



OBAMA GOES HOLLYWOOD: Insight on the president's 'Tonight Show' appearance

News Search [input] All News [input] Advanced [input]

Recession woes? Not in North Dakota



By Karen Pierog - Fri Mar 20, 10:33 am ET

Buzz Up Send Share Print



Economy Video: **Biggest Losers?** FOX News

CHICAGO (Reuters) - North Dakota's diversified economy is keeping the small state afloat while most U.S. states sink deeper into economic recession.



Economy Video: **Public Safety Job Fair A Huge Hit** CBS4 Denver

Standard & Poor's Ratings Services this week upgraded the state's issuer credit rating to "AA-plus" from "AA," citing in part its "ability to generate surpluses with little impact from the current economic downturn."



Economy Video: **Save the League!** FOX News

Since December, S&P's state rating actions resulted in downgrades for California and Illinois and negative outlooks for Florida and Rhode Island ratings with North Dakota being the sole state upgraded by the ratings agency in six months.

As tax collections wither in most states, North Dakota is still raking in the revenue.

"North Dakota is about the only state in the country that is doing well, and its sales tax (revenue) was up 14.4 percent," said a recent Rockefeller Institute of Government report comparing state tax collections in the fourth quarter of 2008 to the same time period in 2007.

The state's jobless rate was a mere 4.2 percent in January, compared to the national unemployment rate of 7.6 percent.

"Isn't it crazy?" said Pam Sharp, North Dakota's budget director, in a telephone interview with Reuters on Thursday.

"People are still making money here; income growth is up," she added.

What sets North Dakota apart from other states according to Sharp is an economy that has been diversified beyond the energy and agricultural sectors, a stable housing market that did not take a hit from the subprime mortgage crisis and conservative financial management.

North Dakotans, who number an estimated 639,715, are spending even as their confidence was shaken a bit by losses in their 401k plans, Sharp noted.

Revenue exceeded projections over the last four months and the state is looking to end its current fiscal 2008-09 biennium with a \$1 billion surplus, according to the budget director.

For the next biennium, the legislature is contemplating \$400 million in property and income tax relief as they craft the next \$7.5 billion all-funds, two-year budget.

As for general obligation debt, the state has none, opting to pay cash for most capital expenditures.

Related Searches: [national unemployment rate](#) [jobless rate](#) [north dakota](#)

Recommend 8 users recommend

Buzz Up Send Share Print

More on the U.S. Economy

[ECB could cut rates, use other measures: Trichet](#)
Reuters

[Obama says risks still haunt U.S. financial system](#)
Reuters

[Toxic asset purchase program details](#) AP

More...


Video: [Terbonne Parish thriving during economic downturn](#) WWL-TV Channel 4 New Orleans

Top Stories

- FAA: Children among 17 dead in Montana plane crash
- GOP predicts doomsday if Obama budget passed
- Police: 4th Oakland officer still on life support
- Treasury's toxic asset plan could cost \$1 trillion
- New video shows Briton kidnapped in Iraq in 2007
- AP IMPACT: Mentally ill a threat in nursing homes
- Pope decries African wars at Mass for 1 million

[More Top Stories >](#)

ADVERTISEMENT



NETFLIX

Rent Changing today!

[Click here](#)

sponsored links

- [Online Degrees](#)
Get Your AA, BA, Masters or PhD at a Top Online School. Start Now.
[Education.Nextag.com/online-Degrees](#)
- [Refinance Rates As Low As 5.00%](#)
Compare Offers. No SS# Required. Serious Refinance Inquiries Only.
[www.HomeLoanTrust.com](#)
- [Refinance and Save \\$1,000's](#)
\$200K Mortgage for \$917/month. No Obligation. Refinance Requests Only.
[www.pickAMortgage.com](#)

Featured



Octuplets' mother
Search for the latest stories on Nadya Suleman.



Internet Explorer 8
Optimized for Yahoo! Safer, faster, and easier with new tools.