



Minnesota Rep. Jenifer Loon

Former congressional staffer has brought passion for service and expertise in economic development to the state Capitol

by Kate Tormey (ktormey@csg.org)

For Rep. Jenifer Loon, the inspiration to serve in the Minnesota Legislature started in an unlikely place: the floor of the South Dakota House of Representatives.

Loon was a high school student in South Dakota when her uncle — a lawmaker in that state — invited her to serve as a page in the Legislature. Loon figured it would be a good experience, but little did she know that it would help shape her future.

“It really was a lightbulb moment for me,” she recalls. “I really loved everything about it: being there on the House floor, seeing how the legislative process works and how accessible state legislators were.”

That accessibility is something Loon has tried to carry into her own public service. Now serving her third term in the Minnesota House, Loon, a Republican, represents a district southwest of the Twin Cities and is deputy House minority leader.

“I have as many political conversations at the grocery store or at choir concerts at the high school as I do in my office — and that’s what it is to serve as a state legislator,” she says.

After graduating from Augustana College, Loon spent a decade working in the U.S. Congress, where she eventually became chief of staff for the U.S. House Committee on Small Business.

But Loon was still drawn to service in state government because of the chance it would give her to help and work more closely with constituents. So when the opportunity to run for office presented itself, Loon jumped at it. She was elected to the House in 2008.

“Whether it’s a particular issue you are working on for a constituent or a policy area you work in, it seems like it’s increasingly harder to move some of those initiatives at the federal level,” she says.

“At the state level, you can make a positive impact, making changes or solving problems for people in your community and your state.”

Work in Congress spurred interest in tax policy, entrepreneurship

Loon’s interest and expertise in economic development has carried over from her work in Congress to the Minnesota Legislature; she serves on House committees related to taxes, commerce and the state’s budget. She is particularly interested in supporting small businesses, which she calls “the backbone of our community.”

“I know from my legislative work what challenges they face, whether it’s access to capital or working through regulations,” she says. “We need to be mindful that those burdens fall harder on smaller businesses than they do on larger ones, and we need to make sure that we are always keeping that in mind when we are considering legislation that — no matter how well intended — might impact them.”

Last month, CSG Midwest spoke with Loon about her policy priorities and her views on leadership. Here are some excerpts from the interview.

Bio-sketch: Rep. Loon

- ✓ first elected to the Minnesota House in 2008 and represents Eden Prairie, in the suburban Twin Cities
- ✓ currently serving as deputy minority leader
- ✓ 2009 graduate of CSG Midwest’s Bowhay Institute for Legislative Leadership Development (BILLD)
- ✓ holds a bachelor’s degree from Augustana College
- ✓ married with two children

Q: You’re currently working on a bill that would lift a state ban on the sale of liquor on Sundays. Can you talk about why it’s an important issue?

A: I am working on ... allowing local governments to make those decisions rather than the state. [It’s part of] continuing work on things that allow small businesses and entrepreneurs to be successful.

The law [barring] sales on Sunday was put into place when Prohibition was lifted, so it goes back to the 1930s. Times have changed, people’s schedules have changed, and it is a very busy day in the retail world for shopping of any kind. This is basically the last thing that consumers cannot purchase on Sunday.

We are a busy two-working-parent family, and most of the families I know are as well. When you’re trying to get all of the shopping in, some weeks Sunday is just the best day to get all of those things done. So for ease of the consumer, it certainly has a valid interest.

And from a business standpoint, I just don’t know that it is appropriate for the state to decide that there is one type of retail store that cannot operate on Sundays. We don’t tell other industries that. If the store owner doesn’t want to be open on Sunday, I absolutely do not want to force [him or her] to be. But I want them to have the option that other business owners have.

Q: You’re also proud of legislation that helped pave the way for small beer brewers to expand their businesses. What did the bill include?

A: I sponsored a “tap room” bill in 2011. We had some very small craft brewers who were getting a following for their product, but they wanted to open a destination brewery — like a winery, where you see how the product is made and go to a tasting room. This has become popular with beer connoisseurs.

In more than half of the other states, you could open a “tap room” and sell a glass of the beer that

you make at that brewery on-site to a customer. But our laws did not allow that; they had very strict lines between manufacturing, distribution and retail operations. As long as the city ordinance allows it, the new law removes the state prohibition. You still cannot go into the brewery and pick up a six-pack, but you can purchase a glass and enjoy it there.

What it has done is unleash whole new businesses in Minnesota. More than 30 craft breweries have started in Minnesota, and more than half of them have tap rooms. Distribution for some of these craft brewers is small, so this is a way of building consumer interest and loyalty in their product.

There was worry it would impact other sellers and bar owners, and that really hasn’t come to pass. There has been only an upside to it: more jobs and more businesses.

Q: Another bill you’re currently working on would repeal some tax increases put in place last year as part of a larger revenue package. Which policies are you targeting for repeal and why?

A: There were three business-to-business taxes that have caused a lot of heartburn among the business community: taxes on the warehousing of goods, on repair of equipment and on telecommunications equipment.

Our sales taxes are reasonably high in Minnesota. We don’t tax everything, but on the things that are taxed they are pretty high — upward of 7 percent. That is a pretty hard hit to the bottom line of businesses.

And regardless of your opinion on whether higher taxes are good, bad or neither, business-to-business taxes are pretty generally recognized as not the best way to go about levying taxes. You want to do it at the end point, or at the consumer’s end, because those taxes do eventually end up making their way to the consumer anyway — as an increase cost of goods and services — or to the detriment of employees in the form of lower wages or less-generous benefits. ...

It has become a pretty bipartisan priority for the session to repeal those taxes. I have introduced a bill to do that, and some of my colleagues have done so as well.

There was another tax change put in place recently: We instituted a gift tax. We are one of only two states in the country that do that. It has caused some concerns for people who are planning their giving or the passing on of money or real estate or something else of value to family members. Minnesota is a wonderful state in many ways, but our climate is not one of them.

I don’t want our taxes to be any more of an incentive for people to locate to warmer climates where the tax policies are also a bit better for them. I would like to see us repeal that gift tax and conform our estate taxes to the federal policy. That puts us on a better footing to compete with other states. ★