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EDITION



RICH STATES, POOR STATES

ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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State Rankings

The Economic Outlook Ranking is a forecast based on a state’s current standing in 15 state policy variables. Each of these factors is influenced directly by state lawmakers through the legislative process. Generally speaking, states that spend less—especially on income transfer programs, and states that tax less—particularly on productive activities such as working or investing—experience higher growth rates than states that tax and spend more.

The Economic Performance Ranking is a backward-looking measure based on a state’s performance on three important variables: State Gross Domestic Product, Absolute Domestic Migration and Non-Farm Payroll Employment—all of which are highly influenced by state policy. This ranking details states’ individual performances over the past 10 years based on this economic data.

ALEC-Laffer State Economic Outlook Rankings, 2017

Based upon equal-weighting of each state’s rank in 15 policy variables

Rank	State	Rank	State
1	Utah	26	Kansas
2	Indiana	27	South Carolina
3	North Carolina	28	Louisiana
4	North Dakota	29	Iowa
5	Tennessee	30	Alaska
6	Florida	31	West Virginia
7	Wyoming	32	Nebraska
8	Arizona	33	Kentucky
9	Texas	34	Maryland
10	Idaho	35	New Mexico
11	Virginia	36	Rhode Island
12	South Dakota	37	Delaware
13	Nevada	38	Pennsylvania
14	Wisconsin	39	Montana
15	Colorado	40	Washington
16	Oklahoma	41	Oregon
17	Georgia	42	Maine
18	New Hampshire	43	Hawaii
19	Ohio	44	Illinois
20	Michigan	45	Minnesota
21	Alabama	46	Connecticut
22	Mississippi	47	California
23	Arkansas	48	New Jersey
24	Missouri	49	Vermont
25	Massachusetts	50	New York

ALEC-Laffer State Economic Performance Rankings, 2005-2015

Rank	State	State Gross Domestic Product	Absolute Domestic Migration	Non-Farm Payroll
1	Texas	2	1	2
2	North Dakota	1	16	1
3	Washington	6	8	5
4	Utah	3	14	3
5	Colorado	12	6	4
6	Oklahoma	7	12	16
7	Oregon	9	10	17
8	South Dakota	5	23	8
9	North Carolina	22	3	13
10	Montana	8	18	12
11	South Carolina	18	7	15
12	Idaho	20	15	7
13	Nebraska	4	30	14
14	Wyoming	10	21	18
15	Tennessee	21	9	21
16	Georgia	38	5	20
17	Iowa	13	28	22
18	Massachusetts	14	40	11
19	Arizona	40	4	27
20	Kansas	11	35	25
21	Alaska	31	31	9
22	Florida	43	2	29
23	Virginia	28	22	24
24	New York	17	50	10
25	Kentucky	27	20	31
26	Hawaii	24	33	23
27	West Virginia	19	24	38
28	Arkansas	32	17	33
29	California	15	49	19
30	Delaware	36	19	30
31	Minnesota	26	37	26
32	Maryland	23	42	28
33	Indiana	25	34	34
34	Pennsylvania	16	41	36
35	New Hampshire	37	25	32
36	Louisiana	48	44	6
37	Nevada	50	11	40
38	Vermont	41	27	35
39	Alabama	42	13	48
40	Wisconsin	29	39	37
41	Missouri	33	32	41
42	New Mexico	44	29	42
43	Mississippi	35	38	43
44	Illinois	30	48	39
45	Maine	45	26	47
46	Ohio	34	45	45
47	New Jersey	39	46	46
48	Rhode Island	46	36	49
49	Connecticut	47	43	44
50	Michigan	49	47	50

Alabama

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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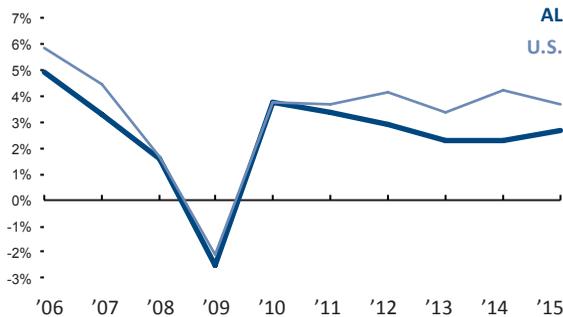
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

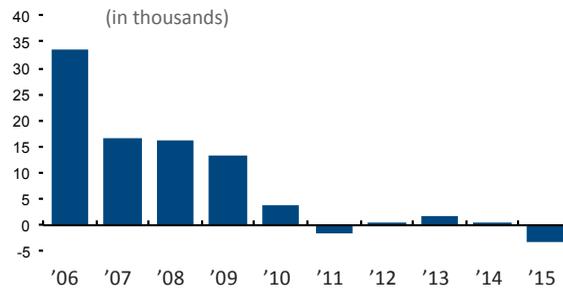
State Gross Domestic Product

Cumulative Growth 2005-2015 27.4% Rank: 42



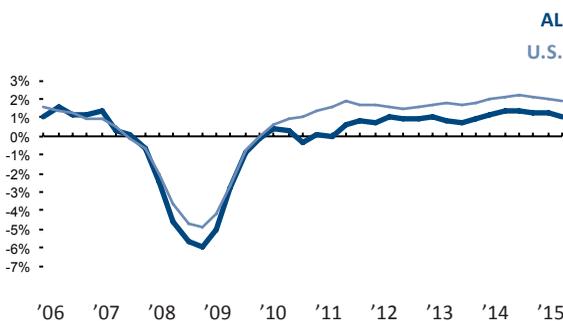
Absolute Domestic Migration

Cumulative 2006-2015 81,672 Rank: 13



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 -0.4% Rank: 48



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Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 17 20 21 17 20 19 21

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.02%	13
Top Marginal Corporate Income Tax Rate	4.23%	7
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	-\$2.18	1
Property Tax Burden (per \$1,000 of personal income)	\$14.44	2
Sales Tax Burden (per \$1,000 of personal income)	\$24.67	31
Remaining Tax Burden (per \$1,000 of personal income)	\$22.07	39
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	-\$0.05	21
Debt Service as a Share of Tax Revenue	8.7%	33
Public Employees Per 10,000 of Population (full-time equivalent)	580.9	40
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	55.1	46
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.85	26
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Alaska

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



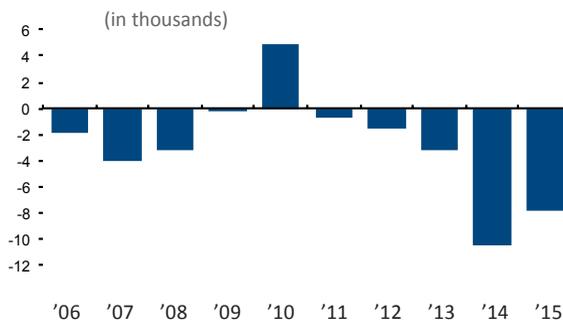
21 Economic Performance Rank

Economic Performance Rank (1=best 50=worst)
 A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

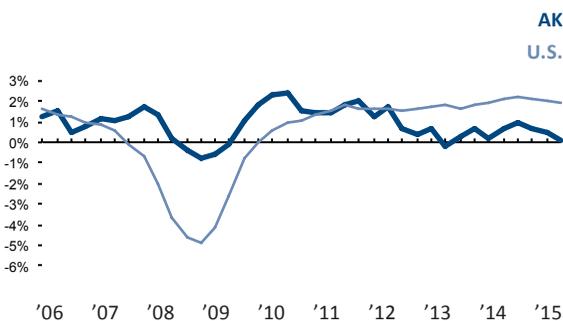
State Gross Domestic Product
 Cumulative Growth 2005-2015 31.7% Rank: 31



Absolute Domestic Migration
 Cumulative 2006-2015 -28,058 Rank: 31



Non-Farm Payroll Employment
 Cumulative Growth 2005-2015 9.2% Rank: 9



30 Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)
 A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 22 29 29 21 18 14 25

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	9.40%	44
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$0.00	2
Property Tax Burden (per \$1,000 of personal income)	\$49.97	47
Sales Tax Burden (per \$1,000 of personal income)	\$5.60	5
Remaining Tax Burden (per \$1,000 of personal income)	\$13.86	7
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	\$0.18	31
Debt Service as a Share of Tax Revenue	8.2%	30
Public Employees Per 10,000 of Population (full-time equivalent)	729.9	49
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	68.1	12
State Minimum Wage (federal floor is \$7.25)	\$9.80	44
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.74	46
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Arizona

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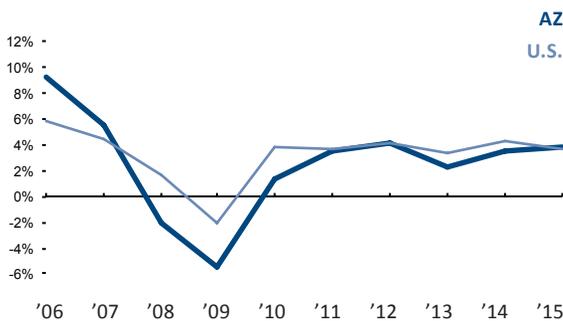
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

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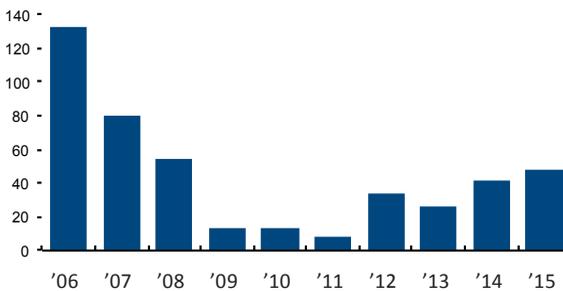
State Gross Domestic Product

Cumulative Growth 2005-2015 27.9% Rank: 40



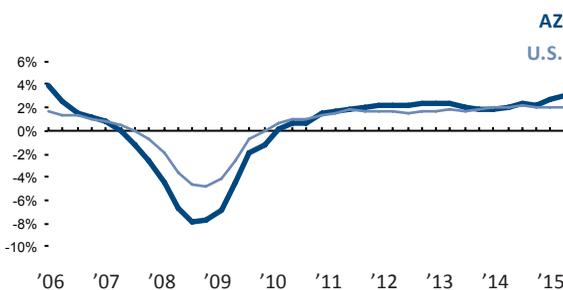
Absolute Domestic Migration

Cumulative 2006-2015 (in thousands) 450,976 Rank: 4



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 4.5% Rank: 27



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Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 3 12 9 6 7 5 5

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.54%	14
Top Marginal Corporate Income Tax Rate	4.90%	10
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$10.64	32
Property Tax Burden (per \$1,000 of personal income)	\$26.71	18
Sales Tax Burden (per \$1,000 of personal income)	\$35.89	44
Remaining Tax Burden (per \$1,000 of personal income)	\$11.65	2
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	-\$0.15	16
Debt Service as a Share of Tax Revenue	8.7%	34
Public Employees Per 10,000 of Population (full-time equivalent)	418.2	2
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	65.4	25
State Minimum Wage (federal floor is \$7.25)	\$10.00	45
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.50	13
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

Arkansas

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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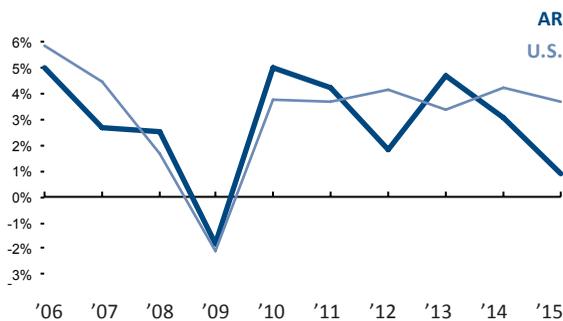
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

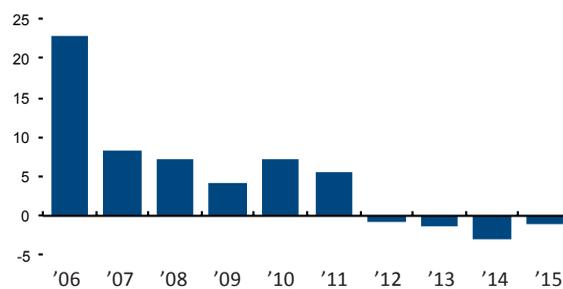
State Gross Domestic Product

Cumulative Growth 2005-2015 31.7% Rank: 32



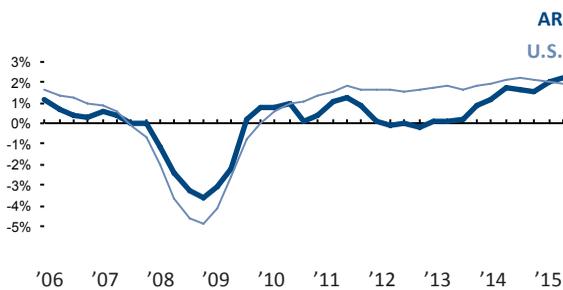
Absolute Domestic Migration

Cumulative 2006-2015 (in thousands) 49,414 Rank: 17



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 3.0% Rank: 33



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Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 13 13 11 24 26 22 20

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.90%	31
Top Marginal Corporate Income Tax Rate	6.50%	22
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$16.56	43
Property Tax Burden (per \$1,000 of personal income)	\$18.45	3
Sales Tax Burden (per \$1,000 of personal income)	\$38.49	48
Remaining Tax Burden (per \$1,000 of personal income)	\$17.13	24
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	-\$0.25	12
Debt Service as a Share of Tax Revenue	4.8%	8
Public Employees Per 10,000 of Population (full-time equivalent)	571.0	39
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	57.7	41
State Minimum Wage (federal floor is \$7.25)	\$8.50	31
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.06	3
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

California

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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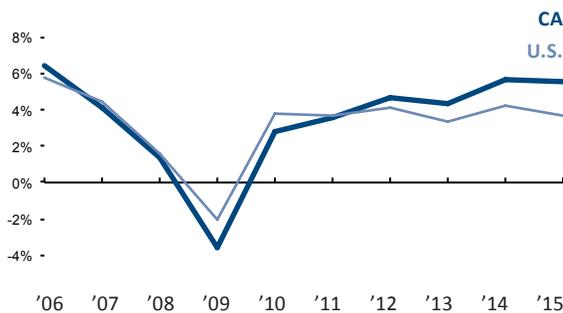
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

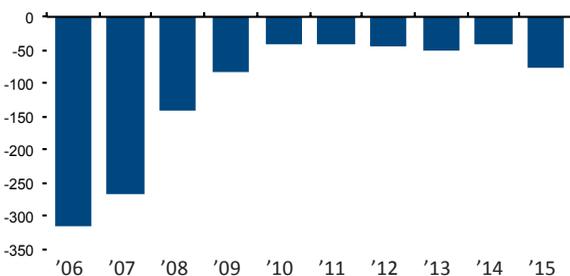
State Gross Domestic Product

Cumulative Growth 2005-2015 40.5% Rank: 15



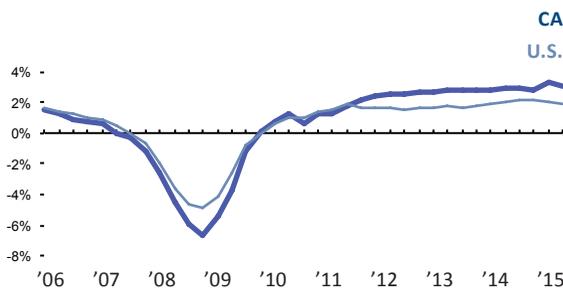
Absolute Domestic Migration

Cumulative 2006-2015 (in thousands) -1,103,301 Rank: 49



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 7.2% Rank: 19



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Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 46 47 38 47 47 44 46

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	13.30%	50
Top Marginal Corporate Income Tax Rate	8.84%	40
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$38.22	50
Property Tax Burden (per \$1,000 of personal income)	\$28.06	20
Sales Tax Burden (per \$1,000 of personal income)	\$25.28	33
Remaining Tax Burden (per \$1,000 of personal income)	\$16.89	22
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	\$0.36	33
Debt Service as a Share of Tax Revenue	9.1%	41
Public Employees Per 10,000 of Population (full-time equivalent)	453.5	6
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	49.9	47
State Minimum Wage (federal floor is \$7.25)	\$10.50	48
Average Workers' Compensation Costs (per \$100 of payroll)	\$3.24	50
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

Colorado

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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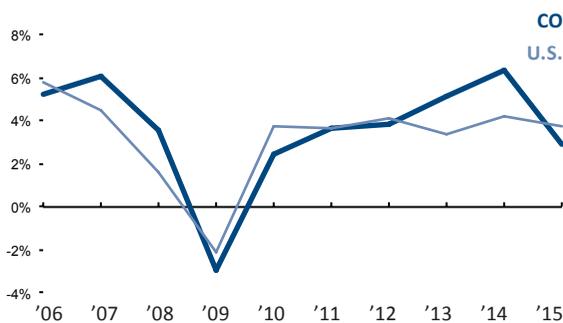
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

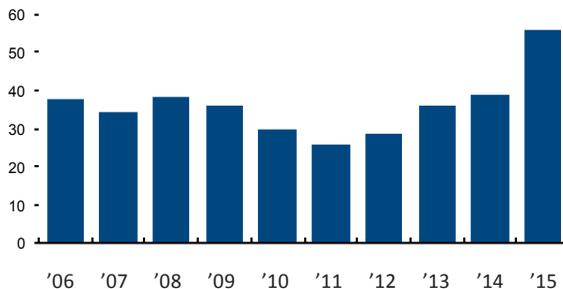
State Gross Domestic Product

Cumulative Growth 2005-2015 42.3% Rank: 12



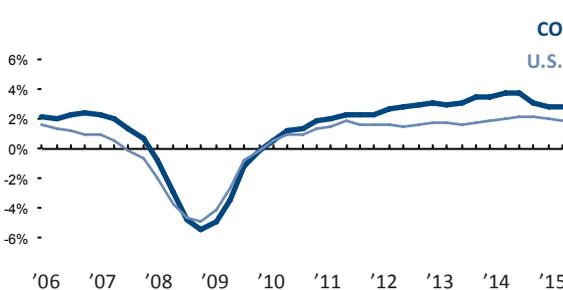
Absolute Domestic Migration

Cumulative 2006-2015 (in thousands) 362,153 Rank: 6



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 14.4% Rank: 4



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Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 2 6 8 16 22 21 16

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.63%	16
Top Marginal Corporate Income Tax Rate	4.63%	9
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$6.42	21
Property Tax Burden (per \$1,000 of personal income)	\$28.55	23
Sales Tax Burden (per \$1,000 of personal income)	\$23.55	29
Remaining Tax Burden (per \$1,000 of personal income)	\$13.28	6
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	\$0.02	27
Debt Service as a Share of Tax Revenue	10.9%	48
Public Employees Per 10,000 of Population (full-time equivalent)	518.1	20
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	67.8	16
State Minimum Wage (federal floor is \$7.25)	\$9.30	39
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.56	16
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	3	1

Connecticut

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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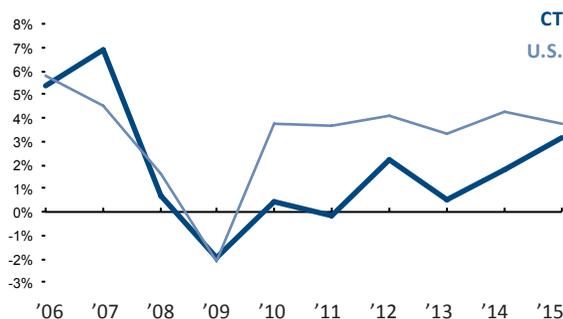
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

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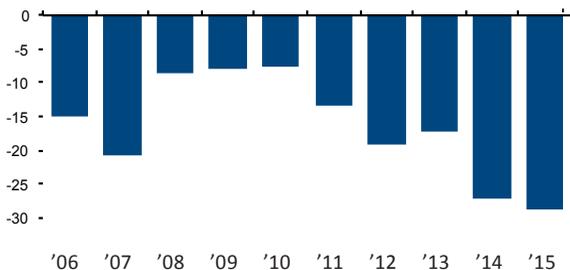
State Gross Domestic Product

Cumulative Growth 2005-2015 **20.3%** Rank: 47



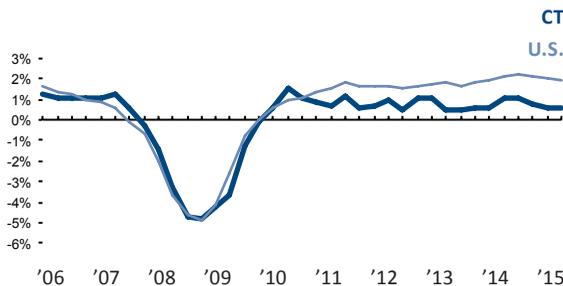
Absolute Domestic Migration

Cumulative 2006-2015 **-165,489** Rank: 43
(in thousands)



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 **0.7%** Rank: 44



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Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 36 35 44 43 44 47 47

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.99%	34
Top Marginal Corporate Income Tax Rate	9.00%	42
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$7.67	28
Property Tax Burden (per \$1,000 of personal income)	\$42.53	43
Sales Tax Burden (per \$1,000 of personal income)	\$16.98	12
Remaining Tax Burden (per \$1,000 of personal income)	\$15.81	16
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	\$3.51	47
Debt Service as a Share of Tax Revenue	7.1%	20
Public Employees Per 10,000 of Population (full-time equivalent)	534.5	29
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	65.9	22
State Minimum Wage (federal floor is \$7.25)	\$10.10	47
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.74	46
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Delaware

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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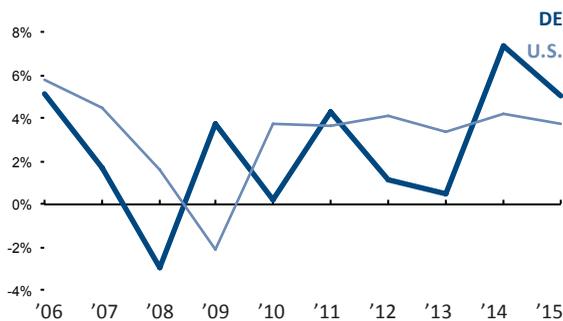
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

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State Gross Domestic Product

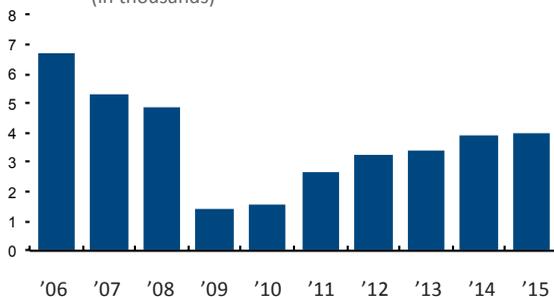
Cumulative Growth 2005-2015 29.1% Rank: 36



Absolute Domestic Migration

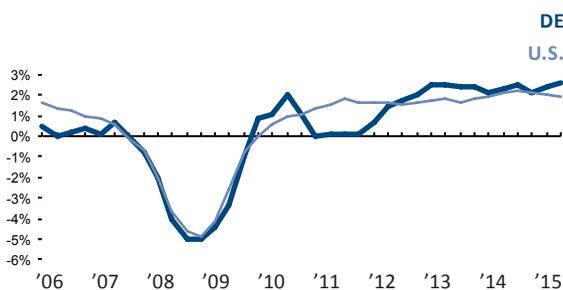
Cumulative 2006-2015 36,998 Rank: 19

(in thousands)



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 4.0% Rank: 30



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Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison

2010 2011 2012 2013 2014 2015 2016

ECONOMIC OUTLOOK RANK 37 34 34 30 27 38 44

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	7.85%	40
Top Marginal Corporate Income Tax Rate	11.69%	48
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$15.10	39
Property Tax Burden (per \$1,000 of personal income)	\$18.73	4
Sales Tax Burden (per \$1,000 of personal income)	\$0.00	1
Remaining Tax Burden (per \$1,000 of personal income)	\$47.57	50
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	-\$0.18	13
Debt Service as a Share of Tax Revenue	10.7%	47
Public Employees Per 10,000 of Population (full-time equivalent)	522.6	23
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	76.5	1
State Minimum Wage (federal floor is \$7.25)	\$8.25	27
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.32	45
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

Florida

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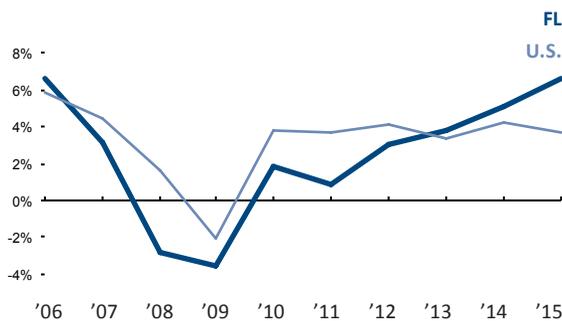
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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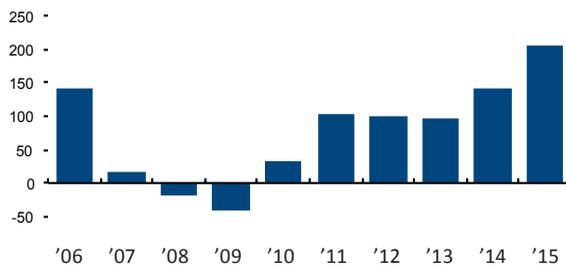
State Gross Domestic Product

Cumulative Growth 2005-2015 26.8% Rank: 43



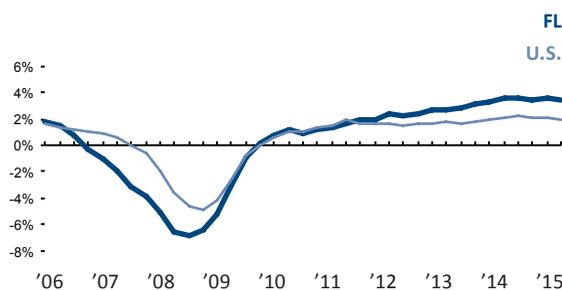
Absolute Domestic Migration

Cumulative 2006-2015 (in thousands) 779,441 Rank: 2



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 4.0% Rank: 29



6

Economic
Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 5 10 13 9 16 15 8

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	5.50%	15
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$0.00	2
Property Tax Burden (per \$1,000 of personal income)	\$28.63	24
Sales Tax Burden (per \$1,000 of personal income)	\$28.33	36
Remaining Tax Burden (per \$1,000 of personal income)	\$20.80	34
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	-\$0.47	10
Debt Service as a Share of Tax Revenue	9.0%	39
Public Employees Per 10,000 of Population (full-time equivalent)	432.3	3
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	56.0	44
State Minimum Wage (federal floor is \$7.25)	\$8.10	24
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.66	18
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

Georgia

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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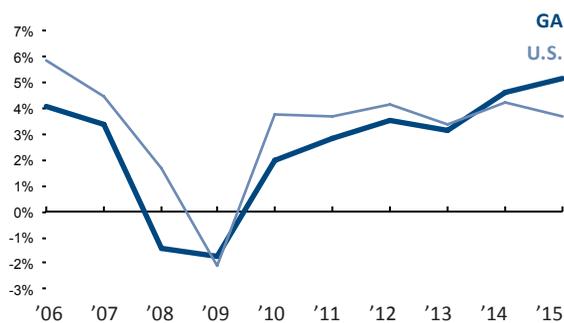
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

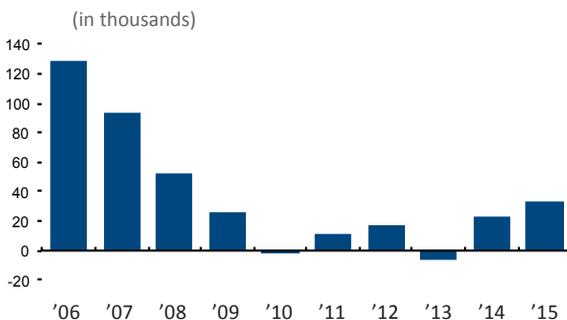
State Gross Domestic Product

Cumulative Growth 2005-2015 28.2% Rank: 38



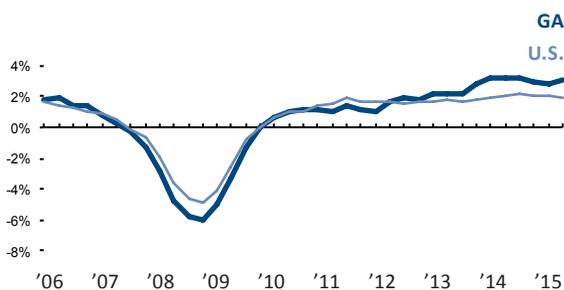
Absolute Domestic Migration

Cumulative 2006-2015 378,095 Rank: 5



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 6.3% Rank: 20



17

Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 9 11 10 8 9 7 19

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.00%	27
Top Marginal Corporate Income Tax Rate	6.00%	16
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$6.53	23
Property Tax Burden (per \$1,000 of personal income)	\$28.90	25
Sales Tax Burden (per \$1,000 of personal income)	\$23.34	28
Remaining Tax Burden (per \$1,000 of personal income)	\$11.42	1
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	\$1.63	44
Debt Service as a Share of Tax Revenue	7.3%	22
Public Employees Per 10,000 of Population (full-time equivalent)	495.7	15
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	62.4	31
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.80	24
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Hawaii

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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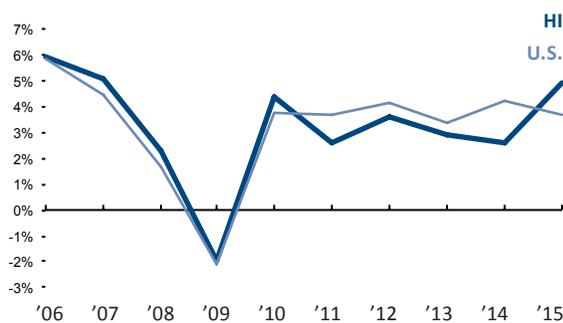
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

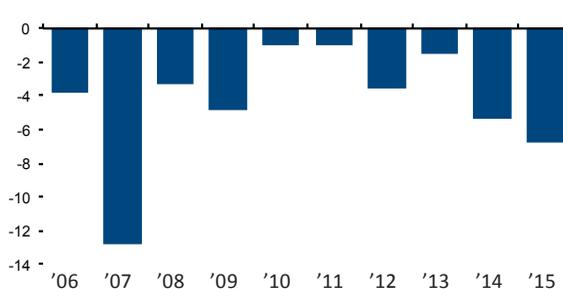
State Gross Domestic Product

Cumulative Growth 2005-2015 37.2% Rank: 24



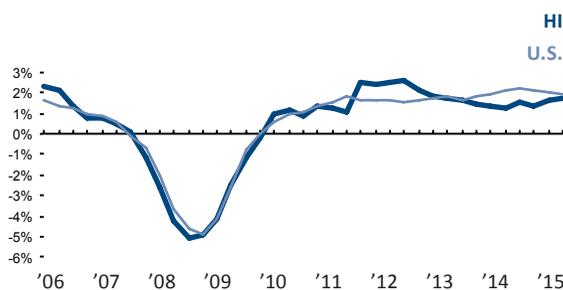
Absolute Domestic Migration

Cumulative 2006-2015 (in thousands) -43,856 Rank: 33



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 5.5% Rank: 23



43

Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 39 46 46 40 36 37 42

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	8.25%	42
Top Marginal Corporate Income Tax Rate	6.40%	21
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$13.54	36
Property Tax Burden (per \$1,000 of personal income)	\$21.69	10
Sales Tax Burden (per \$1,000 of personal income)	\$47.43	50
Remaining Tax Burden (per \$1,000 of personal income)	\$27.99	46
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	-\$1.01	7
Debt Service as a Share of Tax Revenue	7.4%	26
Public Employees Per 10,000 of Population (full-time equivalent)	524.5	24
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	62.8	30
State Minimum Wage (federal floor is \$7.25)	\$9.25	38
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.96	34
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Idaho

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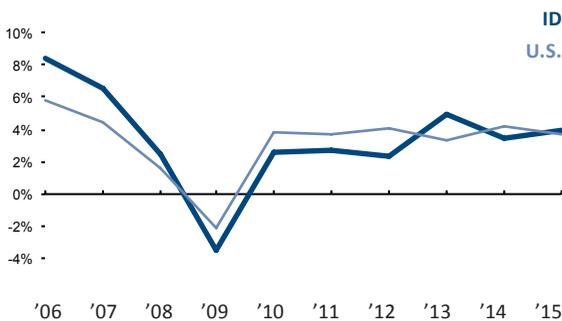
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

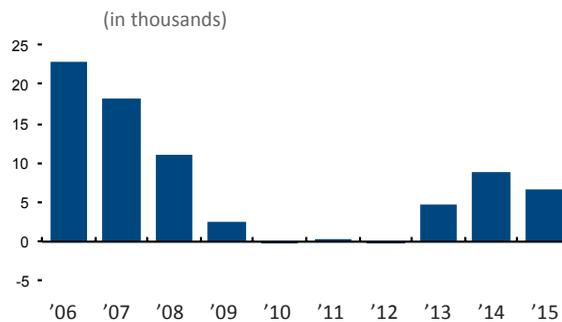
State Gross Domestic Product

Cumulative Growth 2005-2015 38.9% Rank: 20



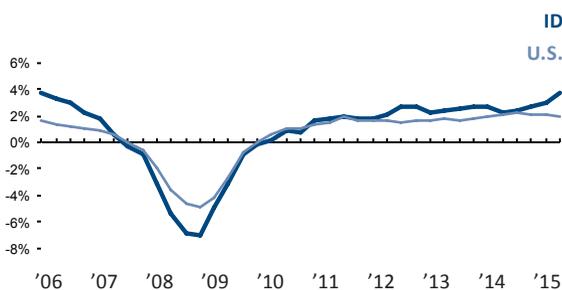
Absolute Domestic Migration

Cumulative 2006-2015 74,832 Rank: 15



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 10.1% Rank: 7



10

Economic
Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 7 5 6 7 5 6 15

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	7.40%	37
Top Marginal Corporate Income Tax Rate	7.40%	29
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$13.61	37
Property Tax Burden (per \$1,000 of personal income)	\$25.68	16
Sales Tax Burden (per \$1,000 of personal income)	\$23.27	26
Remaining Tax Burden (per \$1,000 of personal income)	\$14.62	10
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	\$0.25	32
Debt Service as a Share of Tax Revenue	4.7%	5
Public Employees Per 10,000 of Population (full-time equivalent)	485.3	12
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.5	6
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.79	23
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Illinois

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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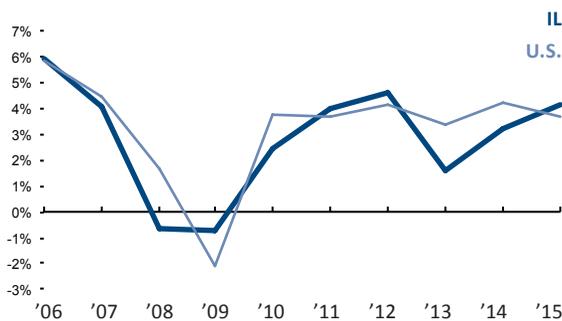
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

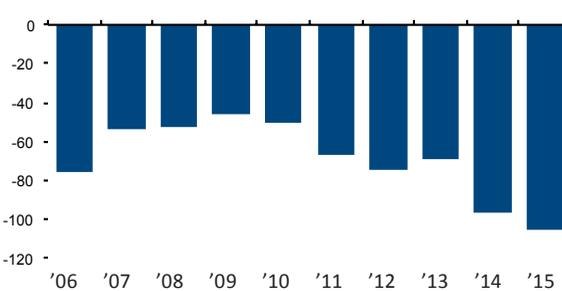
State Gross Domestic Product

Cumulative Growth 2005-2015 **32.5%** Rank: 30



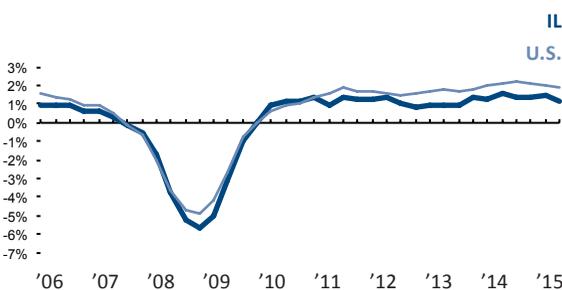
Absolute Domestic Migration

Cumulative 2006-2015 **-690,578** Rank: 48
(in thousands)



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 **1.6%** Rank: 39



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Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 47 44 48 48 48 40 43

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	3.75%	12
Top Marginal Corporate Income Tax Rate	7.75%	31
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$1.09	14
Property Tax Burden (per \$1,000 of personal income)	\$42.25	42
Sales Tax Burden (per \$1,000 of personal income)	\$16.42	10
Remaining Tax Burden (per \$1,000 of personal income)	\$22.62	41
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	\$0.00	25
Debt Service as a Share of Tax Revenue	9.8%	43
Public Employees Per 10,000 of Population (full-time equivalent)	488.3	13
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	48.0	48
State Minimum Wage (federal floor is \$7.25)	\$8.25	27
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.23	43
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Indiana

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



33

Economic Performance Rank

2

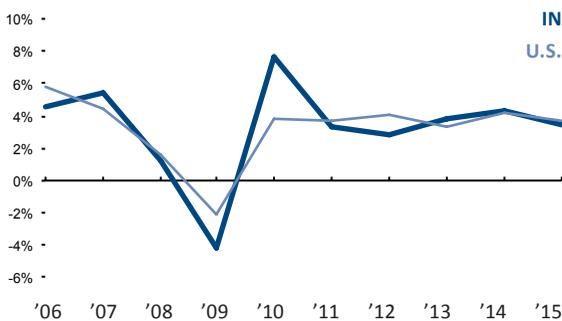
Economic Outlook Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

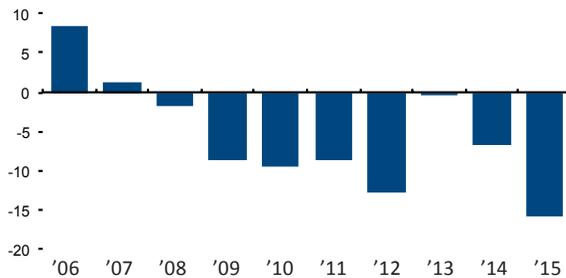
State Gross Domestic Product

Cumulative Growth 2005-2015 **37.1%** Rank: **25**



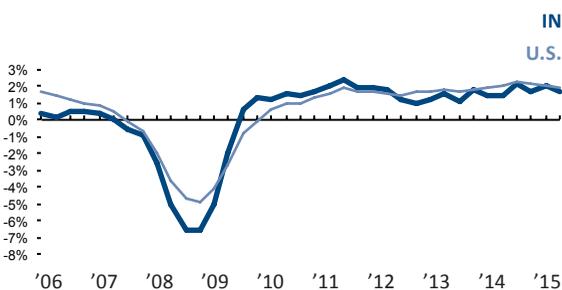
Absolute Domestic Migration

Cumulative 2006-2015 **-54,159** Rank: **34**
(in thousands)



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 **2.7%** Rank: **34**



Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 20 16 24 14 3 3 6

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.00%	18
Top Marginal Corporate Income Tax Rate	6.25%	20
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$0.67	13
Property Tax Burden (per \$1,000 of personal income)	\$24.59	14
Sales Tax Burden (per \$1,000 of personal income)	\$26.90	34
Remaining Tax Burden (per \$1,000 of personal income)	\$16.93	23
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	-\$1.72	4
Debt Service as a Share of Tax Revenue	9.0%	40
Public Employees Per 10,000 of Population (full-time equivalent)	485.1	11
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	67.7	18
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.05	2
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Iowa

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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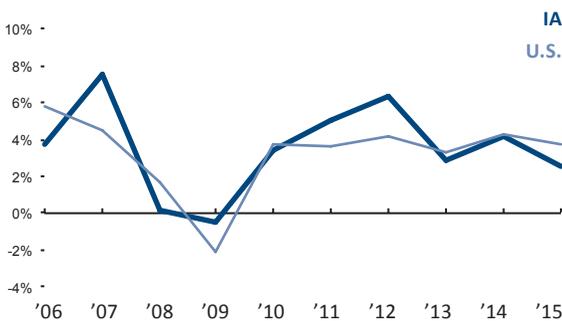
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

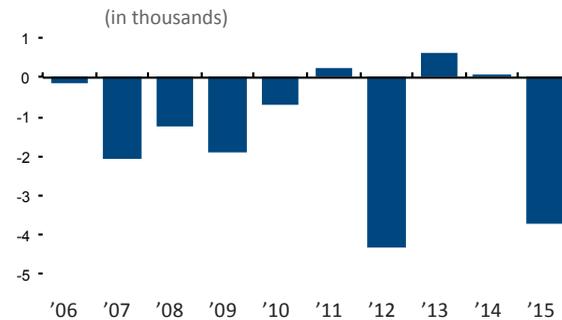
State Gross Domestic Product

Cumulative Growth 2005-2015 41.1% Rank: 13



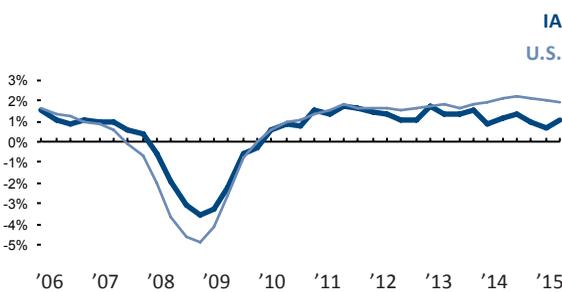
Absolute Domestic Migration

Cumulative 2006-2015 -13,141 Rank: 28



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 5.5% Rank: 22



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Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

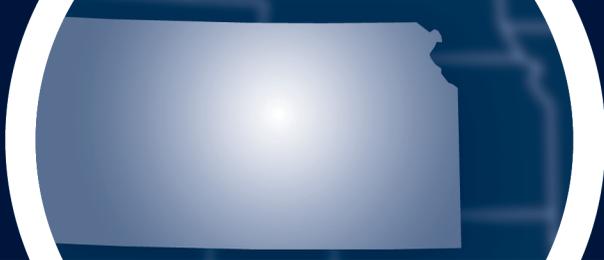
A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 28 23 22 25 25 25 29

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.42%	23
Top Marginal Corporate Income Tax Rate	9.90%	46
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$11.86	33
Property Tax Burden (per \$1,000 of personal income)	\$35.04	35
Sales Tax Burden (per \$1,000 of personal income)	\$21.86	21
Remaining Tax Burden (per \$1,000 of personal income)	\$17.38	25
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	\$1.52	43
Debt Service as a Share of Tax Revenue	4.8%	6
Public Employees Per 10,000 of Population (full-time equivalent)	583.6	41
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	72.2	4
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.86	27
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Kansas

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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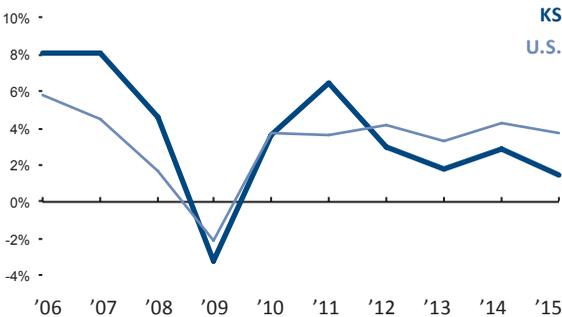
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

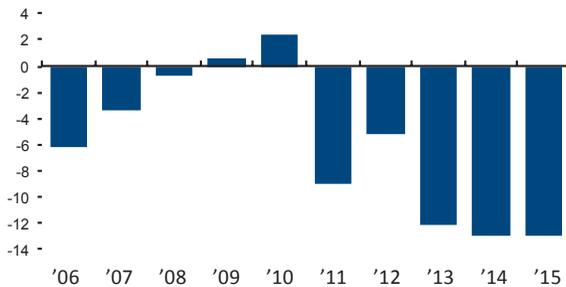
State Gross Domestic Product

Cumulative Growth 2005-2015 42.7% Rank: 11



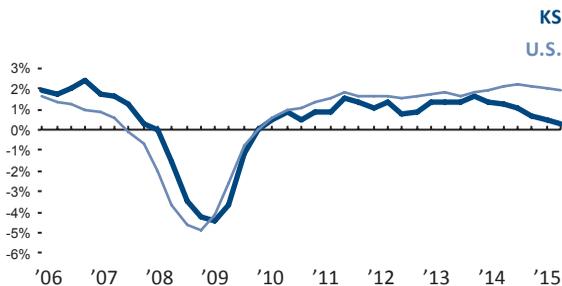
Absolute Domestic Migration

Cumulative 2006-2015 (in thousands) -59,710 Rank: 35



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 4.7% Rank: 25



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Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 25 27 26 11 15 18 27

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.60%	15
Top Marginal Corporate Income Tax Rate	7.00%	27
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$7.02	25
Property Tax Burden (per \$1,000 of personal income)	\$31.23	32
Sales Tax Burden (per \$1,000 of personal income)	\$29.24	38
Remaining Tax Burden (per \$1,000 of personal income)	\$12.53	3
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	\$2.66	46
Debt Service as a Share of Tax Revenue	7.9%	29
Public Employees Per 10,000 of Population (full-time equivalent)	669.8	48
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	67.6	19
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.41	10
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Kentucky

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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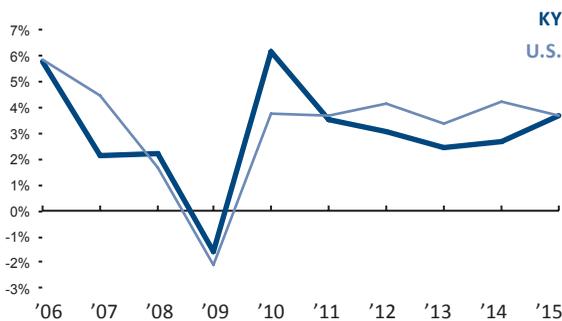
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

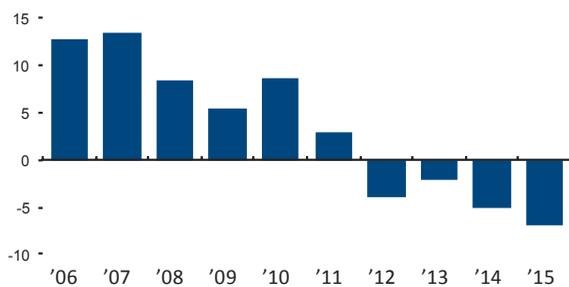
State Gross Domestic Product

Cumulative Growth 2005-2015 34.3% Rank: 27



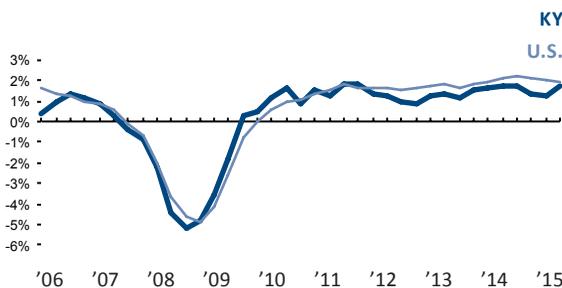
Absolute Domestic Migration

Cumulative 2006-2015 (in thousands) 33,698 Rank: 20



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 3.8% Rank: 31



33

Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 40 40 39 38 39 30 33

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	8.20%	41
Top Marginal Corporate Income Tax Rate	8.20%	36
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$5.47	19
Property Tax Burden (per \$1,000 of personal income)	\$20.40	6
Sales Tax Burden (per \$1,000 of personal income)	\$19.63	16
Remaining Tax Burden (per \$1,000 of personal income)	\$21.85	38
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	-\$0.03	23
Debt Service as a Share of Tax Revenue	11.2%	50
Public Employees Per 10,000 of Population (full-time equivalent)	549.6	34
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	59.0	39
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.52	15
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Louisiana

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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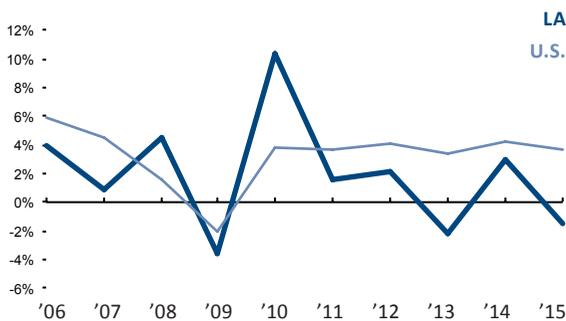
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

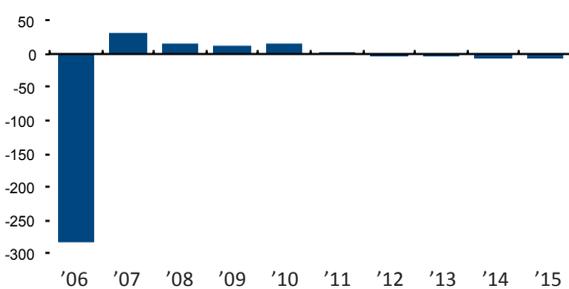
State Gross Domestic Product

Cumulative Growth 2005-2015 19.8% Rank: 48



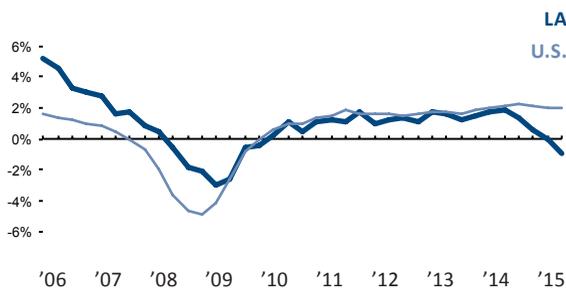
Absolute Domestic Migration

Cumulative 2006-2015 -223,156 Rank: 44
(in thousands)



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 10.8% Rank: 6



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Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 16 15 19 28 29 26 28

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	3.62%	11
Top Marginal Corporate Income Tax Rate	5.20%	14
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$10.15	30
Property Tax Burden (per \$1,000 of personal income)	\$20.60	7
Sales Tax Burden (per \$1,000 of personal income)	\$36.63	46
Remaining Tax Burden (per \$1,000 of personal income)	\$16.65	21
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	\$10.89	50
Debt Service as a Share of Tax Revenue	8.8%	35
Public Employees Per 10,000 of Population (full-time equivalent)	555.1	35
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	46.5	49
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.11	41
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

Maine

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



45

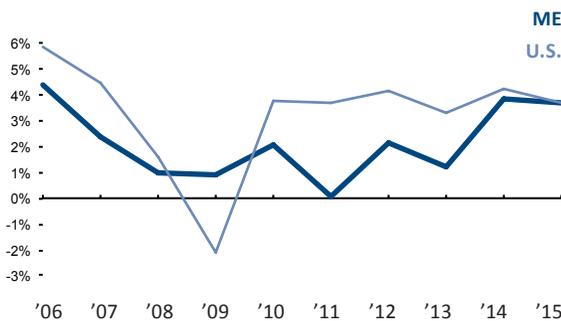
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

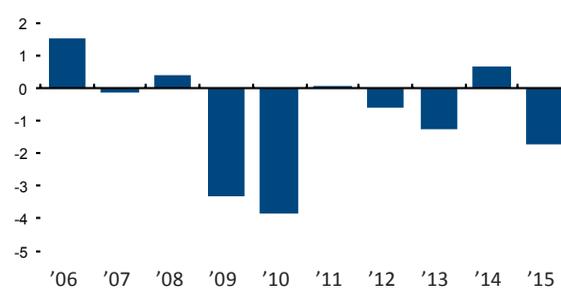
State Gross Domestic Product

Cumulative Growth 2005-2015 23.8% Rank: 45



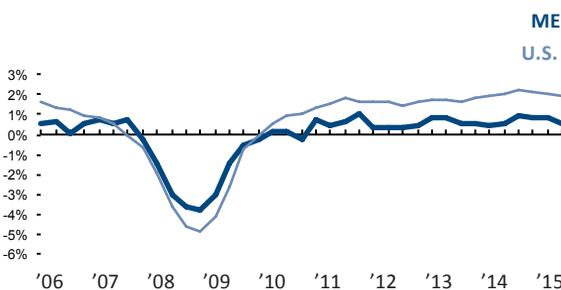
Absolute Domestic Migration

Cumulative 2006-2015 (in thousands) -8,264 Rank: 26



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 -0.3% Rank: 47



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Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 44 48 47 41 40 42 38

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	10.15%	47
Top Marginal Corporate Income Tax Rate	8.93%	41
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$19.01	47
Property Tax Burden (per \$1,000 of personal income)	\$47.66	45
Sales Tax Burden (per \$1,000 of personal income)	\$22.31	24
Remaining Tax Burden (per \$1,000 of personal income)	\$19.63	31
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	-\$1.02	6
Debt Service as a Share of Tax Revenue	5.2%	9
Public Employees Per 10,000 of Population (full-time equivalent)	529.2	25
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	68.0	14
State Minimum Wage (federal floor is \$7.25)	\$9.00	36
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.02	37
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Maryland

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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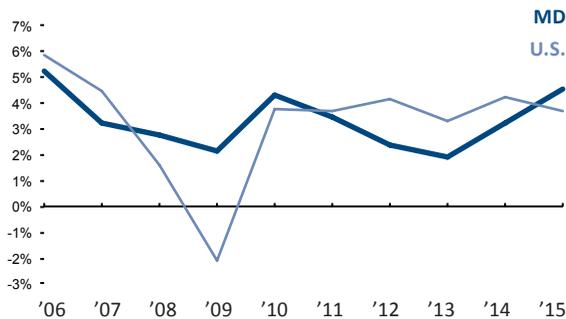
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

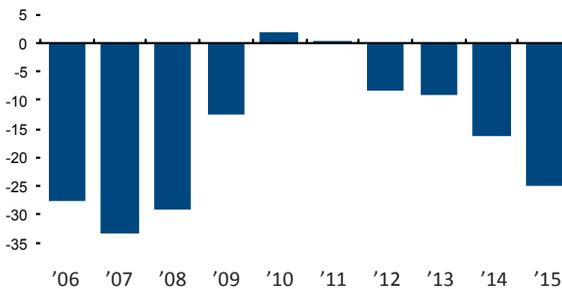
State Gross Domestic Product

Cumulative Growth 2005-2015 38.5% Rank: 23



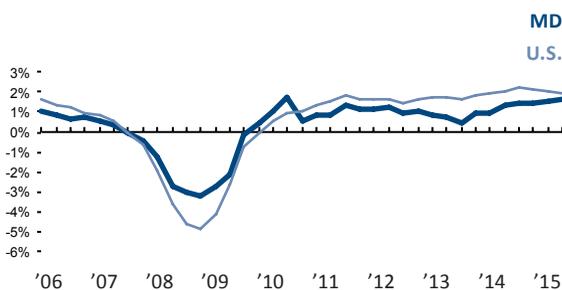
Absolute Domestic Migration

Cumulative 2006-2015 -158,444 Rank: 42
(in thousands)



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 4.3% Rank: 28



34

Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison

2010 2011 2012 2013 2014 2015 2016

ECONOMIC OUTLOOK RANK 29 21 20 35 34 33 31

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	8.95%	43
Top Marginal Corporate Income Tax Rate	8.25%	38
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$5.03	18
Property Tax Burden (per \$1,000 of personal income)	\$28.19	22
Sales Tax Burden (per \$1,000 of personal income)	\$13.28	8
Remaining Tax Burden (per \$1,000 of personal income)	\$21.67	37
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	-\$0.04	22
Debt Service as a Share of Tax Revenue	6.2%	15
Public Employees Per 10,000 of Population (full-time equivalent)	505.2	19
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	63.9	28
State Minimum Wage (federal floor is \$7.25)	\$8.75	33
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.50	13
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Massachusetts

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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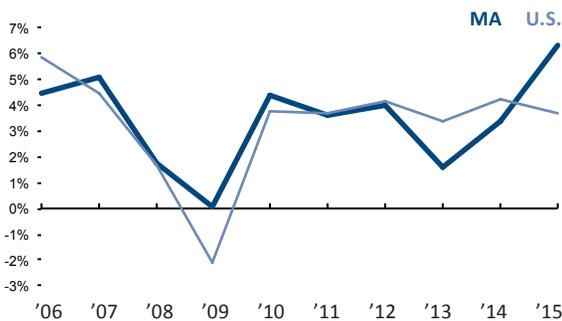
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

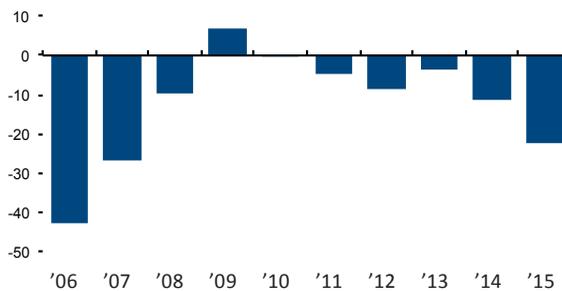
State Gross Domestic Product

Cumulative Growth 2005-2015 **40.5%** Rank: 14



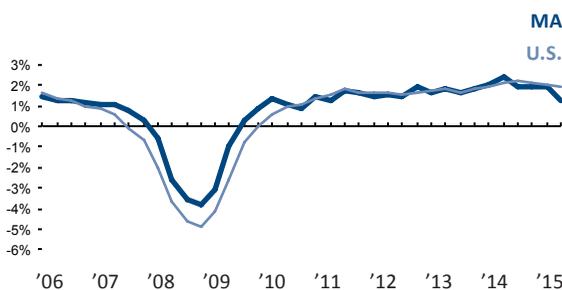
Absolute Domestic Migration

Cumulative 2006-2015 **-123,286** Rank: 40
(in thousands)



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 **8.5%** Rank: 11



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Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 32 24 25 29 28 28 26

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.10%	22
Top Marginal Corporate Income Tax Rate	8.00%	34
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$2.99	16
Property Tax Burden (per \$1,000 of personal income)	\$37.62	38
Sales Tax Burden (per \$1,000 of personal income)	\$14.09	9
Remaining Tax Burden (per \$1,000 of personal income)	\$12.59	4
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	-\$0.17	15
Debt Service as a Share of Tax Revenue	8.9%	37
Public Employees Per 10,000 of Population (full-time equivalent)	497.2	17
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	67.8	17
State Minimum Wage (federal floor is \$7.25)	\$11.00	49
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.29	8
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Michigan

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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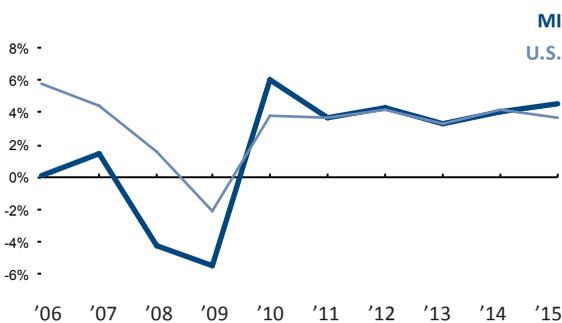
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

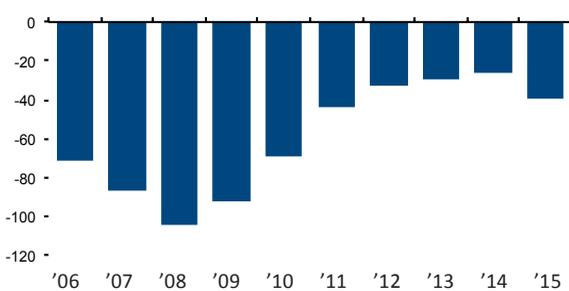
State Gross Domestic Product

Cumulative Growth 2005-2015 18.5% Rank: 49



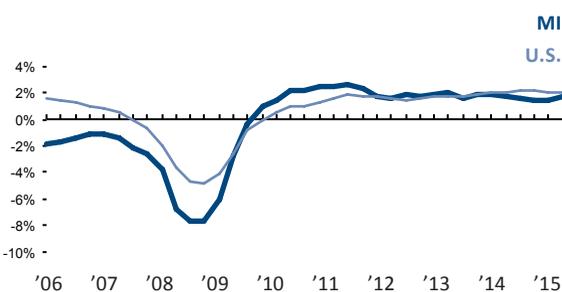
Absolute Domestic Migration

Cumulative 2006-2015 -593,157 Rank: 47
(in thousands)



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 -2.3% Rank: 50



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Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016

ECONOMIC OUTLOOK RANK 26 25 17 20 12 24 22

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.65%	29
Top Marginal Corporate Income Tax Rate	8.00%	34
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$2.27	15
Property Tax Burden (per \$1,000 of personal income)	\$33.42	33
Sales Tax Burden (per \$1,000 of personal income)	\$22.00	23
Remaining Tax Burden (per \$1,000 of personal income)	\$15.60	14
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	\$1.03	40
Debt Service as a Share of Tax Revenue	8.8%	36
Public Employees Per 10,000 of Population (full-time equivalent)	440.1	4
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	65.5	24
State Minimum Wage (federal floor is \$7.25)	\$8.90	35
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.57	17
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

Minnesota

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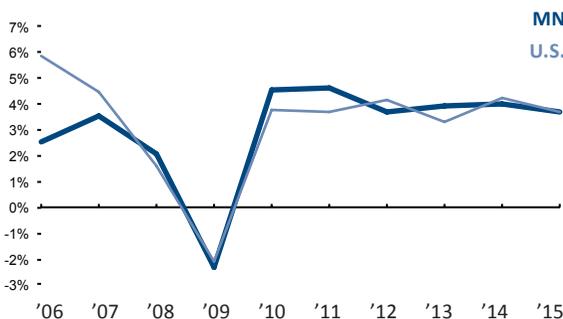
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

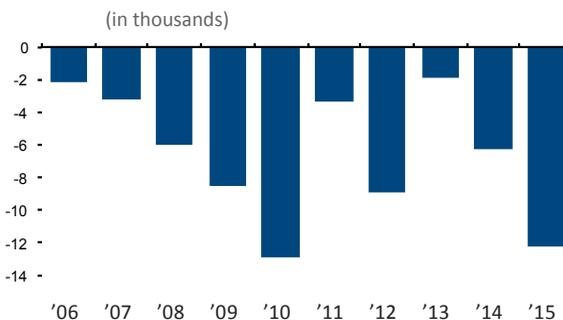
State Gross Domestic Product

Cumulative Growth 2005-2015 **34.6%** Rank: 26



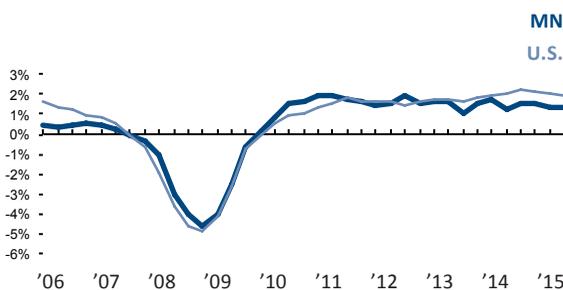
Absolute Domestic Migration

Cumulative 2006-2015 **-65,205** Rank: 37



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 **4.5%** Rank: 26



45

Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016

ECONOMIC OUTLOOK RANK 38 37 41 46 46 48 45

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	9.85%	45
Top Marginal Corporate Income Tax Rate	9.80%	45
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$18.53	45
Property Tax Burden (per \$1,000 of personal income)	\$29.48	28
Sales Tax Burden (per \$1,000 of personal income)	\$21.59	19
Remaining Tax Burden (per \$1,000 of personal income)	\$24.65	45
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	-\$0.03	24
Debt Service as a Share of Tax Revenue	5.6%	11
Public Employees Per 10,000 of Population (full-time equivalent)	519.2	21
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	68.0	13
State Minimum Wage (federal floor is \$7.25)	\$9.50	40
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.91	29
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Mississippi

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Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

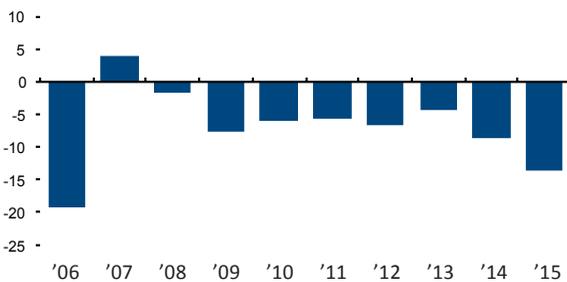
State Gross Domestic Product

Cumulative Growth 2005-2015 29.6% Rank: 35



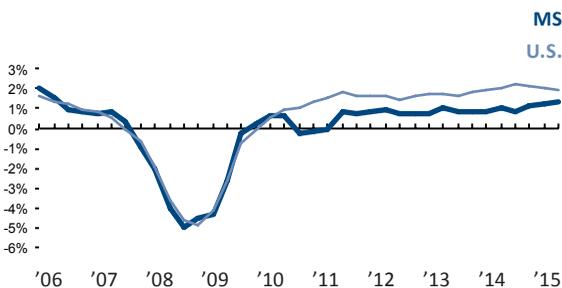
Absolute Domestic Migration

Cumulative 2006-2015 (in thousands) -69,036 Rank: 38



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 1.3% Rank: 43



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Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 18 19 15 10 14 20 17

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.00%	18
Top Marginal Corporate Income Tax Rate	5.00%	11
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$7.53	27
Property Tax Burden (per \$1,000 of personal income)	\$27.19	19
Sales Tax Burden (per \$1,000 of personal income)	\$32.75	41
Remaining Tax Burden (per \$1,000 of personal income)	\$21.30	36
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	\$0.52	34
Debt Service as a Share of Tax Revenue	5.3%	10
Public Employees Per 10,000 of Population (full-time equivalent)	637.8	46
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	56.3	43
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.70	22
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

Missouri

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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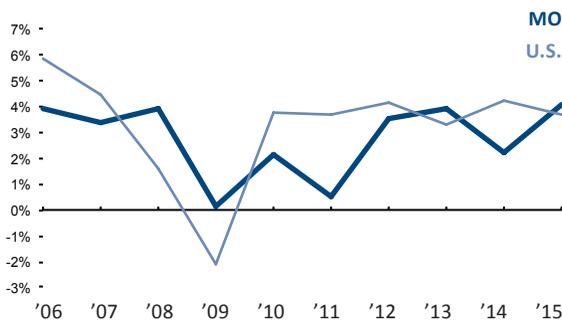
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

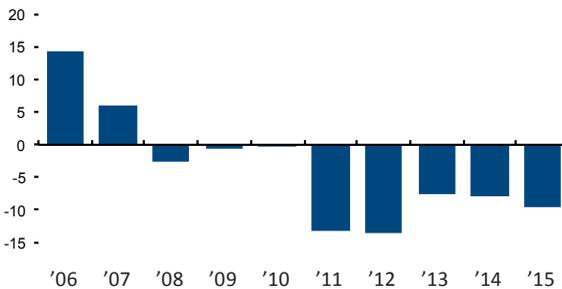
State Gross Domestic Product

Cumulative Growth 2005-2015 **31.4%** Rank: 33



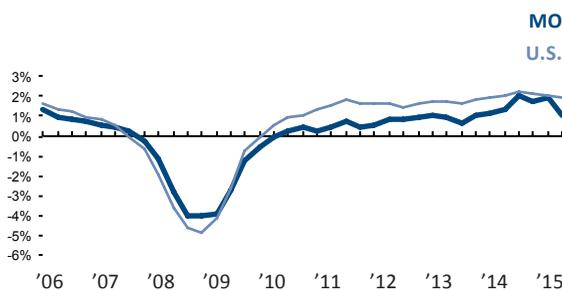
Absolute Domestic Migration

Cumulative 2006-2015 (in thousands) **-34,539** Rank: 32



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 **1.3%** Rank: 41



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Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 15 9 7 23 24 27 24

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	7.00%	35
Top Marginal Corporate Income Tax Rate	6.16%	18
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$14.00	38
Property Tax Burden (per \$1,000 of personal income)	\$23.84	11
Sales Tax Burden (per \$1,000 of personal income)	\$22.78	25
Remaining Tax Burden (per \$1,000 of personal income)	\$14.53	9
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	-\$0.06	20
Debt Service as a Share of Tax Revenue	8.4%	32
Public Employees Per 10,000 of Population (full-time equivalent)	520.7	22
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	56.6	42
State Minimum Wage (federal floor is \$7.25)	\$7.70	23
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.92	31
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	3	1

Montana

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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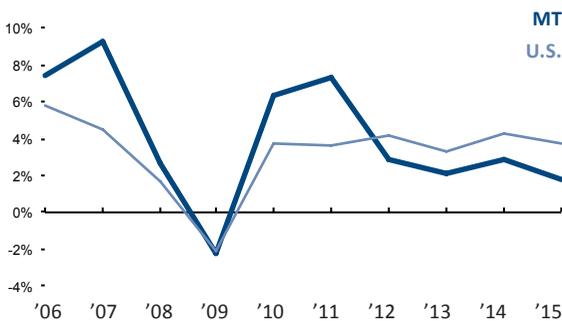
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

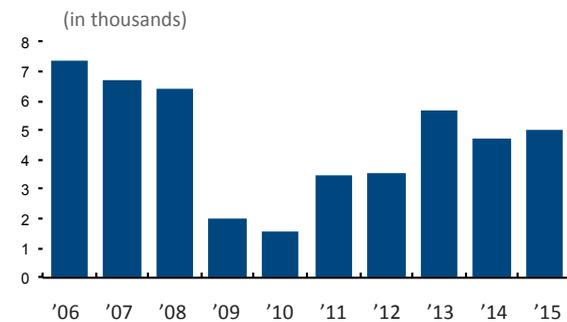
State Gross Domestic Product

Cumulative Growth 2005-2015 47.7% Rank: 8



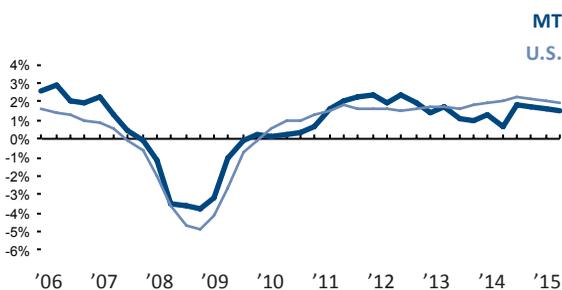
Absolute Domestic Migration

Cumulative 2006-2015 46,509 Rank: 18



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 8.4% Rank: 12



39

Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison

2010 2011 2012 2013 2014 2015 2016

ECONOMIC OUTLOOK RANK 33 36 36 42 43 43 40

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.90%	31
Top Marginal Corporate Income Tax Rate	6.75%	26
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$18.43	44
Property Tax Burden (per \$1,000 of personal income)	\$36.89	36
Sales Tax Burden (per \$1,000 of personal income)	\$0.00	1
Remaining Tax Burden (per \$1,000 of personal income)	\$22.41	40
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	-\$0.10	18
Debt Service as a Share of Tax Revenue	4.8%	7
Public Employees Per 10,000 of Population (full-time equivalent)	562.8	38
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	60.5	34
State Minimum Wage (federal floor is \$7.25)	\$8.15	25
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.10	40
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Nebraska

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

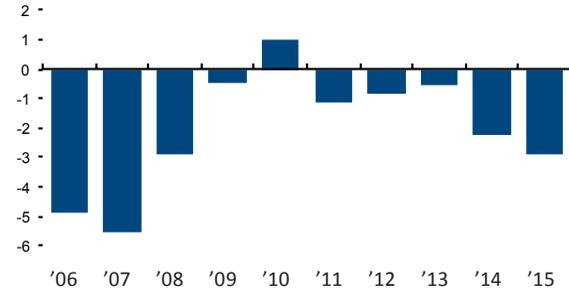
State Gross Domestic Product

Cumulative Growth 2005-2015 54.2% Rank: 4



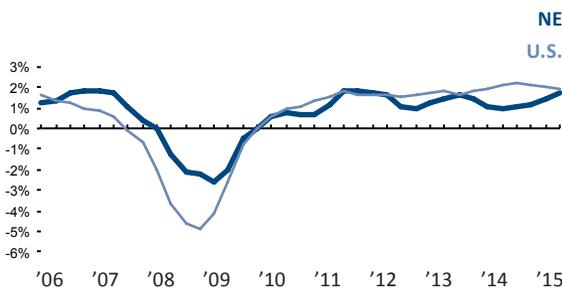
Absolute Domestic Migration

Cumulative 2006-2015 (in thousands) -20,444 Rank: 30



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 8.0% Rank: 14



32

Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 34 32 31 37 35 31 32

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.84%	30
Top Marginal Corporate Income Tax Rate	7.81%	32
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$18.96	46
Property Tax Burden (per \$1,000 of personal income)	\$37.65	39
Sales Tax Burden (per \$1,000 of personal income)	\$24.01	30
Remaining Tax Burden (per \$1,000 of personal income)	\$15.13	12
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	-\$2.41	2
Debt Service as a Share of Tax Revenue	6.0%	14
Public Employees Per 10,000 of Population (full-time equivalent)	624.4	44
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	73.0	3
State Minimum Wage (federal floor is \$7.25)	\$9.00	36
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.67	19
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Nevada

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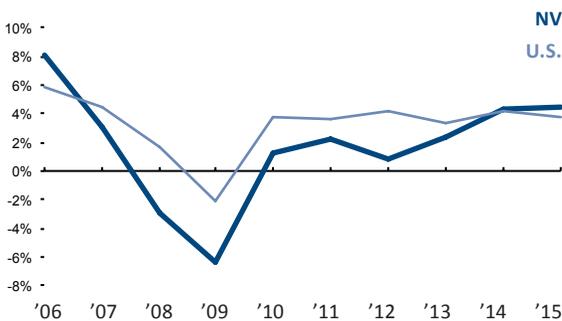
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

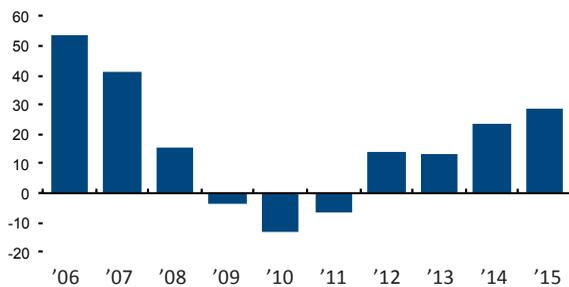
State Gross Domestic Product

Cumulative Growth 2005-2015 17.6% Rank: 50



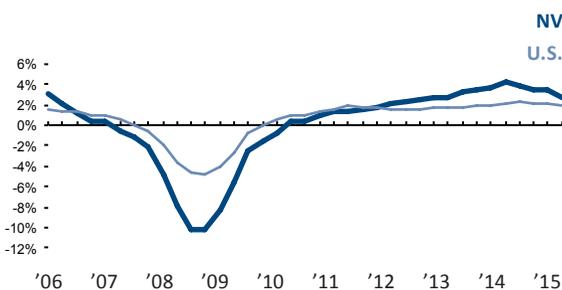
Absolute Domestic Migration

Cumulative 2006-2015 165,667 Rank: 11
(in thousands)



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 1.6% Rank: 40



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Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 11 17 18 13 8 10 14

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	0.49%	3
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$0.00	2
Property Tax Burden (per \$1,000 of personal income)	\$24.30	13
Sales Tax Burden (per \$1,000 of personal income)	\$37.71	47
Remaining Tax Burden (per \$1,000 of personal income)	\$35.84	49
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	\$7.08	49
Debt Service as a Share of Tax Revenue	9.5%	42
Public Employees Per 10,000 of Population (full-time equivalent)	374.0	1
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	60.4	35
State Minimum Wage (federal floor is \$7.25)	\$8.25	27
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.31	9
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

New Hampshire

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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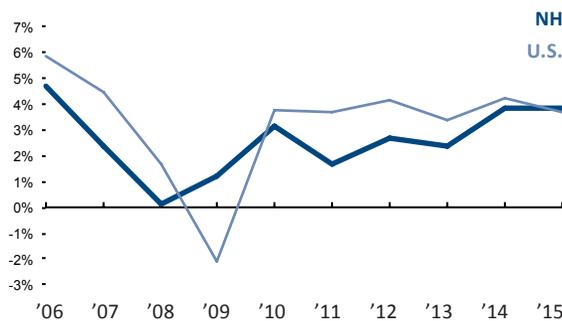
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

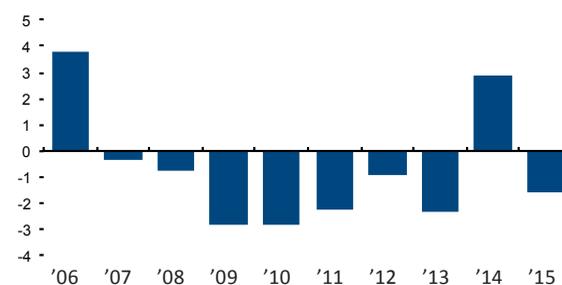
State Gross Domestic Product

Cumulative Growth 2005-2015 29.0% Rank: 37



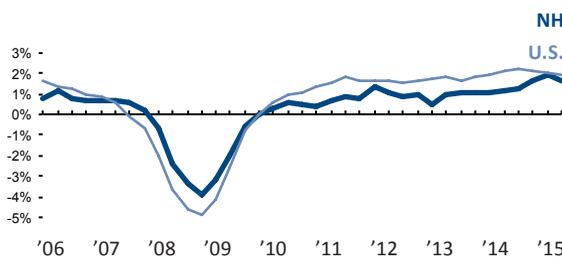
Absolute Domestic Migration

Cumulative 2006-2015 (in thousands) -7,055 Rank: 25



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 3.2% Rank: 32



18

Economic
Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 30 28 28 27 32 29 23

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	8.20%	37
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$0.00	2
Property Tax Burden (per \$1,000 of personal income)	\$54.67	50
Sales Tax Burden (per \$1,000 of personal income)	\$0.00	1
Remaining Tax Burden (per \$1,000 of personal income)	\$18.89	28
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	-\$0.28	11
Debt Service as a Share of Tax Revenue	8.2%	31
Public Employees Per 10,000 of Population (full-time equivalent)	535.2	31
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.7	5
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.96	34
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

New Jersey

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Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

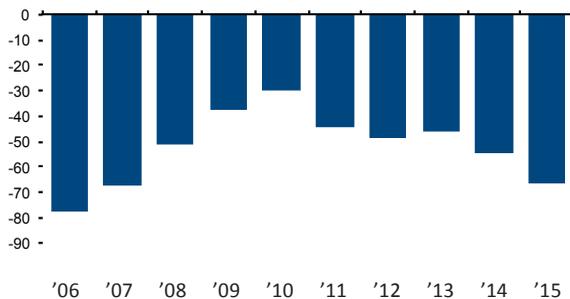
State Gross Domestic Product

Cumulative Growth 2005-2015 28.1% Rank: 39



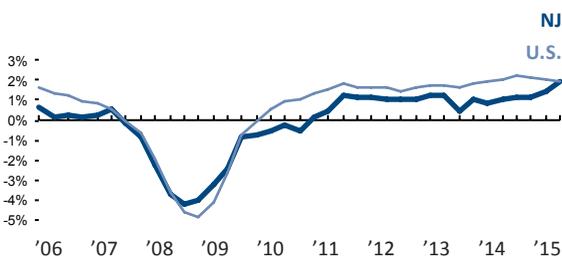
Absolute Domestic Migration

Cumulative 2006-2015 -525,338 Rank: 46
(in thousands)



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 0.4% Rank: 46



48

Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 48 45 42 39 45 46 48

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	9.97%	46
Top Marginal Corporate Income Tax Rate	9.00%	42
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$24.81	48
Property Tax Burden (per \$1,000 of personal income)	\$54.37	49
Sales Tax Burden (per \$1,000 of personal income)	\$17.64	13
Remaining Tax Burden (per \$1,000 of personal income)	\$13.92	8
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	\$0.79	37
Debt Service as a Share of Tax Revenue	5.9%	13
Public Employees Per 10,000 of Population (full-time equivalent)	533.2	28
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	59.3	38
State Minimum Wage (federal floor is \$7.25)	\$8.44	30
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.92	49
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

New Mexico

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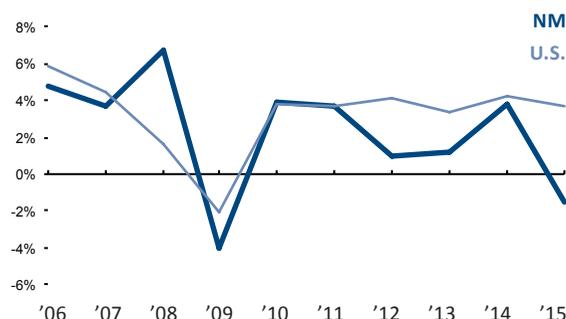
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

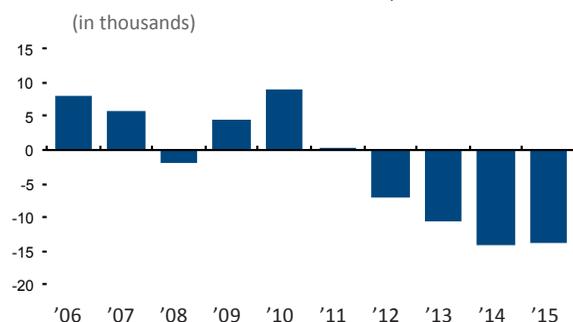
State Gross Domestic Product

Cumulative Growth 2005-2015 25.5% Rank: 44



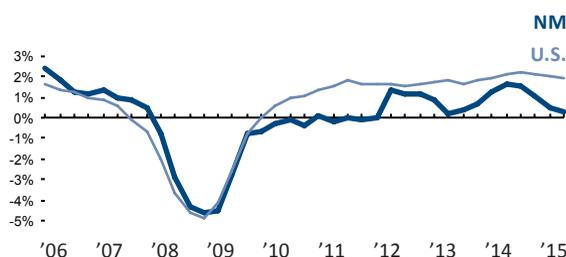
Absolute Domestic Migration

Cumulative 2006-2015 -20,154 Rank: 29



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 1.3% Rank: 42



35

Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016

ECONOMIC OUTLOOK RANK 35 39 35 33 37 34 34

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.90%	17
Top Marginal Corporate Income Tax Rate	6.20%	19
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$10.52	31
Property Tax Burden (per \$1,000 of personal income)	\$20.63	8
Sales Tax Burden (per \$1,000 of personal income)	\$41.20	49
Remaining Tax Burden (per \$1,000 of personal income)	\$15.32	13
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	\$0.13	29
Debt Service as a Share of Tax Revenue	6.7%	17
Public Employees Per 10,000 of Population (full-time equivalent)	600.5	43
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	55.2	45
State Minimum Wage (federal floor is \$7.25)	\$7.50	22
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.92	31
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

New York

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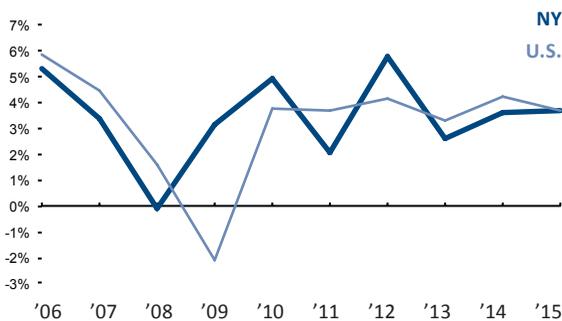
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

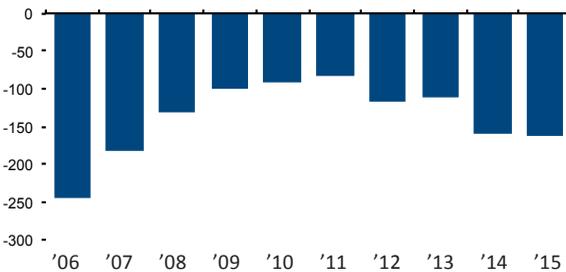
State Gross Domestic Product

Cumulative Growth 2005-2015 **40.1%** Rank: 17



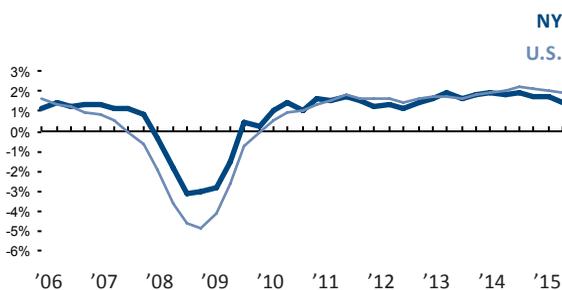
Absolute Domestic Migration

Cumulative 2006-2015 **-1,381,449** Rank: 50
(in thousands)



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 **8.7%** Rank: 10



50

Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 50 50 50 49 50 50 50

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	12.70%	49
Top Marginal Corporate Income Tax Rate	17.19%	50
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$12.78	35
Property Tax Burden (per \$1,000 of personal income)	\$46.63	44
Sales Tax Burden (per \$1,000 of personal income)	\$25.11	32
Remaining Tax Burden (per \$1,000 of personal income)	\$20.86	35
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	-\$0.12	17
Debt Service as a Share of Tax Revenue	8.9%	38
Public Employees Per 10,000 of Population (full-time equivalent)	592.8	42
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	66.3	21
State Minimum Wage (federal floor is \$7.25)	\$9.70	42
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.83	48
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

North Carolina

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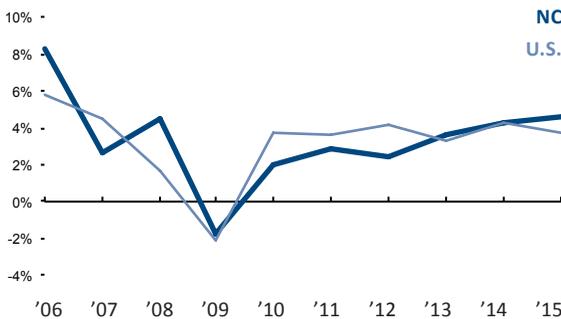
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

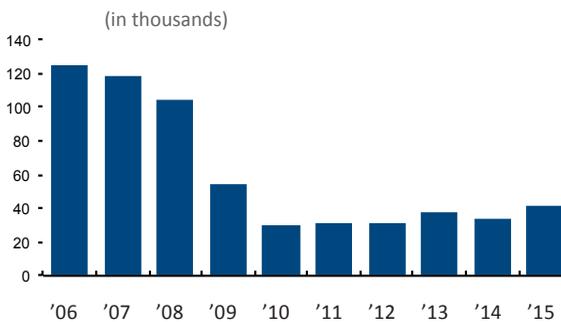
State Gross Domestic Product

Cumulative Growth 2005-2015 38.7% Rank: 22



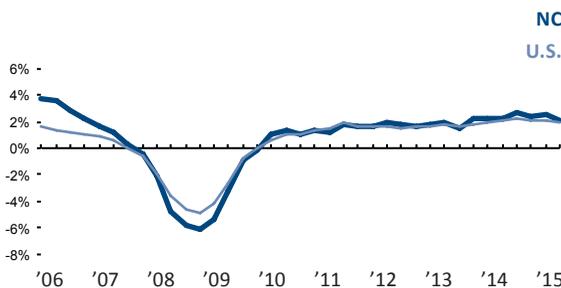
Absolute Domestic Migration

Cumulative 2006-2015 609,275 Rank: 3



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 8.2% Rank: 13



3

Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 21 26 23 22 6 4 2

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.50%	24
Top Marginal Corporate Income Tax Rate	3.00%	5
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$6.42	20
Property Tax Burden (per \$1,000 of personal income)	\$24.88	15
Sales Tax Burden (per \$1,000 of personal income)	\$21.50	18
Remaining Tax Burden (per \$1,000 of personal income)	\$17.43	26
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	-\$0.53	9
Debt Service as a Share of Tax Revenue	6.8%	19
Public Employees Per 10,000 of Population (full-time equivalent)	538.3	32
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.2	7
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.91	29
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

North Dakota

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



2

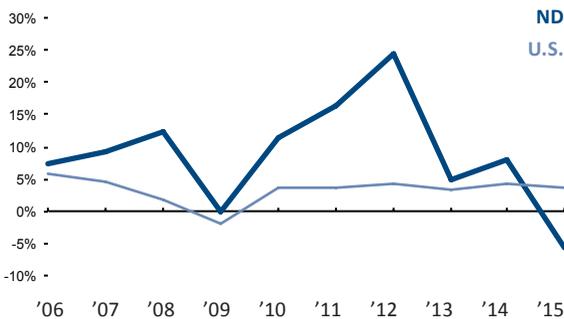
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

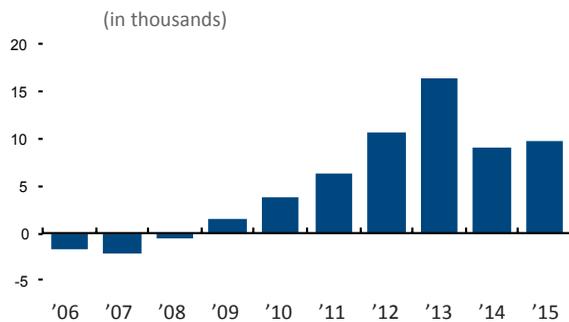
State Gross Domestic Product

Cumulative Growth 2005-2015 126.9% Rank: 1



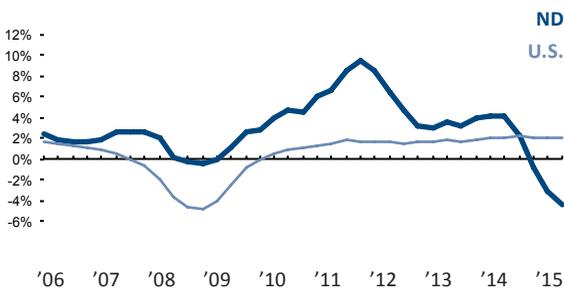
Absolute Domestic Migration

Cumulative 2006-2015 52,997 Rank: 16



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 29.1% Rank: 1



4

Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 12 7 5 2 4 2 3

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	2.90%	10
Top Marginal Corporate Income Tax Rate	4.31%	8
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$8.32	29
Property Tax Burden (per \$1,000 of personal income)	\$19.97	5
Sales Tax Burden (per \$1,000 of personal income)	\$36.55	45
Remaining Tax Burden (per \$1,000 of personal income)	\$19.76	32
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	-\$2.62	1
Debt Service as a Share of Tax Revenue	2.6%	2
Public Employees Per 10,000 of Population (full-time equivalent)	626.6	45
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	67.9	15
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$0.89	1
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Ohio

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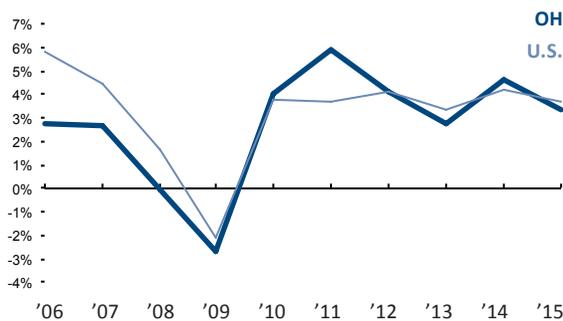
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

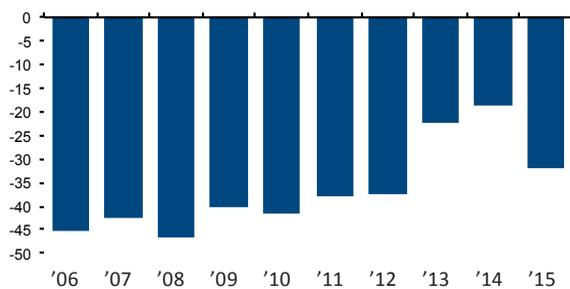
State Gross Domestic Product

Cumulative Growth 2005-2015 **30.7%** Rank: 34



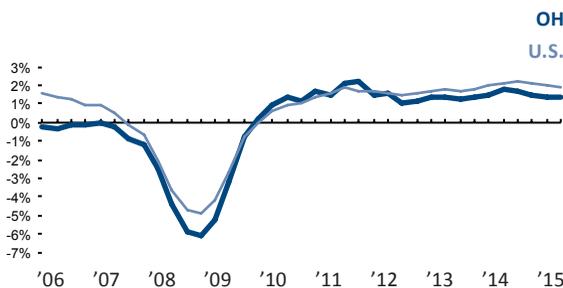
Absolute Domestic Migration

Cumulative 2006-2015 **-363,913** Rank: 45
(in thousands)



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 **0.4%** Rank: 45



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Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 42 38 37 26 23 23 18

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	7.50%	38
Top Marginal Corporate Income Tax Rate	3.64%	6
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$11.94	34
Property Tax Burden (per \$1,000 of personal income)	\$29.19	27
Sales Tax Burden (per \$1,000 of personal income)	\$21.98	22
Remaining Tax Burden (per \$1,000 of personal income)	\$19.52	30
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	-\$2.05	3
Debt Service as a Share of Tax Revenue	7.1%	21
Public Employees Per 10,000 of Population (full-time equivalent)	503.0	18
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	64.2	27
State Minimum Wage (federal floor is \$7.25)	\$8.15	25
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.45	11
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Oklahoma

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

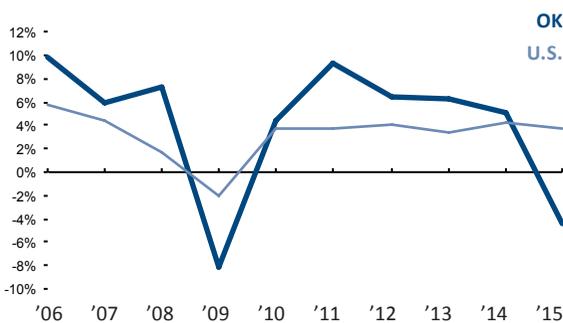


6 Economic Performance Rank

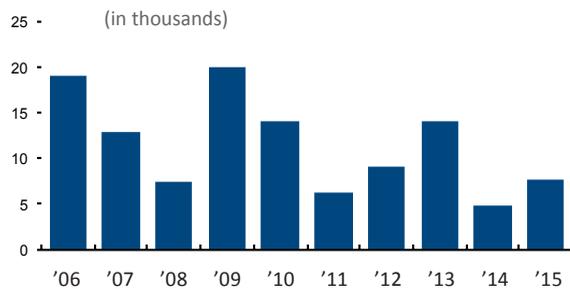
Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

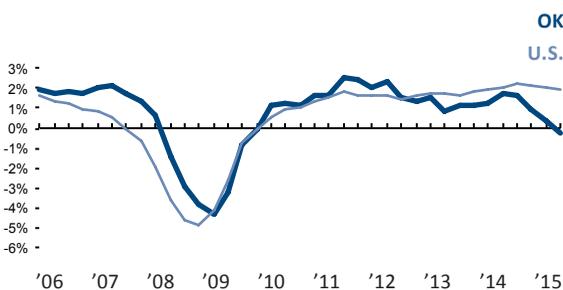
State Gross Domestic Product
Cumulative Growth 2005-2015 **48.5%** Rank: 7



Absolute Domestic Migration
Cumulative 2006-2015 **114,917** Rank: 12



Non-Farm Payroll Employment
Cumulative Growth 2005-2015 **7.9%** Rank: 16



16 Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 14 14 14 19 21 16 10

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.00%	18
Top Marginal Corporate Income Tax Rate	6.00%	16
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$7.41	26
Property Tax Burden (per \$1,000 of personal income)	\$14.28	1
Sales Tax Burden (per \$1,000 of personal income)	\$27.19	35
Remaining Tax Burden (per \$1,000 of personal income)	\$16.37	18
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	\$0.99	39
Debt Service as a Share of Tax Revenue	5.7%	12
Public Employees Per 10,000 of Population (full-time equivalent)	556.4	37
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	61.0	33
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.23	43
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

Oregon

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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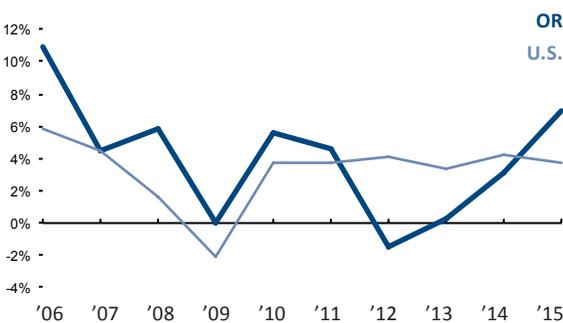
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

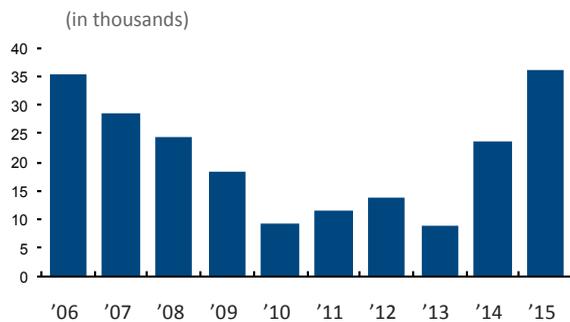
State Gross Domestic Product

Cumulative Growth 2005-2015 47.5% Rank: 9



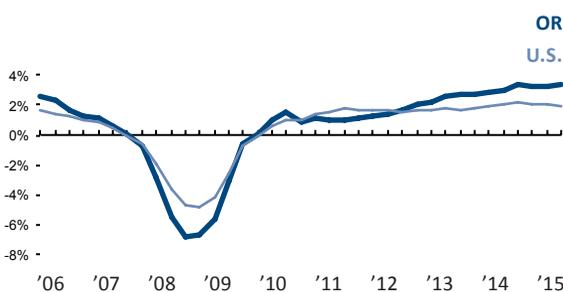
Absolute Domestic Migration

Cumulative 2006-2015 209,592 Rank: 10



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 7.7% Rank: 17



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Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

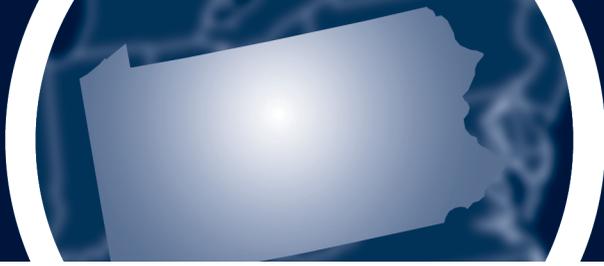
A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 41 43 45 44 42 45 41

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	10.64%	48
Top Marginal Corporate Income Tax Rate	11.25%	47
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$15.62	41
Property Tax Burden (per \$1,000 of personal income)	\$33.54	34
Sales Tax Burden (per \$1,000 of personal income)	\$0.00	1
Remaining Tax Burden (per \$1,000 of personal income)	\$23.10	44
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	\$0.01	26
Debt Service as a Share of Tax Revenue	7.9%	28
Public Employees Per 10,000 of Population (full-time equivalent)	477.1	9
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	61.2	32
State Minimum Wage (federal floor is \$7.25)	\$9.75	43
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.28	7
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

Pennsylvania

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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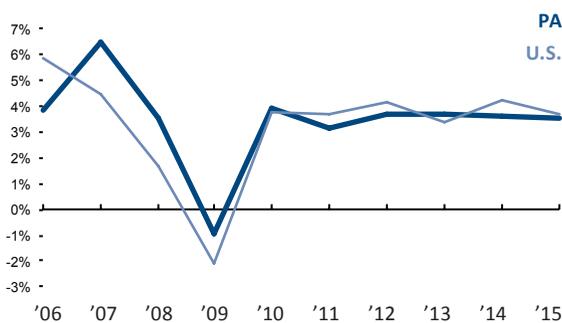
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

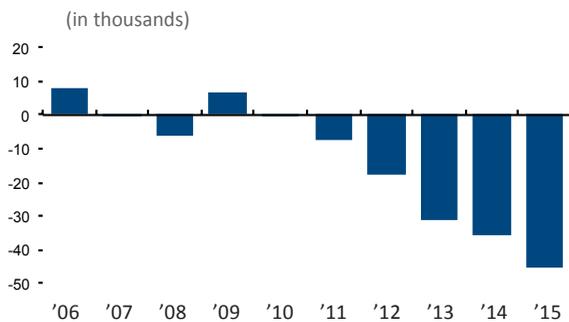
State Gross Domestic Product

Cumulative Growth 2005-2015 40.1% Rank: 16



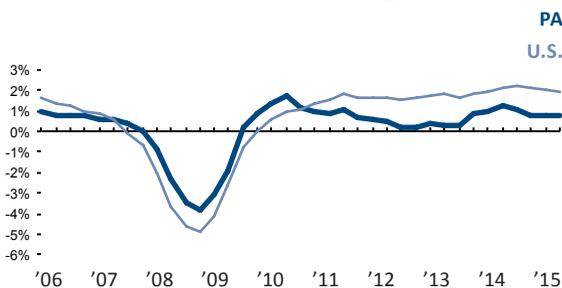
Absolute Domestic Migration

Cumulative 2006-2015 -127,785 Rank: 41



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 2.5% Rank: 36



38

Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 43 41 40 34 33 41 39

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.97%	33
Top Marginal Corporate Income Tax Rate	17.02%	49
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$0.00	2
Property Tax Burden (per \$1,000 of personal income)	\$29.97	30
Sales Tax Burden (per \$1,000 of personal income)	\$16.98	11
Remaining Tax Burden (per \$1,000 of personal income)	\$22.82	42
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	\$0.82	38
Debt Service as a Share of Tax Revenue	7.5%	27
Public Employees Per 10,000 of Population (full-time equivalent)	443.4	5
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	59.4	37
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.84	25
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Rhode Island

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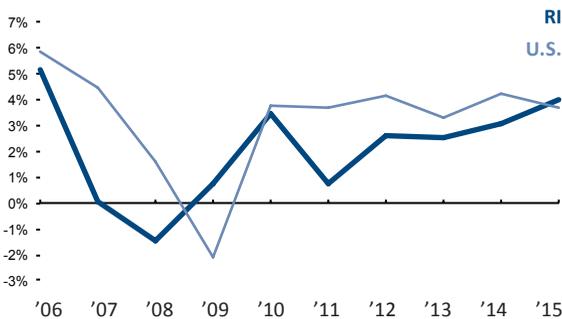
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

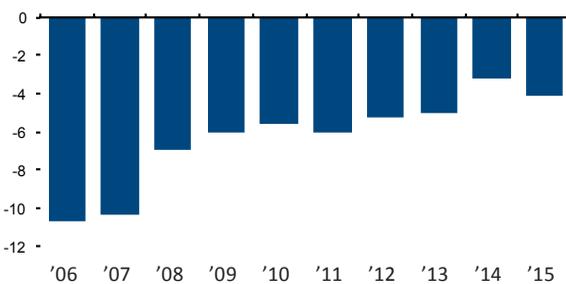
State Gross Domestic Product

Cumulative Growth 2005-2015 **22.8%** Rank: 46



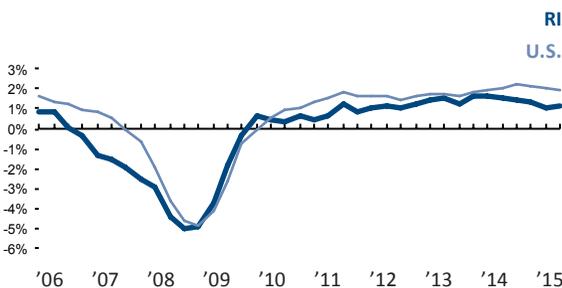
Absolute Domestic Migration

Cumulative 2006-2015 **-63,249** Rank: 36
(in thousands)



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 **-0.7%** Rank: 49



36

Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 45 42 43 45 41 39 35

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.99%	26
Top Marginal Corporate Income Tax Rate	7.00%	27
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$6.79	24
Property Tax Burden (per \$1,000 of personal income)	\$49.09	46
Sales Tax Burden (per \$1,000 of personal income)	\$18.46	14
Remaining Tax Burden (per \$1,000 of personal income)	\$18.08	27
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	-\$0.89	8
Debt Service as a Share of Tax Revenue	11.1%	49
Public Employees Per 10,000 of Population (full-time equivalent)	454.9	7
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	64.6	26
State Minimum Wage (federal floor is \$7.25)	\$9.60	41
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.20	42
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

South Carolina

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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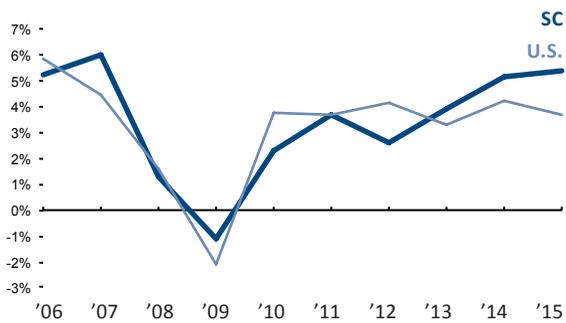
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

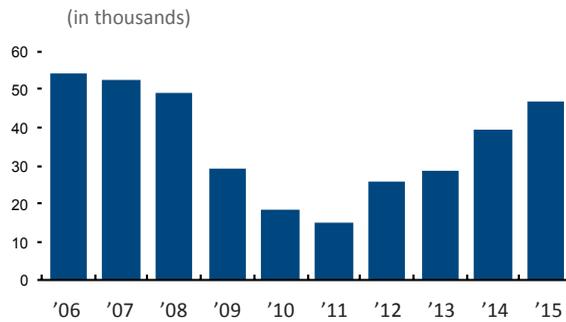
State Gross Domestic Product

Cumulative Growth 2005-2015 40.0% Rank: 18



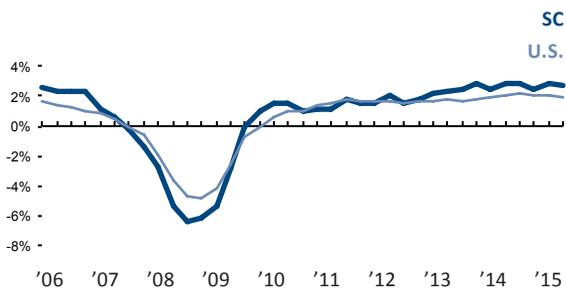
Absolute Domestic Migration

Cumulative 2006-2015 359,754 Rank: 7



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 8.0% Rank: 15



27

Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 31 22 27 31 31 32 30

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	7.00%	36
Top Marginal Corporate Income Tax Rate	5.00%	11
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$16.35	42
Property Tax Burden (per \$1,000 of personal income)	\$30.22	31
Sales Tax Burden (per \$1,000 of personal income)	\$21.72	20
Remaining Tax Burden (per \$1,000 of personal income)	\$16.43	19
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	-\$0.18	14
Debt Service as a Share of Tax Revenue	9.9%	44
Public Employees Per 10,000 of Population (full-time equivalent)	535.0	30
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	59.4	36
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.94	33
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

South Dakota

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



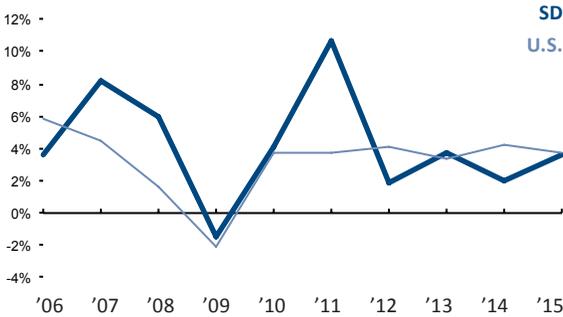
8

Economic Performance Rank

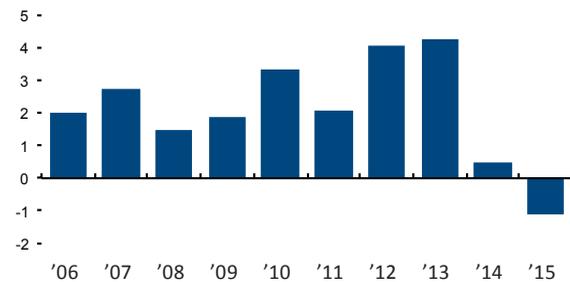
Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

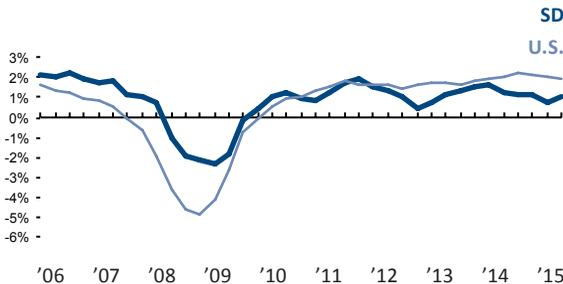
State Gross Domestic Product
Cumulative Growth 2005-2015 50.6% Rank: 5



Absolute Domestic Migration
Cumulative 2006-2015 (in thousands) 21,142 Rank: 23



Non-Farm Payroll Employment
Cumulative Growth 2005-2015 9.4% Rank: 8



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Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

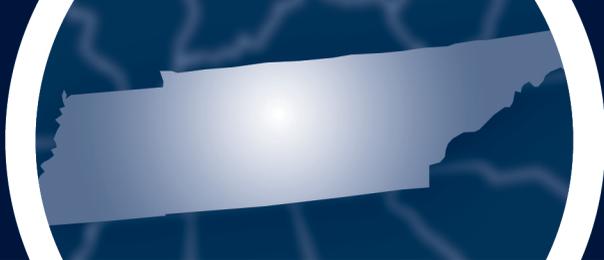
A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 4 2 2 3 2 9 11

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	0.00%	1
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$0.00	2
Property Tax Burden (per \$1,000 of personal income)	\$28.99	26
Sales Tax Burden (per \$1,000 of personal income)	\$33.18	43
Remaining Tax Burden (per \$1,000 of personal income)	\$19.00	29
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	\$3.66	48
Debt Service as a Share of Tax Revenue	6.4%	16
Public Employees Per 10,000 of Population (full-time equivalent)	543.3	33
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	69.5	9
State Minimum Wage (federal floor is \$7.25)	\$8.65	32
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.67	19
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Tennessee

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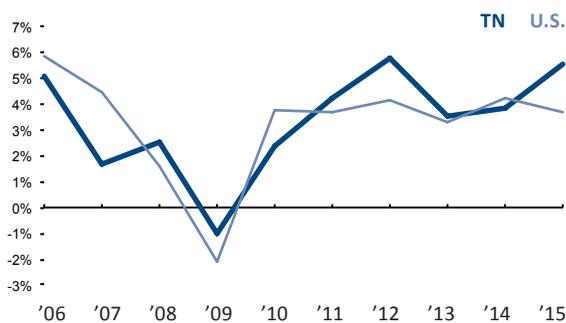
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

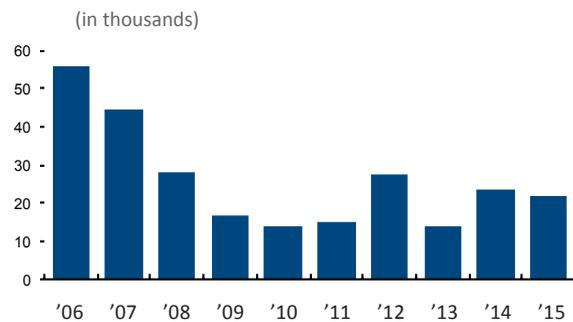
State Gross Domestic Product

Cumulative Growth 2005-2015 **38.8%** Rank: 21



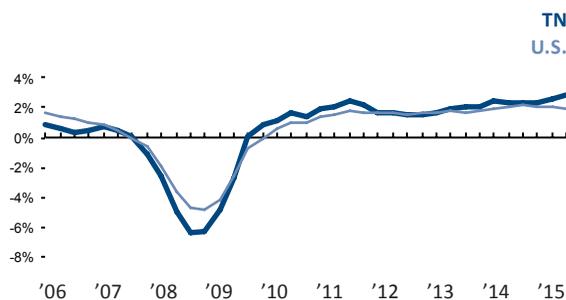
Absolute Domestic Migration

Cumulative 2006-2015 **261,544** Rank: 9



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 **6.2%** Rank: 21



5

Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016

ECONOMIC OUTLOOK RANK 10 8 12 18 19 17 7

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	6.50%	22
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$0.00	2
Property Tax Burden (per \$1,000 of personal income)	\$21.14	9
Sales Tax Burden (per \$1,000 of personal income)	\$32.21	40
Remaining Tax Burden (per \$1,000 of personal income)	\$19.88	33
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	\$0.07	28
Debt Service as a Share of Tax Revenue	7.3%	24
Public Employees Per 10,000 of Population (full-time equivalent)	491.4	14
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	65.7	23
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.68	21
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Texas

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1

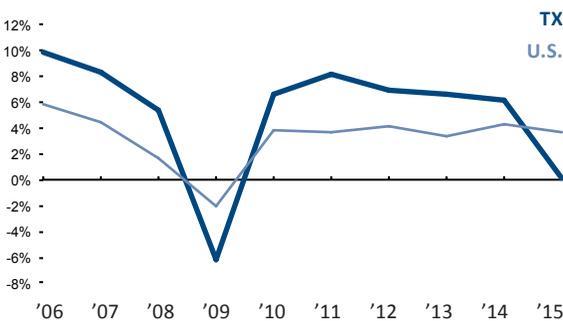
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

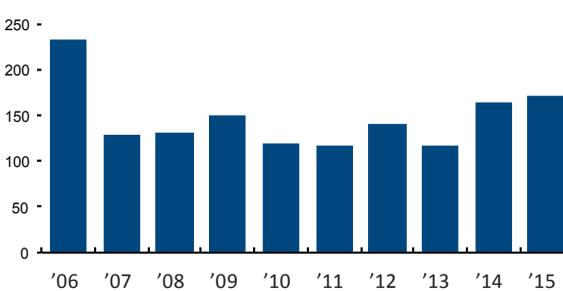
State Gross Domestic Product

Cumulative Growth 2005-2015 64.6% Rank: 2



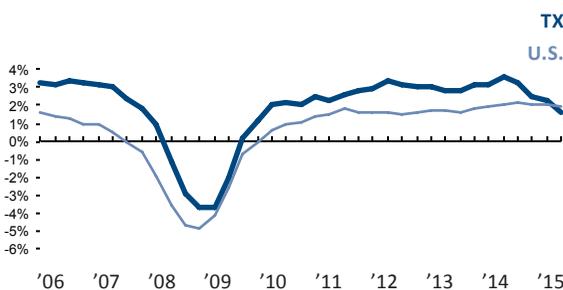
Absolute Domestic Migration

Cumulative 2006-2015 1,475,425 Rank: 1
(in thousands)



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 20.9% Rank: 2



9

Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 19 18 16 12 13 11 12

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	2.56%	4
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$0.00	2
Property Tax Burden (per \$1,000 of personal income)	\$37.14	37
Sales Tax Burden (per \$1,000 of personal income)	\$29.06	37
Remaining Tax Burden (per \$1,000 of personal income)	\$16.63	20
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	-\$1.11	5
Debt Service as a Share of Tax Revenue	10.5%	46
Public Employees Per 10,000 of Population (full-time equivalent)	530.9	26
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	58.5	40
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.45	11
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Utah

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4

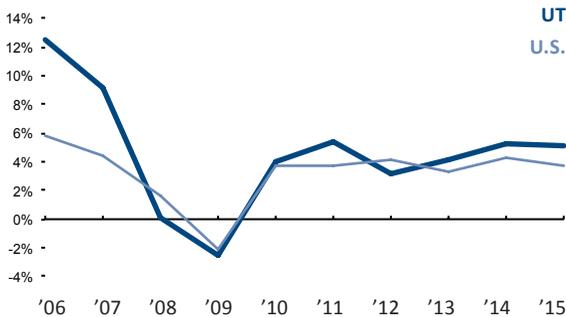
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

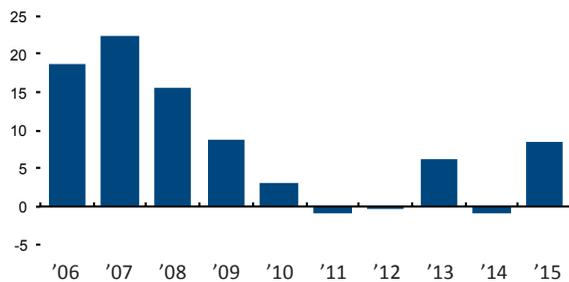
State Gross Domestic Product

Cumulative Growth 2005-2015 56.1% Rank: 3



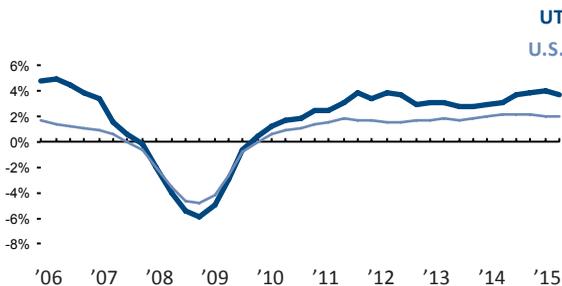
Absolute Domestic Migration

Cumulative 2006-2015 81,389 Rank: 14
(in thousands)



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 19.5% Rank: 3



1

Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016

ECONOMIC OUTLOOK RANK 1 1 1 1 1 1 1

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.00%	18
Top Marginal Corporate Income Tax Rate	5.00%	11
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$0.00	2
Property Tax Burden (per \$1,000 of personal income)	\$26.55	17
Sales Tax Burden (per \$1,000 of personal income)	\$23.33	27
Remaining Tax Burden (per \$1,000 of personal income)	\$14.91	11
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	\$1.51	42
Debt Service as a Share of Tax Revenue	7.4%	25
Public Employees Per 10,000 of Population (full-time equivalent)	475.5	8
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	69.0	10
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.27	6
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Vermont

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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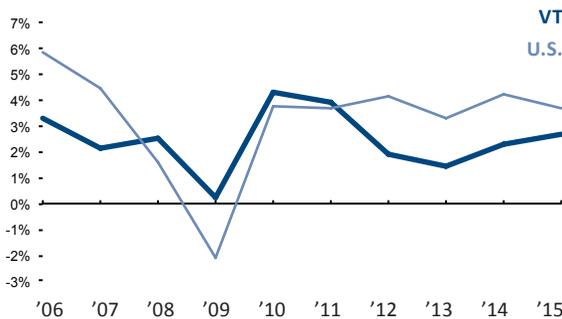
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

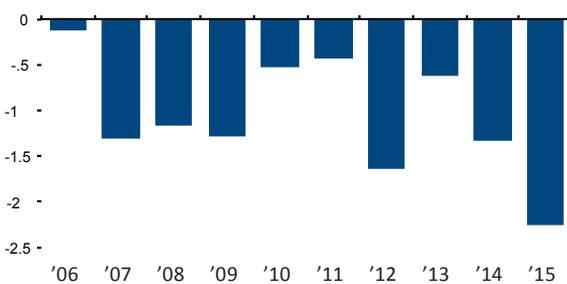
State Gross Domestic Product

Cumulative Growth 2005-2015 **27.6%** Rank: 41



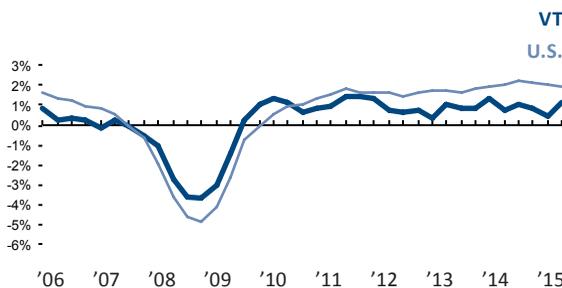
Absolute Domestic Migration

Cumulative 2006-2015 (in thousands) **-10,684** Rank: 27



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 **2.6%** Rank: 35



49

Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 49 49 49 50 49 49 49

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	8.95%	43
Top Marginal Corporate Income Tax Rate	8.50%	39
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$29.05	49
Property Tax Burden (per \$1,000 of personal income)	\$50.62	48
Sales Tax Burden (per \$1,000 of personal income)	\$12.63	7
Remaining Tax Burden (per \$1,000 of personal income)	\$29.71	48
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	\$1.75	45
Debt Service as a Share of Tax Revenue	3.9%	3
Public Employees Per 10,000 of Population (full-time equivalent)	647.0	47
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	73.8	2
State Minimum Wage (federal floor is \$7.25)	\$10.00	45
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.02	37
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Virginia

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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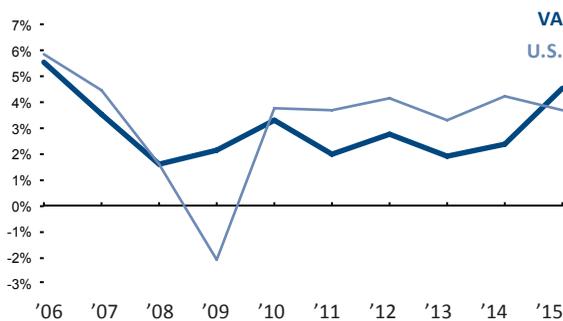
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

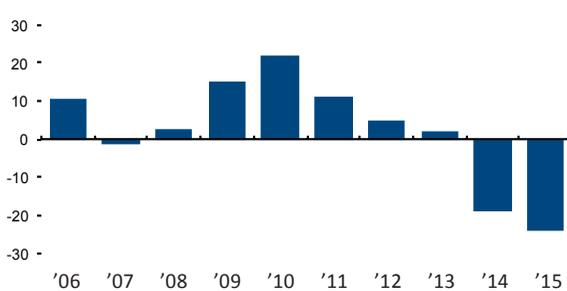
State Gross Domestic Product

Cumulative Growth 2005-2015 33.9% Rank: 28



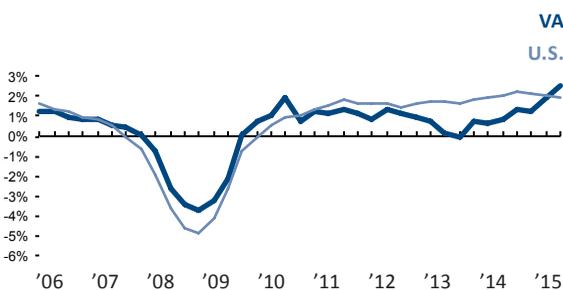
Absolute Domestic Migration

Cumulative 2006-2015 23,600 Rank: 22
(in thousands)



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 5.3% Rank: 24



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Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison

2010 2011 2012 2013 2014 2015 2016

ECONOMIC OUTLOOK RANK 8 3 3 5 11 12 13

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.75%	25
Top Marginal Corporate Income Tax Rate	7.57%	30
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$6.45	22
Property Tax Burden (per \$1,000 of personal income)	\$29.79	29
Sales Tax Burden (per \$1,000 of personal income)	\$11.82	6
Remaining Tax Burden (per \$1,000 of personal income)	\$15.74	15
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	\$0.56	35
Debt Service as a Share of Tax Revenue	7.3%	23
Public Employees Per 10,000 of Population (full-time equivalent)	532.2	27
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	68.3	11
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.24	5
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Washington

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



3

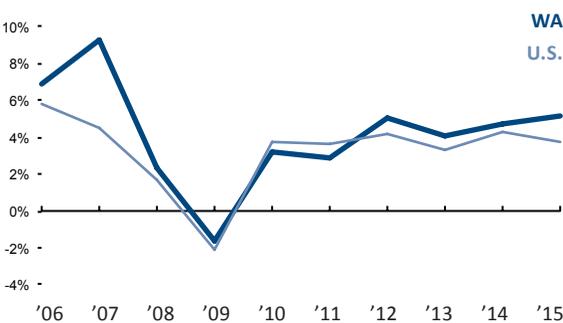
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

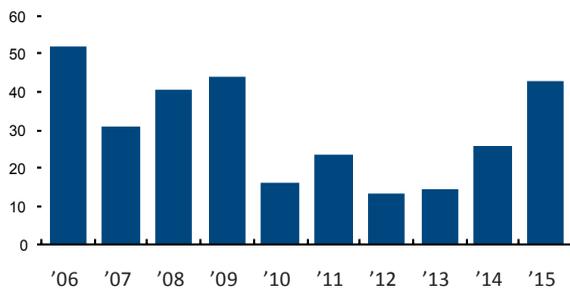
State Gross Domestic Product

Cumulative Growth 2005-2015 **50.3%** Rank: 6



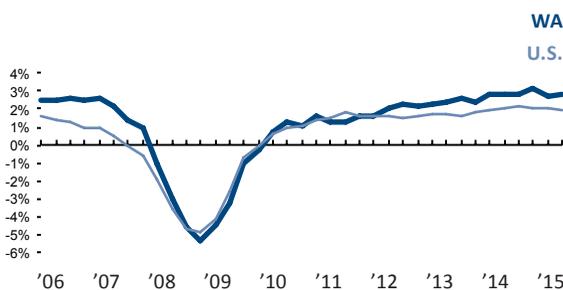
Absolute Domestic Migration

Cumulative 2006-2015 **302,829** Rank: 8
(in thousands)



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 **12.0%** Rank: 5



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Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 24 33 33 36 38 35 36

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	6.56%	25
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$0.00	2
Property Tax Burden (per \$1,000 of personal income)	\$28.07	21
Sales Tax Burden (per \$1,000 of personal income)	\$33.16	42
Remaining Tax Burden (per \$1,000 of personal income)	\$22.92	43
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	\$0.75	36
Debt Service as a Share of Tax Revenue	10.3%	45
Public Employees Per 10,000 of Population (full-time equivalent)	478.6	10
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	63.8	29
State Minimum Wage (federal floor is \$7.25)	\$11.00	49
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.97	36
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

West Virginia

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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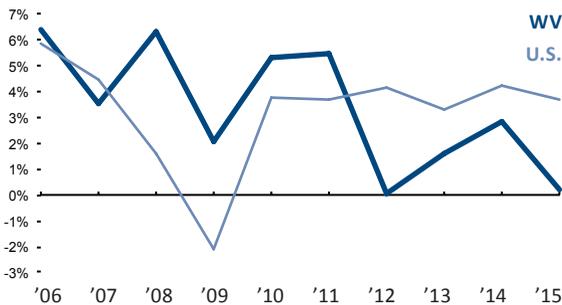
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

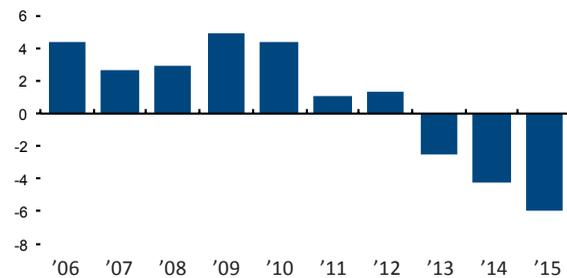
State Gross Domestic Product

Cumulative Growth 2005-2015 39.0% Rank: 19



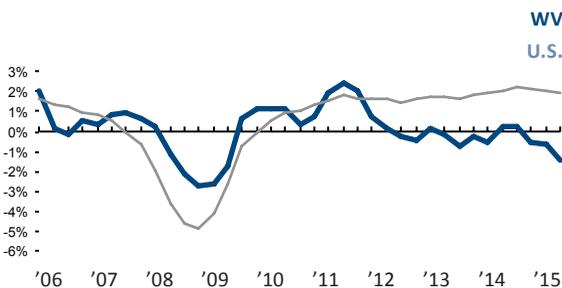
Absolute Domestic Migration

Cumulative 2006-2015 (in thousands) 8,874 Rank: 24



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 1.7% Rank: 38



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Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 27 31 30 32 30 36 37

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.50%	28
Top Marginal Corporate Income Tax Rate	6.50%	22
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$15.53	40
Property Tax Burden (per \$1,000 of personal income)	\$24.29	12
Sales Tax Burden (per \$1,000 of personal income)	\$18.84	15
Remaining Tax Burden (per \$1,000 of personal income)	\$28.68	47
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	\$1.39	41
Debt Service as a Share of Tax Revenue	4.6%	4
Public Employees Per 10,000 of Population (full-time equivalent)	556.0	36
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	46.3	50
State Minimum Wage (federal floor is \$7.25)	\$8.75	33
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.22	4
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Wisconsin

2017 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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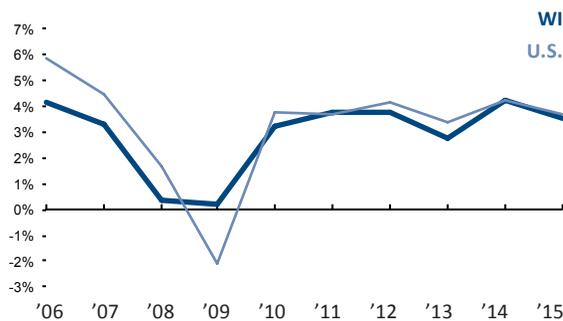
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

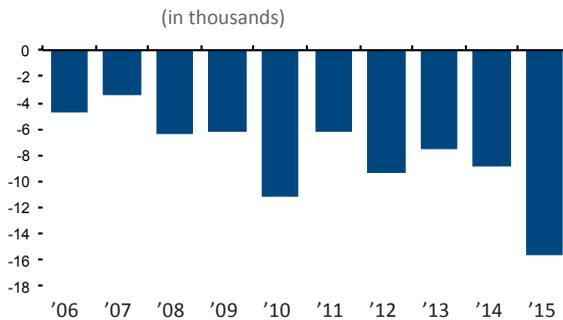
State Gross Domestic Product

Cumulative Growth 2005-2015 **33.5%** Rank: 29



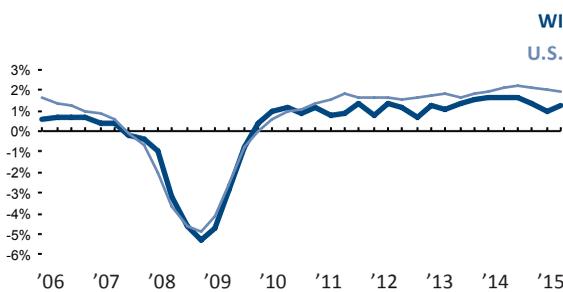
Absolute Domestic Migration

Cumulative 2006-2015 **-79,667** Rank: 39



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 **2.0%** Rank: 37



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Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 23 30 32 15 17 13 9

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	7.65%	39
Top Marginal Corporate Income Tax Rate	7.90%	33
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$4.63	17
Property Tax Burden (per \$1,000 of personal income)	\$38.19	40
Sales Tax Burden (per \$1,000 of personal income)	\$19.93	17
Remaining Tax Burden (per \$1,000 of personal income)	\$16.37	17
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	-\$0.09	19
Debt Service as a Share of Tax Revenue	6.7%	18
Public Employees Per 10,000 of Population (full-time equivalent)	496.2	16
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	66.6	20
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.06	39
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

Wyoming

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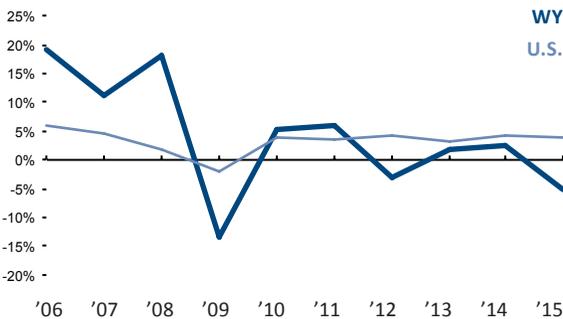
Economic Performance Rank

Economic Performance Rank (1=best 50=worst)

A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

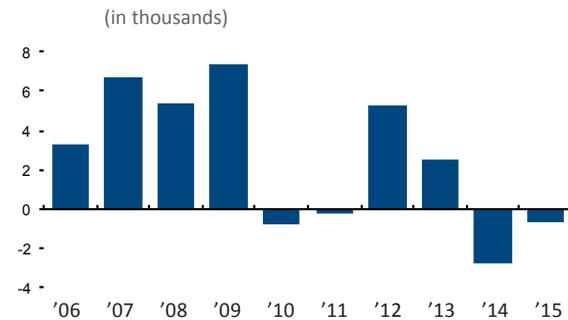
State Gross Domestic Product

Cumulative Growth 2005-2015 45.2% Rank: 10



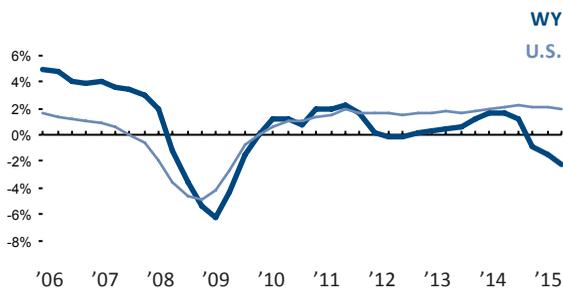
Absolute Domestic Migration

Cumulative 2006-2015 26,108 Rank: 21



Non-Farm Payroll Employment

Cumulative Growth 2005-2015 7.3% Rank: 18



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Economic Outlook Rank

Economic Outlook Rank (1=best 50=worst)

A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2010 2011 2012 2013 2014 2015 2016
ECONOMIC OUTLOOK RANK 6 6 6 6 10 8 4

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	0.00%	1
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$0.00	2
Property Tax Burden (per \$1,000 of personal income)	\$39.02	41
Sales Tax Burden (per \$1,000 of personal income)	\$30.15	39
Remaining Tax Burden (per \$1,000 of personal income)	\$12.84	5
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2015 & 2016, per \$1,000 of personal income)	\$0.14	30
Debt Service as a Share of Tax Revenue	2.2%	1
Public Employees Per 10,000 of Population (full-time equivalent)	864.8	50
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	69.7	8
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.87	28
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Appendix

2017 ALEC-Laffer State Economic Competitiveness Index: Economic Outlook Methodology

In previous editions of this report we introduced 15 policy variables that have a proven impact on the migration of capital—both investment and human—into and out of states. The end result of an equal-weighted combination of these variables is the 2017 ALEC-Laffer Economic Outlook rankings of the states. Each of these factors is influenced directly by state lawmakers through the legislative process. The 15 factors and a basic description of their purposes, sourcing and subsequent calculation methodologies are as follows:

HIGHEST MARGINAL PERSONAL INCOME TAX RATE

This ranking includes local taxes, if any, and any impact of federal deductibility, if allowed. A state's largest city was used as a proxy for local tax rates. Data were drawn from Tax Analysts, Federation of Tax Administrators and individual state tax return forms. Tax rates are as of January 1, 2017.

HIGHEST MARGINAL CORPORATE INCOME TAX RATE

This variable includes local taxes, if any, and includes the effect of federal deductibility, if allowed. A state's largest city was used as a proxy for local tax rates. In the case of gross receipts or business franchise taxes, an effective tax rate was approximated using NIPA profits, rental and proprietor's income and gross domestic product data. The Texas franchise tax is not a traditional gross receipts tax, but is instead a "margin" tax with more than one rate. A margin tax creates less distortion than does a gross receipts tax. Therefore, what we believe is the best measurement for an effective corporate tax rate for Texas is to average the gross receipts tax and the margin tax, leading to our measure of 2.56 percent. Data were drawn from Tax Analysts, Federation of Tax Administrators, individual state tax return forms and the Bureau of Economic Analysis. Tax rates are as of January 1, 2017.

PERSONAL INCOME TAX PROGRESSIVITY

This variable was measured as the difference between the average tax liability per \$1,000 at incomes of \$50,000 and \$150,000. The tax liabilities were measured using a combination of effective tax rates, exemptions and deductions at both

state and federal levels, which are calculations from Laffer Associates.

PROPERTY TAX BURDEN

This variable was calculated by taking tax revenues from property taxes per \$1,000 of personal income. We have used U.S. Census Bureau data, for which the most recent year available is 2014. These data were released in December 2016.

SALES TAX BURDEN

This variable was calculated by taking tax revenues from sales taxes per \$1,000 of personal income. Sales taxes taken into consideration include the general sales tax and specific sales taxes. We have used U.S. Census Bureau Data, for which the most recent year available is 2014. Where appropriate, gross receipts or business franchise taxes, counted as sales taxes in the Census data, were subtracted from a state's total sales taxes in order to avoid double-counting tax burden in a state. These data were released in June 2016.

REMAINING TAX BURDEN

This variable was calculated by taking tax revenues from all taxes—excluding personal income, corporate income (including corporate license), property, sales and severance per \$1,000 of personal income. We used U.S. Census Bureau Data, for which the most recent year available is 2014. These data were released in September 2016.

ESTATE OR INHERITANCE TAX (YES OR NO)

This variable assesses if a state levies an estate or inheritance tax. We chose to score states based on either a "yes" for the presence of a state-level estate or inheritance tax, or a "no" for the lack

thereof. Data were drawn from McGuire Woods LLP, “State Death Tax Chart” and indicate the presence of an estate or inheritance tax as of January 1, 2017.

RECENTLY LEGISLATED TAX CHANGES

This variable calculates each state’s relative change in tax burden over a two-year period (in this case, the 2015 and 2016 legislative session) for the next fiscal year, using revenue estimates of legislated tax changes per \$1,000 of personal income. This timeframe ensures that tax changes will impact a state’s ranking immediately enough to overcome any lags in the tax revenue data. ALEC and Laffer Associates calculations used raw data from state legislative fiscal notes, state budget offices, state revenue offices and other sources, including the National Conference of State Legislators.

DEBT SERVICE AS A SHARE OF TAX REVENUE

Interest paid on debt as a percentage of total tax revenue. This information comes from 2014 U.S. Census Bureau data. These data were released in June 2016.

PUBLIC EMPLOYEES PER 10,000 RESIDENTS

This variable shows the full-time equivalent public employees per 10,000 of population. This information comes from 2015 U.S. Census Bureau data. These data were released in December 2016.

QUALITY OF STATE LEGAL SYSTEM

This variable ranks tort systems by state. Information comes from the U.S. Chamber of Commerce Institute for Legal Reform 2015 Lawsuit Climate Survey.

STATE MINIMUM WAGE

Minimum wage enforced on a state-by-state basis. If a state does not have a minimum wage, we use the federal minimum wage floor. This information comes from the U.S. Department of Labor, as of January 1, 2017.

WORKERS’ COMPENSATION COSTS

This variable highlights the 2016 Workers’ Compensation Index Rate (cost per \$100 of payroll). This survey is conducted biennially by the Oregon Department of Consumer & Business Services, Information Management Division.

RIGHT-TO-WORK STATE (YES OR NO)

This variable assesses whether or not a state requires union membership for its employees. We have chosen to score states based on either a “yes” for the presence of a right-to-work law or a “no” for the lack thereof. This information comes from the National Right to Work Legal Defense and Education Foundation, Inc. Right-to-work status is as of January 8, 2017.

TAX OR EXPENDITURE LIMIT

States were ranked only by the number of state tax or expenditure limits in place. We measure this by i) a state expenditure limit, ii) mandatory voter approval of tax increases and iii) a supermajority requirement for tax increases. One point is awarded for each type of tax or expenditure limitation a state has. All tax or expenditure limitations measured apply directly to state government. This information comes from the Cato Institute and other sources.