislature to find a solution “as soon as possible, before North Carolina is more harmed by this bill.”

Other companies have said they won't invest in North Carolina until something changes. The Southern Sociological Society, which typically draws 1,200 people over four days, canceled its 2019 convention in Charlotte and all future North Carolina gatherings.

The NBA, the U.S. Soccer Federation, the NCAA and ESPN are reconsidering future sporting events there.

Mississippi faces similar travel bans, and earlier this week executives from eight large companies wrote a letter demanding state leaders repeal the new law.



Protesters call for Mississippi Gov. Phil Bryant to veto House Bill 1523, which they says will allow discrimination against LGBT people

Though Mississippi is rarely a direct competitor for businesses that are considering Georgia, North Carolina is one of the Peach State's top rivals for corporate headquarters and other coveted jobs deals.

Roberts said other states, like Georgia, may benefit.

"We know that jobs are growing, companies are expanding and for those who take North Carolina off their list they have to go somewhere," she said. "Some folks

will gain. It's a very competitive business environment and people are looking for things that differentiate them."

A person familiar with the matter said economic development officials always make sure to impress upon Red Carpet Tour attendees any differences between Georgia and its rivals, and the religious liberty backlash will be no different.

Georgia also will show off its low-cost and business friendly bona fides at a time when New York and California have approved plans to raise their minimum wages, the person said.

Georgia Department of Economic Development officials declined to comment. The department generally declines to discuss its recruiting message beyond highlighting Georgia's business climate and assets such as the state's ports and Atlanta's airport.

The Red Carpet Tour, led by the Georgia Chamber, other key business groups and the state, has been a marquee selling point for Georgia for more than 50 years. The guest list is secret. Attendees have included representatives of Kia Motors, which built a plant in West Georgia last decade.

Chamber officials last year said attendees have created more than 15,000 jobs in Georgia over several decades.

Boyd said Georgia “could make a case for a number of projects that would have looked at Raleigh and Charlotte.”

The Red Carpet Tour

The Georgia Chamber, other key state business groups and the state Department of Economic Development have wined and dined top recruits over Masters week for more than 50 years. The event this year includes a dinner at the Governor’s Mansion, stops at Augusta National Golf Club for two days of action at the Masters tournament, and visits to the Georgia coast. High-profile attendees in past years include representatives of Kia Motors, which built a plant in West Georgia, and Volvo, which picked South Carolina over Georgia last year for a U.S. auto manufacturing plant.

What they’re saying

Dan Schulman, CEO of PayPal: “...becoming an employer in North Carolina, where members of our teams will not have equal rights under the law, is simply untenable.”

Ric Elias, CEO of Red Ventures, on expanding in North Carolina: “... I am also forced to seriously reconsider adding more jobs in a state that tolerates discrimination and allows political interests to interfere with doing what is right for all citizens.”

North Carolina Lt. Gov. Dan Forest: “If our action in keeping men out of women’s bathrooms and showers protected the life of just one child or one woman from being molested or assaulted, then it was worth it. North Carolina will never put a price tag on the value of our children.”

Leaders of eight major companies on Mississippi’s law: “We are disappointed to see the legislature and governor’s office pass discriminatory legislation. The business community, by and large, has consistently communicated to lawmakers at every level that such laws are bad for our employees and bad for business.”