



# RICH STATES, POOR STATES

ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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Boise, Idaho



# State Rankings

# State Rankings

**T**he 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, 2019

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

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

## ALEC-Laffer State Economic Performance Rankings, 2007-2017

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

# Alabama

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 35

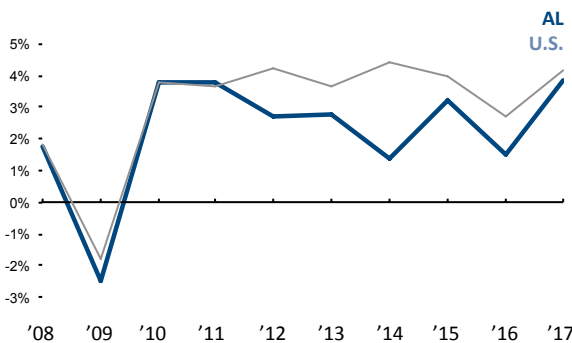
Economic  
Performance Rank

### 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.

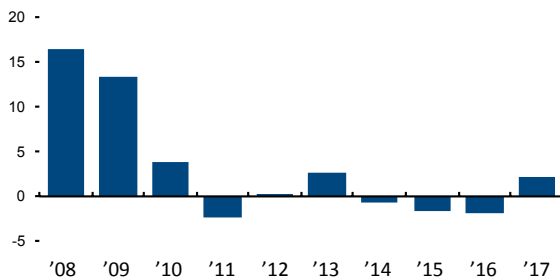
#### State Gross Domestic Product

Cumulative Growth 2007-2017 24.5% Rank: 41



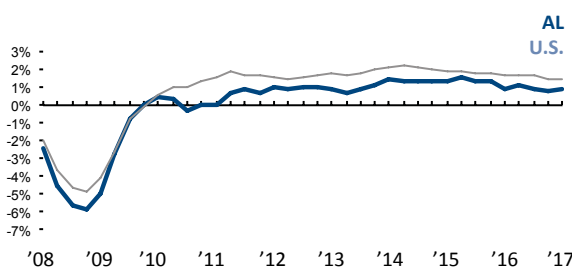
#### Absolute Domestic Migration

Cumulative 2008-2017 (in thousands) 31,767 Rank: 18



#### Non-Farm Payroll Employment

Cumulative 2007-2017 -0.5% Rank: 46



## 21

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

2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 21 17 20 19 21 21 20**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.15%	12
Top Marginal Corporate Income Tax Rate	6.03%	17
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	-\$1.87	1
Property Tax Burden (per \$1,000 of personal income)	\$14.08	1
Sales Tax Burden (per \$1,000 of personal income)	\$25.29	34
Remaining Tax Burden (per \$1,000 of personal income)	\$21.64	40
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$0.01	21
Debt Service as a Share of Tax Revenue	7.2%	30
Public Employees Per 10,000 of Population (full-time equivalent)	577.4	40
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	61.1	43
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.65	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)	0	34

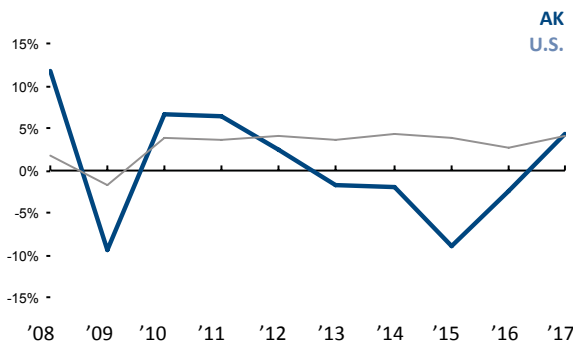
# Alaska

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

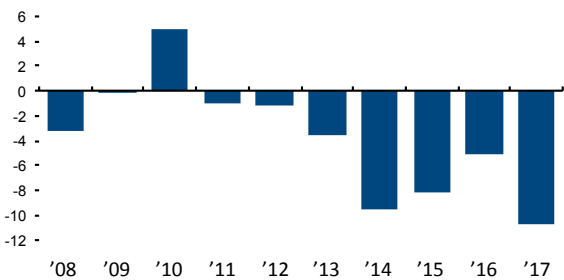
**43** Economic  
Performance Rank

**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.

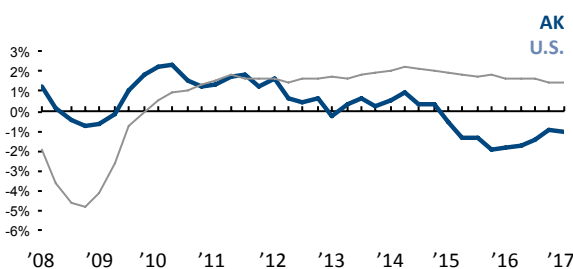
State Gross Domestic Product  
Cumulative Growth 2007-2017 5.1% Rank: 49



Absolute Domestic Migration  
Cumulative 2008-2017 -37,919 Rank: 31  
(in thousands)



Non-Farm Payroll Employment  
Cumulative 2007-2017 2.7% Rank: 35



**31** 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 2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 29 21 18 14 25 30 34**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	9.40%	42
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)	\$36.29	38
Sales Tax Burden (per \$1,000 of personal income)	\$5.61	5
Remaining Tax Burden (per \$1,000 of personal income)	\$12.56	4
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$2.25	40
Debt Service as a Share of Tax Revenue	11.4%	50
Public Employees Per 10,000 of Population (full-time equivalent)	700.8	49
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	73.8	6
State Minimum Wage (federal floor is \$7.25)	\$9.89	37
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.51	47
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

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 22

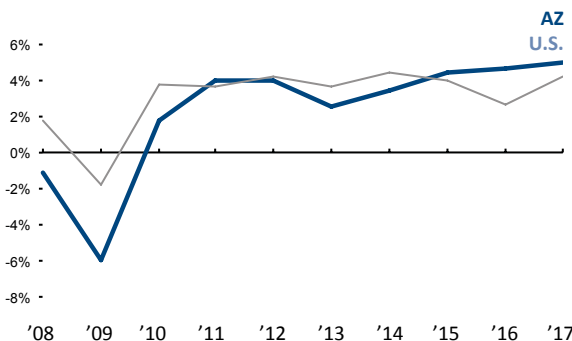
Economic  
Performance Rank

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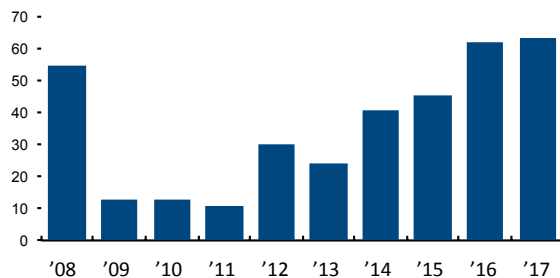
#### State Gross Domestic Product

Cumulative Growth 2007-2017 24.4% Rank: 42



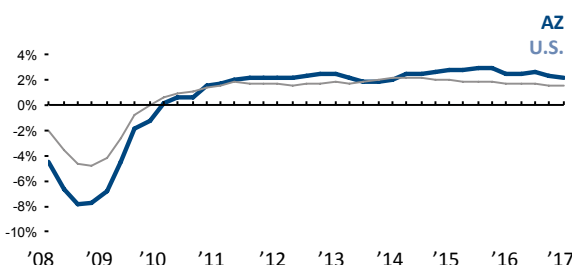
#### Absolute Domestic Migration

Cumulative 2008-2017 (in thousands) 355,768 Rank: 6



#### Non-Farm Payroll Employment

Cumulative 2007-2017 4.1% Rank: 26



## 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

2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 9 6 7 5 5 8 5**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.54%	13
Top Marginal Corporate Income Tax Rate	4.90%	9
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$10.72	28
Property Tax Burden (per \$1,000 of personal income)	\$26.61	19
Sales Tax Burden (per \$1,000 of personal income)	\$34.78	45
Remaining Tax Burden (per \$1,000 of personal income)	\$11.85	1
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$0.30	26
Debt Service as a Share of Tax Revenue	8.0%	35
Public Employees Per 10,000 of Population (full-time equivalent)	400.8	2
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	69.8	25
State Minimum Wage (federal floor is \$7.25)	\$11.00	44
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.30	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)	2	3

# Arkansas

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 30

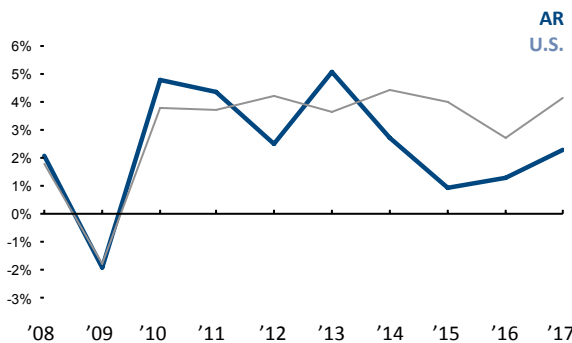
Economic  
Performance Rank

### Economic Performance Rank (1=best 50=worst)

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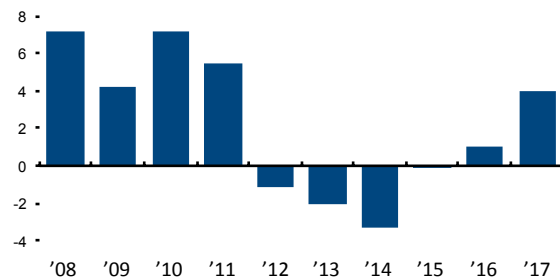
#### State Gross Domestic Product

Cumulative Growth 2007-2017 26.6% Rank: 35



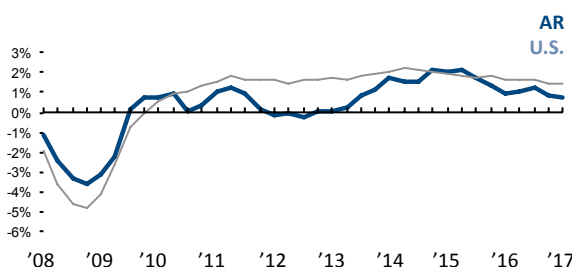
#### Absolute Domestic Migration

Cumulative 2008-2017 (in thousands) 22,490 Rank: 19



#### Non-Farm Payroll Employment

Cumulative 2007-2017 2.9% Rank: 33



## 23

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

2012 2013 2014 2015 2016 2017 2018

**ECONOMIC OUTLOOK RANK 11 24 26 22 20 23 22**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.90%	32
Top Marginal Corporate Income Tax Rate	6.50%	21
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$19.73	46
Property Tax Burden (per \$1,000 of personal income)	\$18.08	4
Sales Tax Burden (per \$1,000 of personal income)	\$37.69	47
Remaining Tax Burden (per \$1,000 of personal income)	\$16.90	24
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	-\$0.46	13
Debt Service as a Share of Tax Revenue	4.5%	8
Public Employees Per 10,000 of Population (full-time equivalent)	560.3	38
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	67.2	36
State Minimum Wage (federal floor is \$7.25)	\$9.25	34
Average Workers' Compensation Costs (per \$100 of payroll)	\$0.90	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

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 18

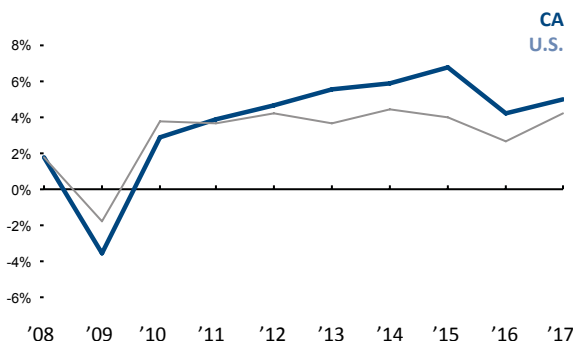
Economic  
Performance Rank

### 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

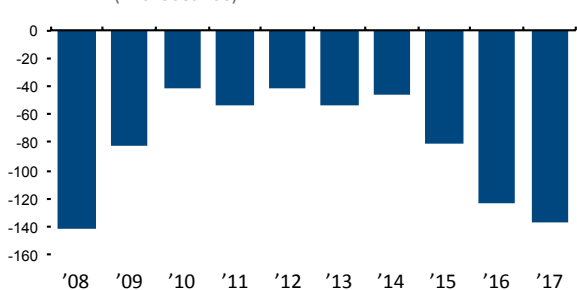
Cumulative Growth 2007-2017 43.0 % Rank: 8



#### Absolute Domestic Migration Cumulative 2008-2017

(in thousands)

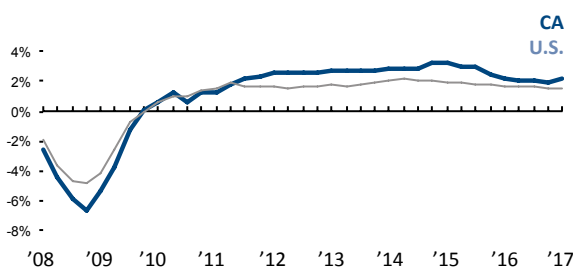
-799,047 Rank: 49



#### Non-Farm Payroll Employment

Cumulative 2007-2017

9.7% Rank: 7



## 47

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

2012 2013 2014 2015 2016 2017 2018

**ECONOMIC OUTLOOK RANK 38 47 47 44 46 47 47**

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)	\$39.54	50
Property Tax Burden (per \$1,000 of personal income)	\$27.60	22
Sales Tax Burden (per \$1,000 of personal income)	\$23.58	28
Remaining Tax Burden (per \$1,000 of personal income)	\$15.52	15
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$1.92	38
Debt Service as a Share of Tax Revenue	8.1%	37
Public Employees Per 10,000 of Population (full-time equivalent)	470.8	7
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	60.0	47
State Minimum Wage (federal floor is \$7.25)	\$12.00	48
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.87	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)	2	3

# Colorado

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 4

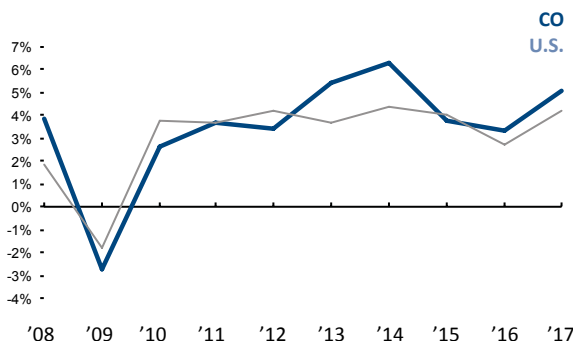
Economic  
Performance Rank

### Economic Performance Rank (1=best 50=worst)

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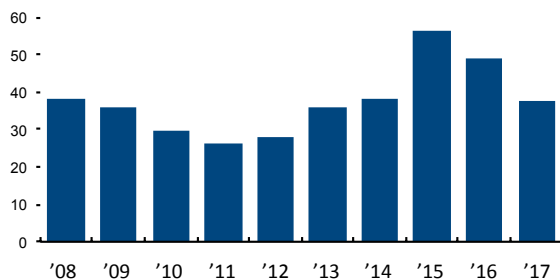
#### State Gross Domestic Product

Cumulative Growth 2007-2017 40.3% Rank: 11



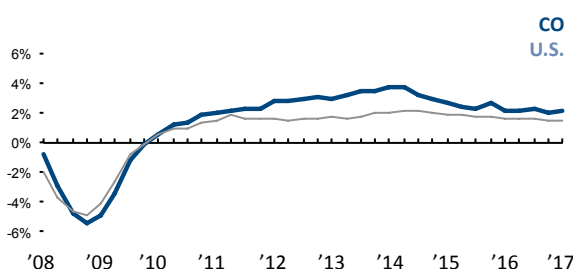
#### Absolute Domestic Migration

Cumulative 2008-2017 375,914 Rank: 4  
(in thousands)



#### Non-Farm Payroll Employment

Cumulative 2007-2017 14.2% Rank: 4



## 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

2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 8 16 22 21 16 15 15**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.63%	14
Top Marginal Corporate Income Tax Rate	4.63%	8
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$7.53	21
Property Tax Burden (per \$1,000 of personal income)	\$27.53	21
Sales Tax Burden (per \$1,000 of personal income)	\$23.66	29
Remaining Tax Burden (per \$1,000 of personal income)	\$12.90	5
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	-\$1.34	7
Debt Service as a Share of Tax Revenue	9.5%	47
Public Employees Per 10,000 of Population (full-time equivalent)	533.5	30
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	67.6	35
State Minimum Wage (federal floor is \$7.25)	\$11.10	46
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.43	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

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 50

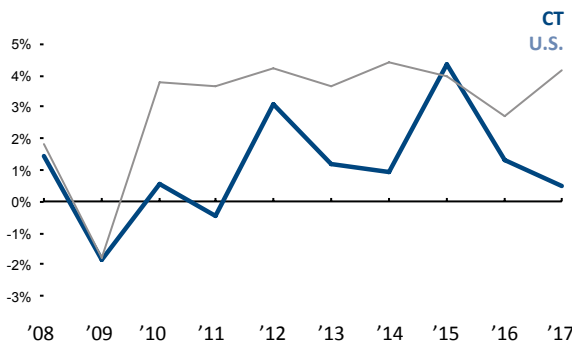
Economic  
Performance Rank

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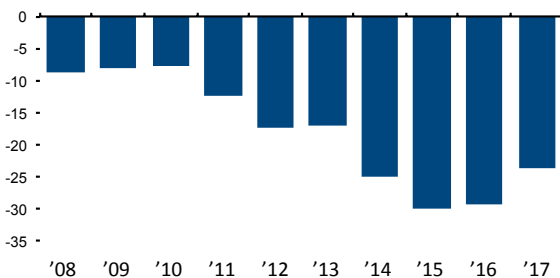
#### State Gross Domestic Product

Cumulative Growth 2007-2017 11.4% Rank: 48



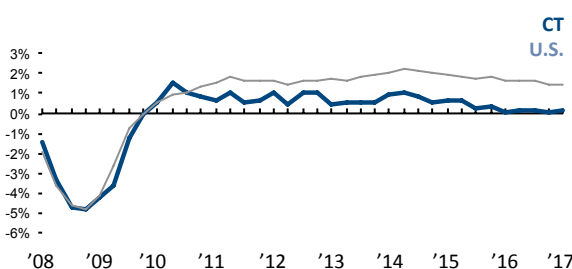
#### Absolute Domestic Migration

Cumulative 2008-2017 -178,822 Rank: 43  
(in thousands)



#### Non-Farm Payroll Employment

Cumulative 2007-2017 -1.3% Rank: 47



## 41

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

2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 44 43 44 47 47 46 40**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.99%	36
Top Marginal Corporate Income Tax Rate	7.50%	31
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$7.67	22
Property Tax Burden (per \$1,000 of personal income)	\$42.28	43
Sales Tax Burden (per \$1,000 of personal income)	\$15.11	10
Remaining Tax Burden (per \$1,000 of personal income)	\$13.58	9
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$4.54	45
Debt Service as a Share of Tax Revenue	7.5%	32
Public Employees Per 10,000 of Population (full-time equivalent)	519.4	21
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	71.8	16
State Minimum Wage (federal floor is \$7.25)	\$10.10	38
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.20	44
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

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 26

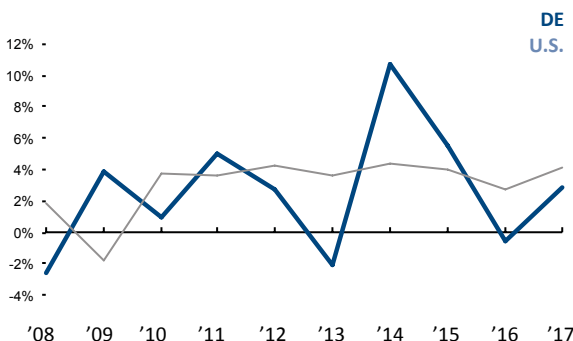
Economic  
Performance Rank

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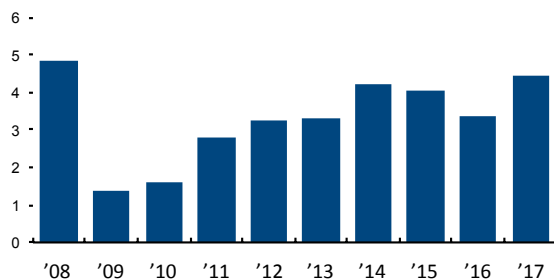
#### State Gross Domestic Product

Cumulative Growth 2007-2017 28.8% Rank: 32



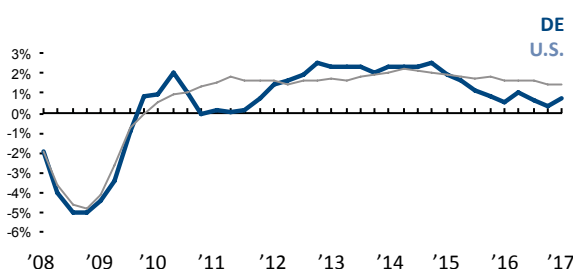
#### Absolute Domestic Migration

Cumulative 2008-2017 (in thousands) 33,305 Rank: 17



#### Non-Farm Payroll Employment

Cumulative 2007-2017 4.0% Rank: 28



## 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 2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 34 30 27 38 44 37 36**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	7.85%	42
Top Marginal Corporate Income Tax Rate	11.74%	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)	\$18.06	3
Sales Tax Burden (per \$1,000 of personal income)	\$0.00	1
Remaining Tax Burden (per \$1,000 of personal income)	\$48.89	50
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$7.98	50
Debt Service as a Share of Tax Revenue	6.3%	23
Public Employees Per 10,000 of Population (full-time equivalent)	517.3	20
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	72.8	11
State Minimum Wage (federal floor is \$7.25)	\$8.75	29
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.50	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)	2	3

# Florida

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 13

Economic  
Performance Rank

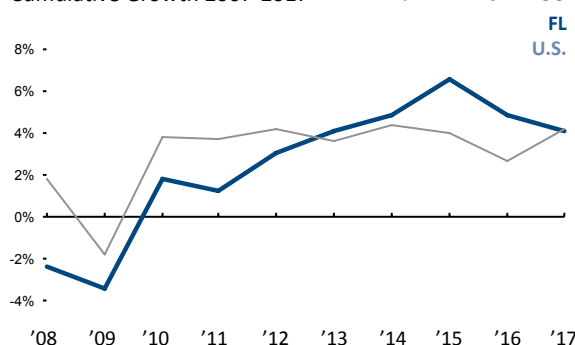
### Economic Performance Rank (1=best 50=worst)

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.

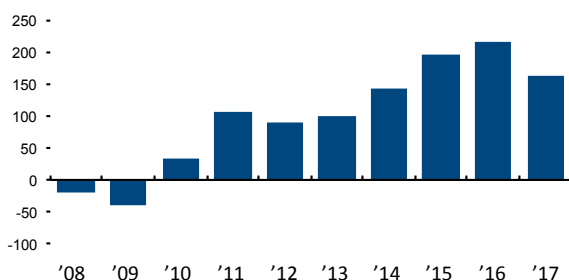
#### State Gross Domestic Product

Cumulative Growth 2007-2017 27% Rank: 33



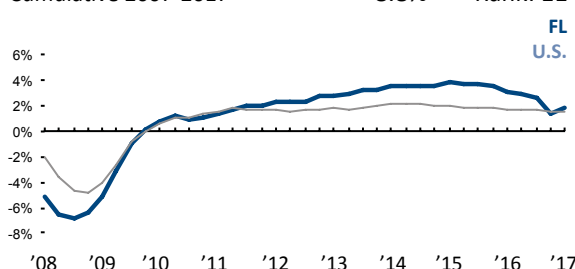
#### Absolute Domestic Migration

Cumulative 2008-2017 991,239 Rank: 2  
(in thousands)



#### Non-Farm Payroll Employment

Cumulative 2007-2017 8.8% Rank: 11



## 8

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 2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 13 9 16 15 8 6 6**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	5.50%	13
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)	\$27.86	25
Sales Tax Burden (per \$1,000 of personal income)	\$26.18	36
Remaining Tax Burden (per \$1,000 of personal income)	\$20.20	36
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	-\$0.74	8
Debt Service as a Share of Tax Revenue	7.1%	29
Public Employees Per 10,000 of Population (full-time equivalent)	424.5	3
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	60.5	46
State Minimum Wage (federal floor is \$7.25)	\$8.46	25
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.81	30
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

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 10

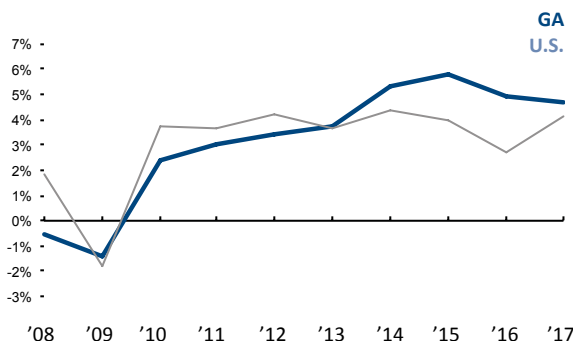
Economic  
Performance Rank

### 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.

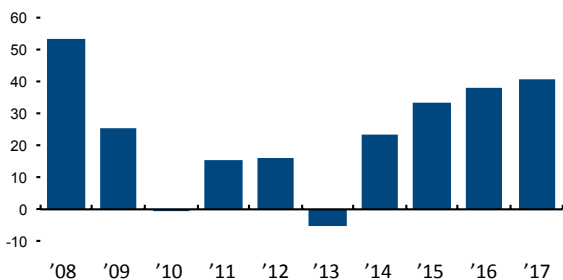
#### State Gross Domestic Product

Cumulative Growth 2007-2017 35.8% Rank: 16



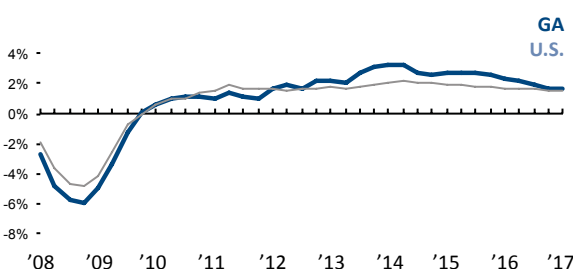
#### Absolute Domestic Migration

Cumulative 2008-2017 (in thousands) 238,801 Rank: 8



#### Non-Farm Payroll Employment

Cumulative 2007-2017 7.6% Rank: 14



## 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 2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 10 8 9 7 19 17 11**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.75%	25
Top Marginal Corporate Income Tax Rate	6.38%	19
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$7.90	23
Property Tax Burden (per \$1,000 of personal income)	\$27.71	23
Sales Tax Burden (per \$1,000 of personal income)	\$21.04	21
Remaining Tax Burden (per \$1,000 of personal income)	\$12.25	3
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	-\$0.26	16
Debt Service as a Share of Tax Revenue	6.2%	22
Public Employees Per 10,000 of Population (full-time equivalent)	499.5	16
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	64.4	39
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.27	45
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

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 23

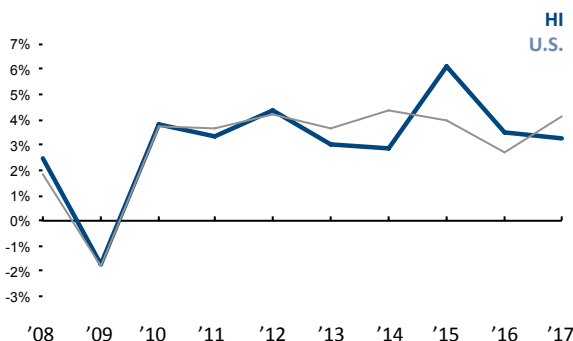
Economic  
Performance Rank

### 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.

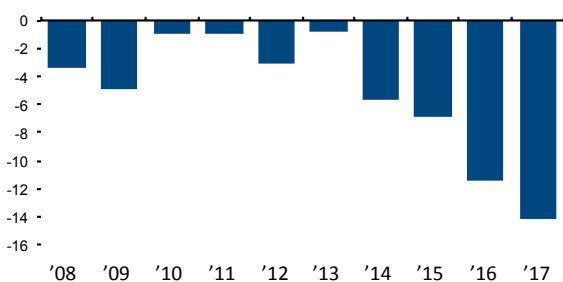
#### State Gross Domestic Product

Cumulative Growth 2007-2017 35.6% Rank: 17



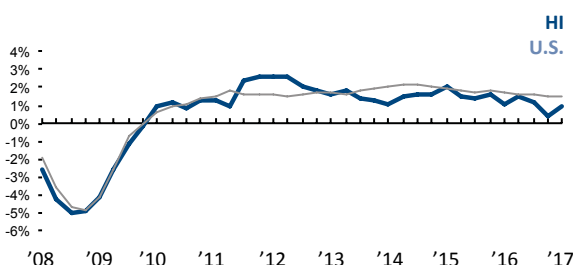
#### Absolute Domestic Migration

Cumulative 2008-2017 (in thousands) -51,993 Rank: 34



#### Non-Farm Payroll Employment

Cumulative 2007-2017 4.6% Rank: 23



## 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

2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 46 40 36 37 42 43 45**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	11.00%	47
Top Marginal Corporate Income Tax Rate	6.40%	20
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)	\$22.76	12
Sales Tax Burden (per \$1,000 of personal income)	\$48.06	50
Remaining Tax Burden (per \$1,000 of personal income)	\$27.20	47
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$0.83	30
Debt Service as a Share of Tax Revenue	3.6%	2
Public Employees Per 10,000 of Population (full-time equivalent)	532.1	29
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.0	23
State Minimum Wage (federal floor is \$7.25)	\$10.10	38
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.01	38
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

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 11

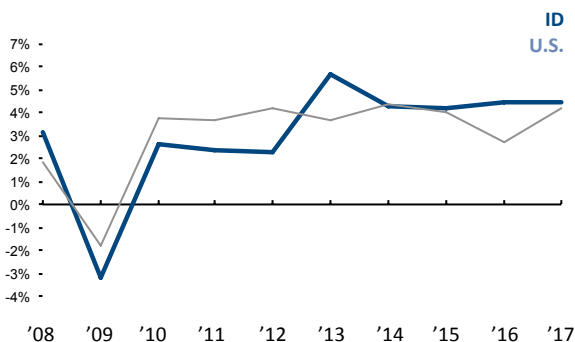
Economic  
Performance Rank

### 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.

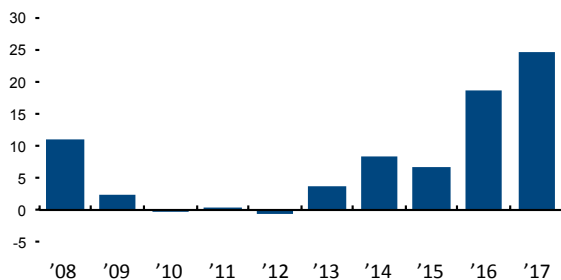
#### State Gross Domestic Product

Cumulative Growth 2007-2017 34.2% Rank: 22



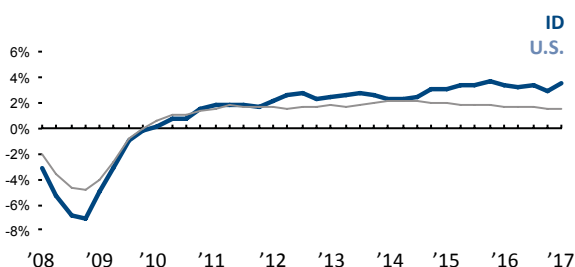
#### Absolute Domestic Migration

Cumulative 2008-2017 75,210 Rank: 13  
(in thousands)



#### Non-Farm Payroll Employment

Cumulative 2007-2017 10.7% Rank: 6



## 2

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 2012 2013 2014 2015 2016 2017 2018

**ECONOMIC OUTLOOK RANK 6 7 5 6 15 10 2**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.93%	34
Top Marginal Corporate Income Tax Rate	6.93%	27
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$14.72	37
Property Tax Burden (per \$1,000 of personal income)	\$23.71	14
Sales Tax Burden (per \$1,000 of personal income)	\$23.35	27
Remaining Tax Burden (per \$1,000 of personal income)	\$15.53	16
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	-\$1.79	5
Debt Service as a Share of Tax Revenue	4.2%	5
Public Employees Per 10,000 of Population (full-time equivalent)	492.6	14
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	75.0	3
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.81	30
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

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 46

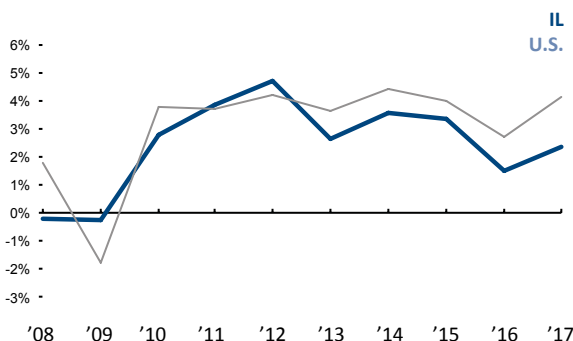
Economic  
Performance Rank

### 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.

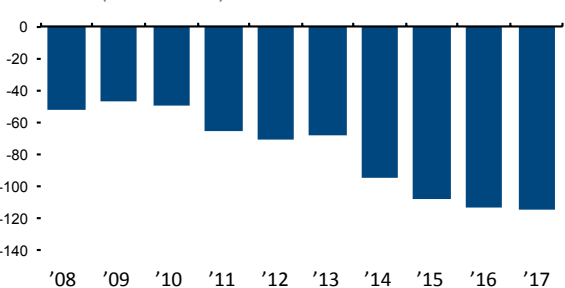
#### State Gross Domestic Product

Cumulative Growth 2007-2017 27.0% Rank: 34



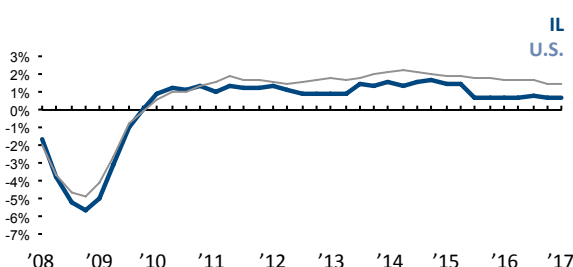
#### Absolute Domestic Migration

Cumulative 2008-2017 -783,319 Rank: 48



#### Non-Farm Payroll Employment

Cumulative 2007-2017 1.6% Rank: 41



## 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

2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 48 48 48 40 43 44 48**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.95%	16
Top Marginal Corporate Income Tax Rate	9.50%	43
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$1.47	14
Property Tax Burden (per \$1,000 of personal income)	\$40.60	42
Sales Tax Burden (per \$1,000 of personal income)	\$20.90	20
Remaining Tax Burden (per \$1,000 of personal income)	\$21.16	39
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$7.60	48
Debt Service as a Share of Tax Revenue	10.0%	49
Public Employees Per 10,000 of Population (full-time equivalent)	483.0	9
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	59.1	48
State Minimum Wage (federal floor is \$7.25)	\$8.25	23
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.80	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

# Indiana

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 32

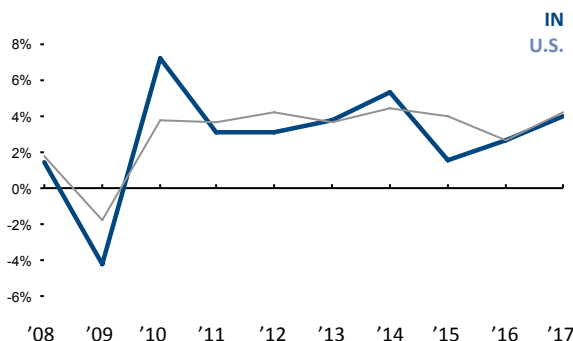
Economic  
Performance Rank

### 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.

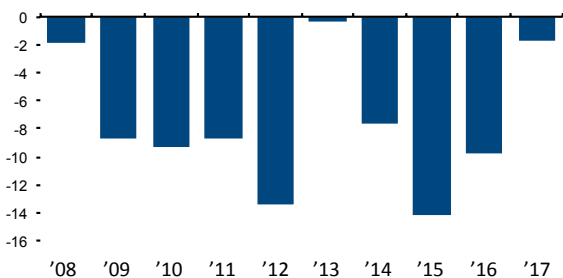
#### State Gross Domestic Product

Cumulative Growth 2007-2017 30.9% Rank: 26



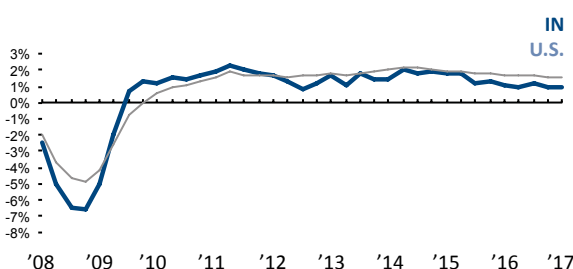
#### Absolute Domestic Migration

Cumulative 2008-2017 (in thousands) -75,322 Rank: 38



#### Non-Farm Payroll Employment

Cumulative 2007-2017 4.0% Rank: 27



## 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 2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 24 14 3 3 6 2 3**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.25%	22
Top Marginal Corporate Income Tax Rate	5.75%	14
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$0.70	13
Property Tax Burden (per \$1,000 of personal income)	\$22.61	10
Sales Tax Burden (per \$1,000 of personal income)	\$25.74	35
Remaining Tax Burden (per \$1,000 of personal income)	\$15.47	14
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$4.08	44
Debt Service as a Share of Tax Revenue	8.3%	39
Public Employees Per 10,000 of Population (full-time equivalent)	487.0	11
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	71.9	15
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$0.87	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

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 29

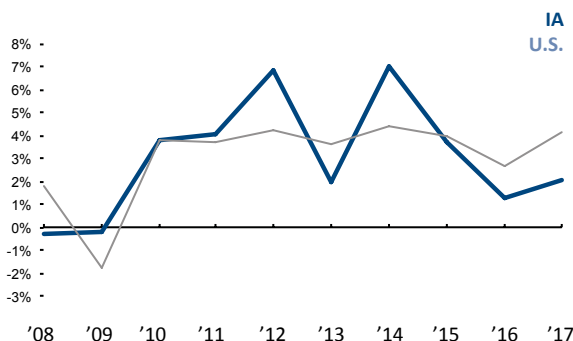
Economic  
Performance Rank

### 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.

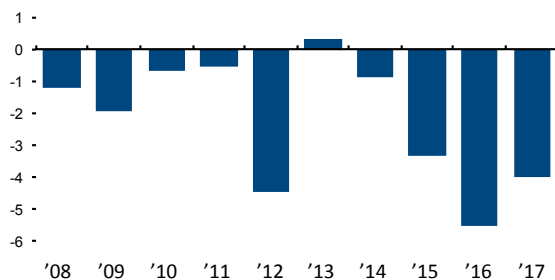
#### State Gross Domestic Product

Cumulative Growth 2007-2017 34.3% Rank: 21



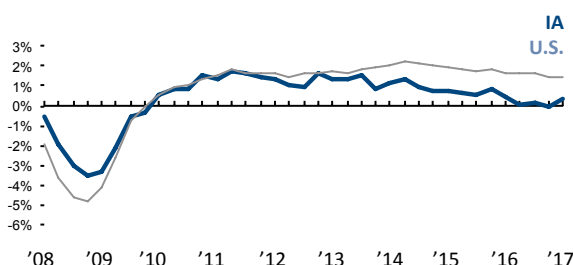
#### Absolute Domestic Migration

Cumulative 2008-2017 -22,212 Rank: 30  
(in thousands)



#### Non-Farm Payroll Employment

Cumulative 2007-2017 3.5% Rank: 30



## 25

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

2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 22 25 25 25 29 29 29**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.37%	23
Top Marginal Corporate Income Tax Rate	11.64%	46
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$13.12	35
Property Tax Burden (per \$1,000 of personal income)	\$34.17	35
Sales Tax Burden (per \$1,000 of personal income)	\$24.01	30
Remaining Tax Burden (per \$1,000 of personal income)	\$19.48	32
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	-\$0.62	11
Debt Service as a Share of Tax Revenue	4.3%	6
Public Employees Per 10,000 of Population (full-time equivalent)	593.0	42
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	72.6	13
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.64	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

# Kansas

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

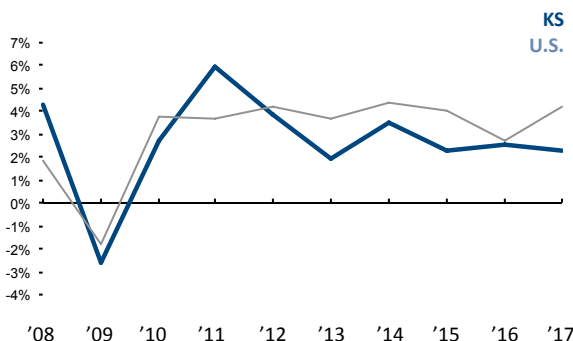
**40** Economic  
Performance Rank

## 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.

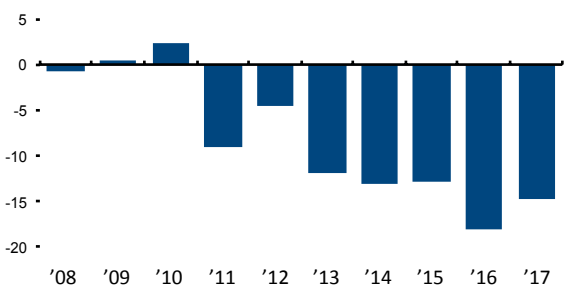
### State Gross Domestic Product

Cumulative Growth 2007-2017 29.9% Rank: 31



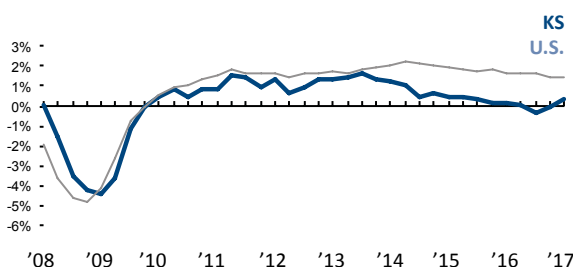
### Absolute Domestic Migration

Cumulative 2008-2017 -81,943 Rank: 39  
(in thousands)



### Non-Farm Payroll Employment

Cumulative 2007-2017 1.5% Rank: 43



**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 2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 26 11 15 18 27 26 26**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.70%	24
Top Marginal Corporate Income Tax Rate	7.00%	28
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$10.09	27
Property Tax Burden (per \$1,000 of personal income)	\$31.54	32
Sales Tax Burden (per \$1,000 of personal income)	\$30.57	39
Remaining Tax Burden (per \$1,000 of personal income)	\$13.64	11
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$7.83	49
Debt Service as a Share of Tax Revenue	6.4%	24
Public Employees Per 10,000 of Population (full-time equivalent)	690.7	48
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	71.5	18
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.15	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)	0	34

# Kentucky

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 25

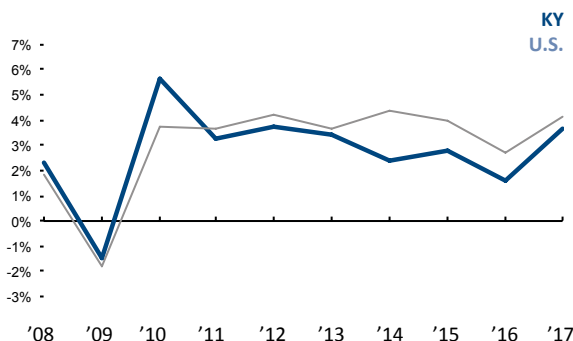
Economic  
Performance Rank

### 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.

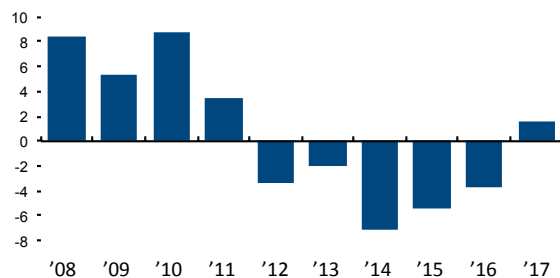
#### State Gross Domestic Product

Cumulative Growth 2007-2017 30.8% Rank: 27



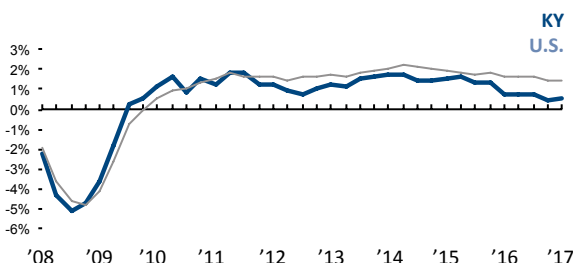
#### Absolute Domestic Migration

Cumulative 2008-2017 (in thousands) 6,118 Rank: 21



#### Non-Farm Payroll Employment

Cumulative 2007-2017 3.5% Rank: 29



## 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

2012 2013 2014 2015 2016 2017 2018

**ECONOMIC OUTLOOK RANK 39 38 39 30 33 33 31**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	7.20%	39
Top Marginal Corporate Income Tax Rate	7.20%	30
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$1.73	15
Property Tax Burden (per \$1,000 of personal income)	\$19.79	6
Sales Tax Burden (per \$1,000 of personal income)	\$19.93	16
Remaining Tax Burden (per \$1,000 of personal income)	\$20.03	34
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$1.72	36
Debt Service as a Share of Tax Revenue	9.1%	44
Public Employees Per 10,000 of Population (full-time equivalent)	545.8	35
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	61.7	42
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.51	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)	1	15

# Louisiana

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 39

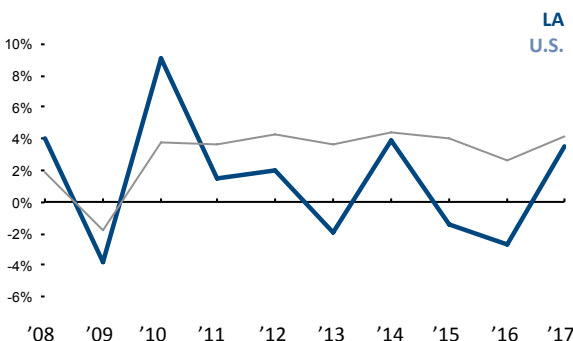
Economic  
Performance Rank

### 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.

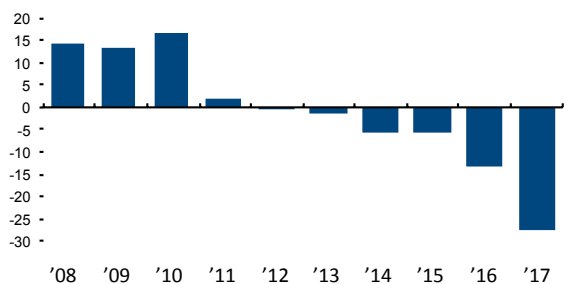
#### State Gross Domestic Product

Cumulative Growth 2007-2017 14.2% Rank: 47



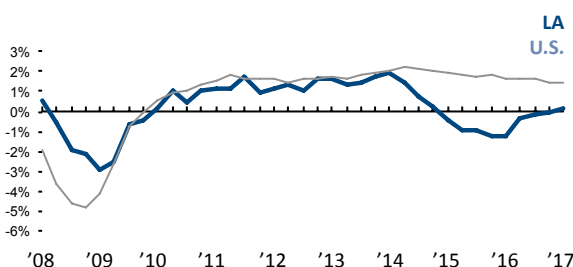
#### Absolute Domestic Migration

Cumulative 2008-2017 (in thousands) -7,404 Rank: 25



#### Non-Farm Payroll Employment

Cumulative 2007-2017 1.9% Rank: 39



## 26

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

2012 2013 2014 2015 2016 2017 2018

**ECONOMIC OUTLOOK RANK 19 28 29 26 28 28 27**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	3.78%	11
Top Marginal Corporate Income Tax Rate	6.32%	18
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$11.04	29
Property Tax Burden (per \$1,000 of personal income)	\$20.84	8
Sales Tax Burden (per \$1,000 of personal income)	\$37.45	46
Remaining Tax Burden (per \$1,000 of personal income)	\$15.55	17
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$2.16	39
Debt Service as a Share of Tax Revenue	8.7%	43
Public Employees Per 10,000 of Population (full-time equivalent)	553.6	37
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	56.6	50
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.05	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

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

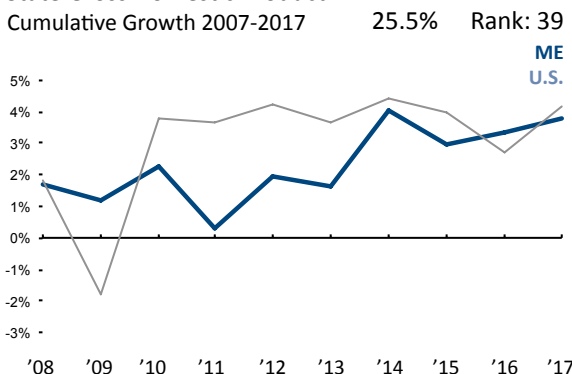
## 36

Economic  
Performance Rank

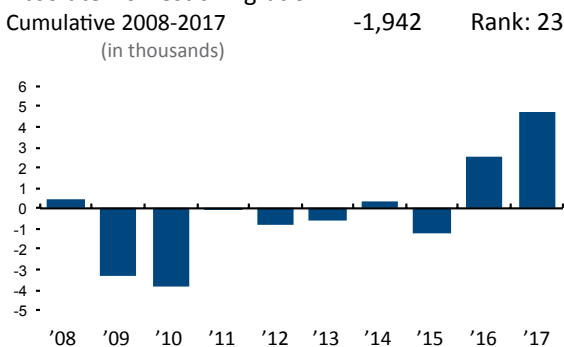
### Economic Performance Rank (1=best 50=worst)

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.

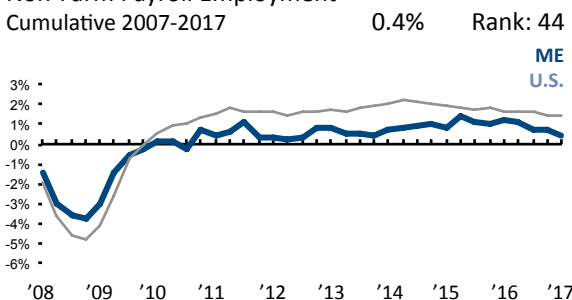
#### State Gross Domestic Product



#### Absolute Domestic Migration



#### Non-Farm Payroll Employment



## 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 2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 47 41 40 42 38 42 42**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	7.15%	38
Top Marginal Corporate Income Tax Rate	8.93%	41
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$25.02	48
Property Tax Burden (per \$1,000 of personal income)	\$47.53	46
Sales Tax Burden (per \$1,000 of personal income)	\$23.07	24
Remaining Tax Burden (per \$1,000 of personal income)	\$18.27	28
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	-\$0.68	10
Debt Service as a Share of Tax Revenue	4.4%	7
Public Employees Per 10,000 of Population (full-time equivalent)	520.4	22
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	73.2	9
State Minimum Wage (federal floor is \$7.25)	\$11.00	44
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.84	32
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

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

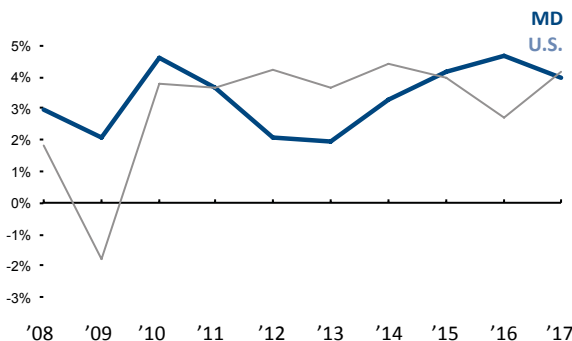
**28** Economic  
Performance Rank

## 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.

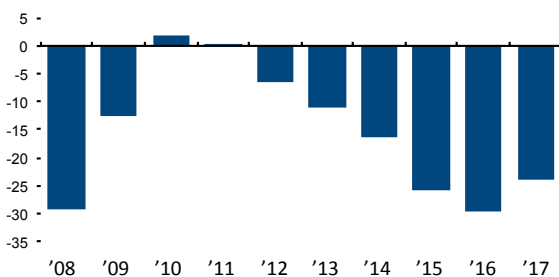
### State Gross Domestic Product

Cumulative Growth 2007-2017 38.8% Rank: 14



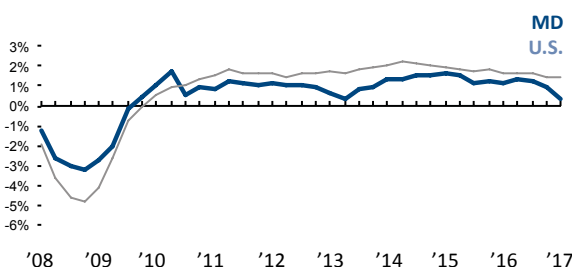
### Absolute Domestic Migration

Cumulative 2008-2017 (in thousands) -152,577 Rank: 42



### Non-Farm Payroll Employment

Cumulative 2007-2017 4.2% Rank: 25



**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 2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 20 35 34 33 31 34 32**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	8.95%	44
Top Marginal Corporate Income Tax Rate	8.25%	38
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$8.90	26
Property Tax Burden (per \$1,000 of personal income)	\$26.85	20
Sales Tax Burden (per \$1,000 of personal income)	\$12.98	8
Remaining Tax Burden (per \$1,000 of personal income)	\$22.03	41
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	-\$1.75	6
Debt Service as a Share of Tax Revenue	5.7%	18
Public Employees Per 10,000 of Population (full-time equivalent)	506.9	18
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.8	19
State Minimum Wage (federal floor is \$7.25)	\$10.10	38
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.33	12
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

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 15

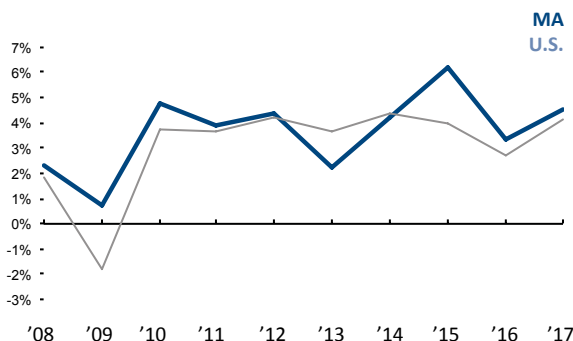
Economic  
Performance Rank

### 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.

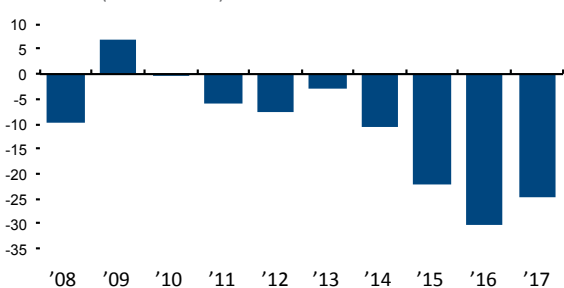
#### State Gross Domestic Product

Cumulative Growth 2007-2017 42.9% Rank: 9



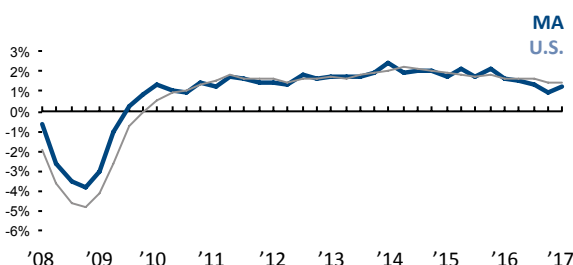
#### Absolute Domestic Migration

Cumulative 2008-2017 -107,468 Rank: 41



#### Non-Farm Payroll Employment

Cumulative 2007-2017 9.3% Rank: 8



## 28

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

2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 25 29 28 28 26 25 25**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.05%	20
Top Marginal Corporate Income Tax Rate	8.00%	36
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$2.96	17
Property Tax Burden (per \$1,000 of personal income)	\$36.69	39
Sales Tax Burden (per \$1,000 of personal income)	\$13.89	9
Remaining Tax Burden (per \$1,000 of personal income)	\$11.87	2
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$2.32	41
Debt Service as a Share of Tax Revenue	8.6%	42
Public Employees Per 10,000 of Population (full-time equivalent)	478.9	8
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	72.1	14
State Minimum Wage (federal floor is \$7.25)	\$12.00	48
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.37	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)	1	15

# Michigan

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



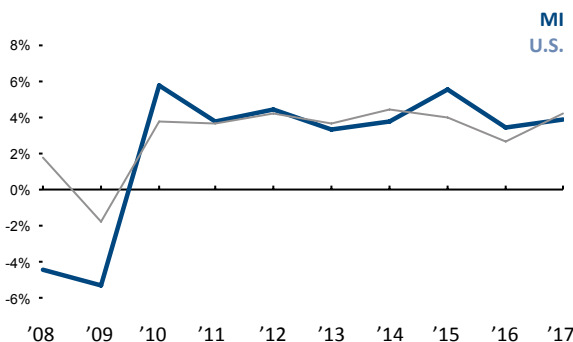
**42** Economic  
Performance Rank

## 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.

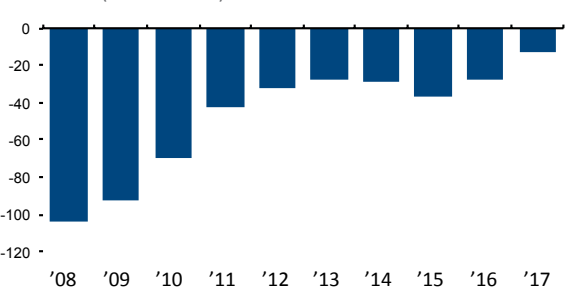
### State Gross Domestic Product

Cumulative Growth 2007-2017 26.0% Rank: 38



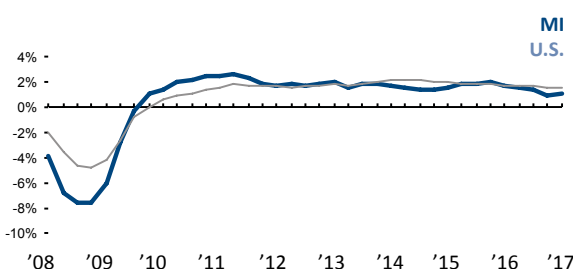
### Absolute Domestic Migration

Cumulative 2008-2017 -472,794 Rank: 46



### Non-Farm Payroll Employment

Cumulative 2007-2017 3.3% Rank: 31



**12** 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 2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 17 20 12 24 22 20 18**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.65%	30
Top Marginal Corporate Income Tax Rate	8.00%	36
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$2.49	16
Property Tax Burden (per \$1,000 of personal income)	\$32.01	34
Sales Tax Burden (per \$1,000 of personal income)	\$20.89	19
Remaining Tax Burden (per \$1,000 of personal income)	\$15.11	13
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	-\$0.47	12
Debt Service as a Share of Tax Revenue	8.2%	38
Public Employees Per 10,000 of Population (full-time equivalent)	435.4	4
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.4	22
State Minimum Wage (federal floor is \$7.25)	\$9.25	34
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.38	14
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

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 21

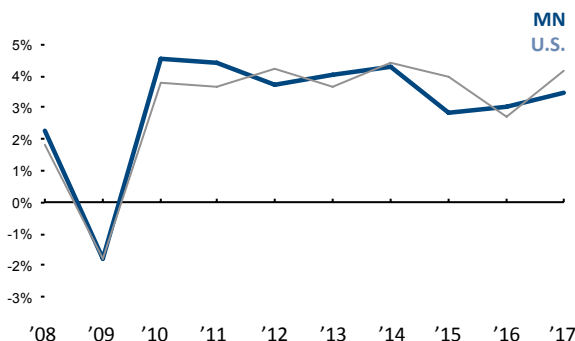
Economic  
Performance Rank

### 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.

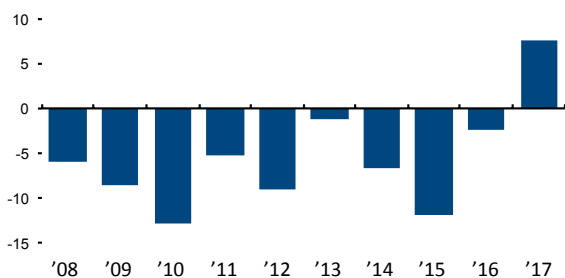
#### State Gross Domestic Product

Cumulative Growth 2007-2017 35.3% Rank: 18



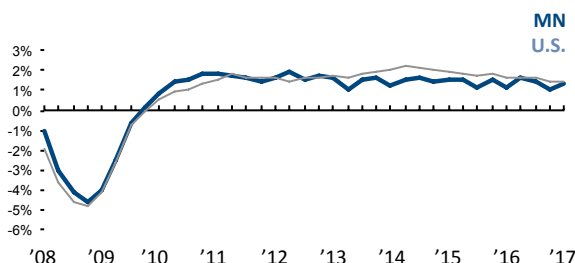
#### Absolute Domestic Migration

Cumulative 2008-2017 (in thousands) -56,294 Rank: 35



#### Non-Farm Payroll Employment

Cumulative 2007-2017 6.3% Rank: 18



## 40

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

2012 2013 2014 2015 2016 2017 2018

**ECONOMIC OUTLOOK RANK 41 46 46 48 45 45 44**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	9.85%	45
Top Marginal Corporate Income Tax Rate	9.80%	44
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$19.03	45
Property Tax Burden (per \$1,000 of personal income)	\$30.12	31
Sales Tax Burden (per \$1,000 of personal income)	\$19.98	17
Remaining Tax Burden (per \$1,000 of personal income)	\$24.17	45
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	-\$2.14	3
Debt Service as a Share of Tax Revenue	5.2%	11
Public Employees Per 10,000 of Population (full-time equivalent)	527.4	24
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	74.2	4
State Minimum Wage (federal floor is \$7.25)	\$9.86	36
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.67	23
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

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

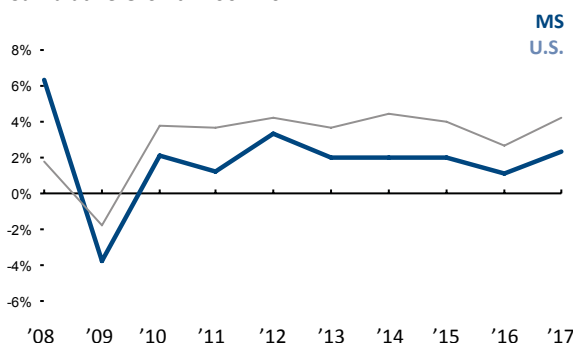
**48** Economic  
Performance Rank

## 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.

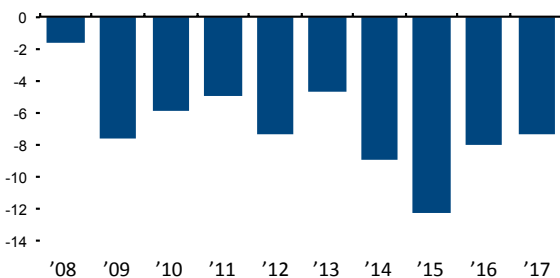
### State Gross Domestic Product

Cumulative Growth 2007-2017 20.1% Rank: 45



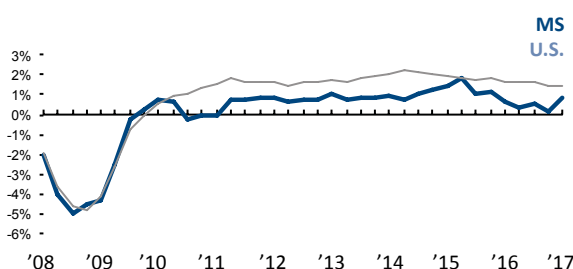
### Absolute Domestic Migration

Cumulative 2008-2017 -68,687 Rank: 37  
(in thousands)



### Non-Farm Payroll Employment

Cumulative 2007-2017 0.0% Rank: 45



**19** 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 2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 15 10 14 20 17 22 24**

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)	\$7.93	24
Property Tax Burden (per \$1,000 of personal income)	\$27.84	24
Sales Tax Burden (per \$1,000 of personal income)	\$31.12	40
Remaining Tax Burden (per \$1,000 of personal income)	\$21.10	38
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	-\$0.44	14
Debt Service as a Share of Tax Revenue	4.8%	10
Public Employees Per 10,000 of Population (full-time equivalent)	632.1	45
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	61.1	44
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.54	20
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

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 37

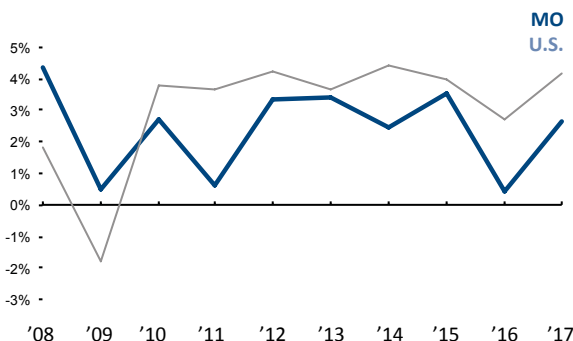
Economic  
Performance Rank

### 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.

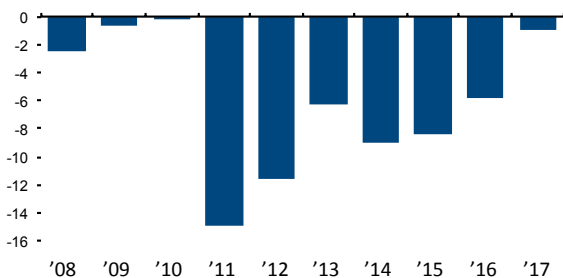
#### State Gross Domestic Product

Cumulative Growth 2007-2017 26.5% Rank: 36



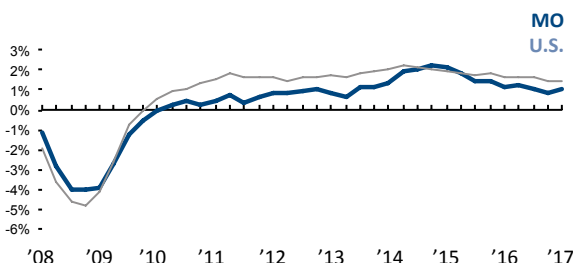
#### Absolute Domestic Migration

Cumulative 2008-2017 (in thousands) 60.087 Rank: 36



#### Non-Farm Payroll Employment

Cumulative 2007-2017 2.7% Rank: 34



## 22

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

2012 2013 2014 2015 2016 2017 2018

**ECONOMIC OUTLOOK RANK 7 23 24 27 24 24 23**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.40%	28
Top Marginal Corporate Income Tax Rate	6.59%	24
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$12.37	32
Property Tax Burden (per \$1,000 of personal income)	\$22.50	9
Sales Tax Burden (per \$1,000 of personal income)	\$23.30	25
Remaining Tax Burden (per \$1,000 of personal income)	\$13.56	8
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$0.00	19
Debt Service as a Share of Tax Revenue	7.9%	34
Public Employees Per 10,000 of Population (full-time equivalent)	522.1	23
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	58.1	49
State Minimum Wage (federal floor is \$7.25)	\$8.60	28
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.68	24
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

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 16

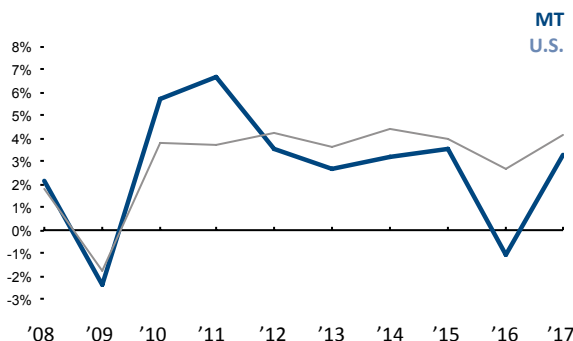
Economic  
Performance Rank

### 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.

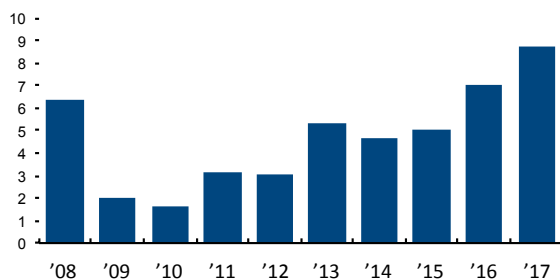
#### State Gross Domestic Product

Cumulative Growth 2007-2017 30.5% Rank: 28



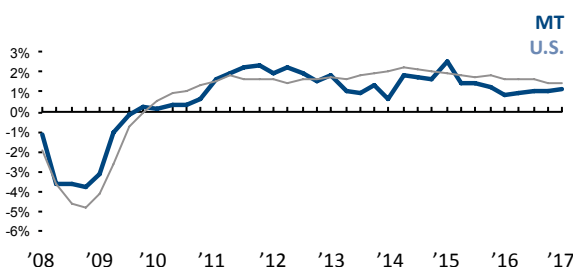
#### Absolute Domestic Migration

Cumulative 2008-2017 47,060 Rank: 15  
(in thousands)



#### Non-Farm Payroll Employment

Cumulative 2007-2017 6.4% Rank: 17



## 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 2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 36 42 43 43 40 39 43**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.90%	32
Top Marginal Corporate Income Tax Rate	6.75%	26
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$17.75	42
Property Tax Burden (per \$1,000 of personal income)	\$34.89	37
Sales Tax Burden (per \$1,000 of personal income)	\$0.00	1
Remaining Tax Burden (per \$1,000 of personal income)	\$20.60	37
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$1.54	34
Debt Service as a Share of Tax Revenue	4.5%	9
Public Employees Per 10,000 of Population (full-time equivalent)	545.4	34
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	68.7	27
State Minimum Wage (federal floor is \$7.25)	\$8.50	26
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.01	38
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

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 14

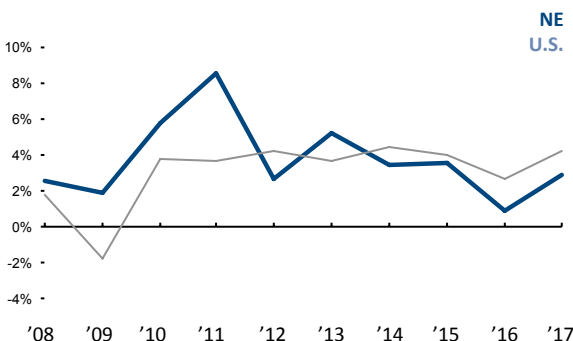
Economic  
Performance Rank

### 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.

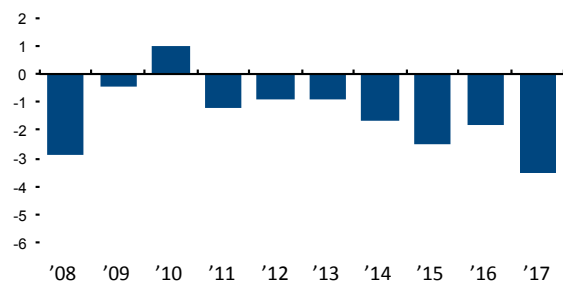
#### State Gross Domestic Product

Cumulative Growth 2007-2017 43.9% Rank: 4



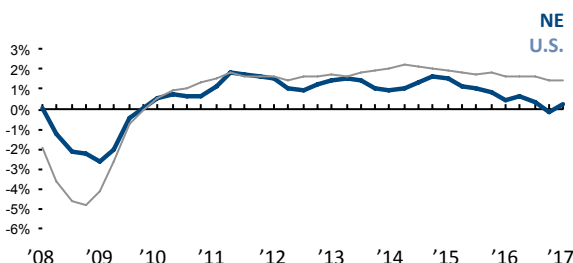
#### Absolute Domestic Migration

Cumulative 2008-2017 (in thousands) -14,759 Rank: 27



#### Non-Farm Payroll Employment

Cumulative 2007-2017 5.3% Rank: 19



## 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

2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 31 37 35 31 32 32 28**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.84%	31
Top Marginal Corporate Income Tax Rate	7.81%	34
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$18.34	44
Property Tax Burden (per \$1,000 of personal income)	\$38.18	40
Sales Tax Burden (per \$1,000 of personal income)	\$22.78	23
Remaining Tax Burden (per \$1,000 of personal income)	\$13.99	12
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	-\$3.34	2
Debt Service as a Share of Tax Revenue	5.7%	17
Public Employees Per 10,000 of Population (full-time equivalent)	632.7	46
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	73.5	7
State Minimum Wage (federal floor is \$7.25)	\$9.00	32
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.70	25
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

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 24

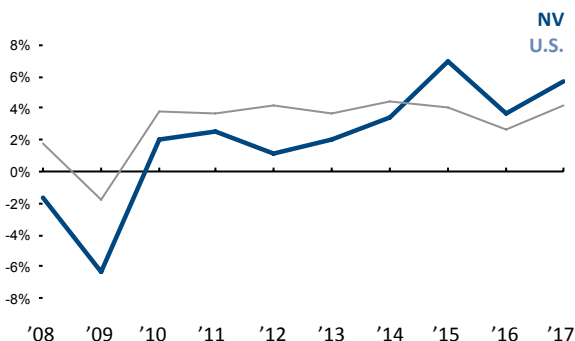
Economic  
Performance Rank

### 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.

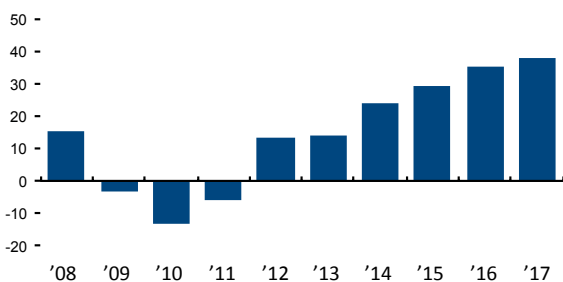
#### State Gross Domestic Product

Cumulative Growth 2007-2017 20.3% Rank: 44



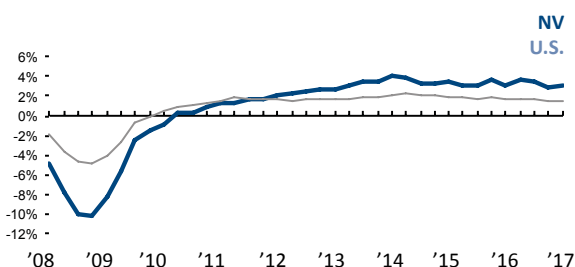
#### Absolute Domestic Migration

Cumulative 2008-2017 146,000 Rank: 11  
(in thousands)



#### Non-Farm Payroll Employment

Cumulative 2007-2017 5.0% Rank: 20



## 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 2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 18 13 8 10 14 13 13**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	0.64%	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)	\$22.72	11
Sales Tax Burden (per \$1,000 of personal income)	\$38.46	49
Remaining Tax Burden (per \$1,000 of personal income)	\$35.75	49
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$0.14	24
Debt Service as a Share of Tax Revenue	8.1%	36
Public Employees Per 10,000 of Population (full-time equivalent)	385.5	1
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	66.6	37
State Minimum Wage (federal floor is \$7.25)	\$8.25	23
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.18	8
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

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 19

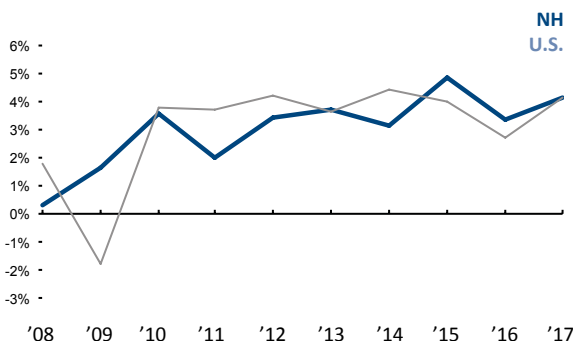
Economic  
Performance Rank

### 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.

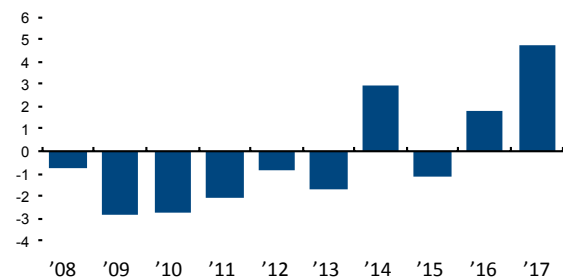
#### State Gross Domestic Product

Cumulative Growth 2007-2017 34.4% Rank: 20



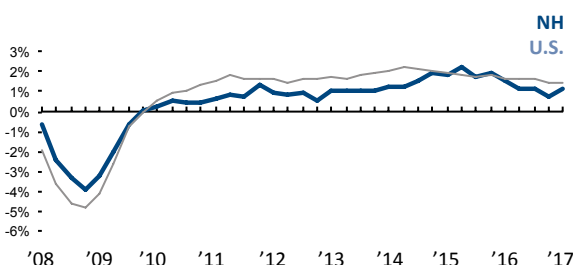
#### Absolute Domestic Migration

Cumulative 2008-2017 (in thousands) -2,658 Rank: 24



#### Non-Farm Payroll Employment

Cumulative 2007-2017 4.7% Rank: 22



## 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

2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 28 27 32 29 23 18 17**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	7.70%	33
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)	\$55.44	50
Sales Tax Burden (per \$1,000 of personal income)	\$0.00	1
Remaining Tax Burden (per \$1,000 of personal income)	\$19.78	33
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	-\$0.73	9
Debt Service as a Share of Tax Revenue	6.9%	27
Public Employees Per 10,000 of Population (full-time equivalent)	531.4	28
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	73.9	5
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.70	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

# New Jersey

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

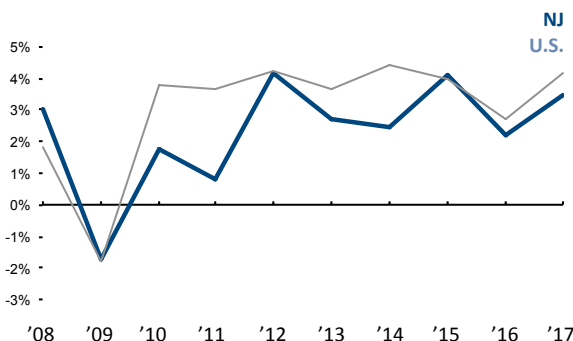
**49** Economic  
Performance Rank

## 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.

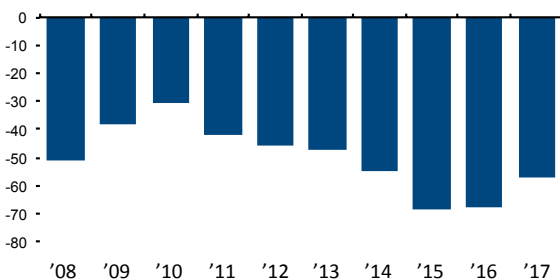
### State Gross Domestic Product

Cumulative Growth 2007-2017 25.3% Rank: 40



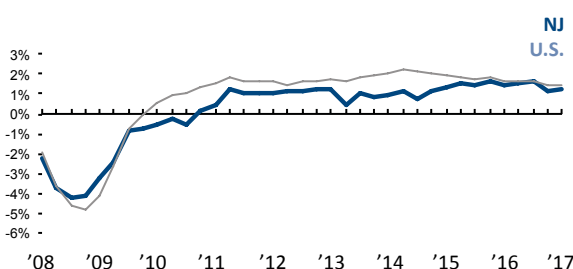
### Absolute Domestic Migration

Cumulative 2008-2017 -502,748 Rank: 47  
(in thousands)



### Non-Farm Payroll Employment

Cumulative 2007-2017 1.6% Rank: 42



**46** 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 2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 42 39 45 46 48 48 46**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	11.75%	48
Top Marginal Corporate Income Tax Rate	11.50%	45
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$24.81	47
Property Tax Burden (per \$1,000 of personal income)	\$51.13	48
Sales Tax Burden (per \$1,000 of personal income)	\$16.88	11
Remaining Tax Burden (per \$1,000 of personal income)	\$13.30	7
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	-\$0.11	17
Debt Service as a Share of Tax Revenue	5.6%	15
Public Employees Per 10,000 of Population (full-time equivalent)	530.4	27
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	63.8	41
State Minimum Wage (federal floor is \$7.25)	\$8.85	31
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.84	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)	1	15

# New Mexico

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 47

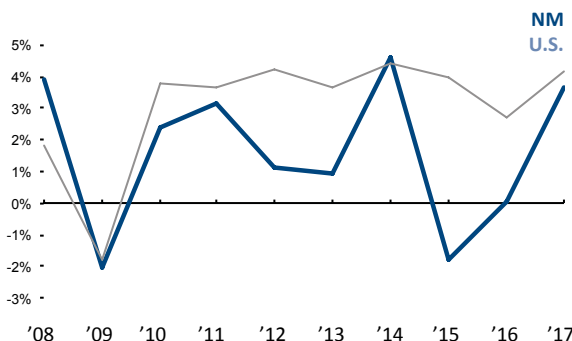
Economic  
Performance Rank

### 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.

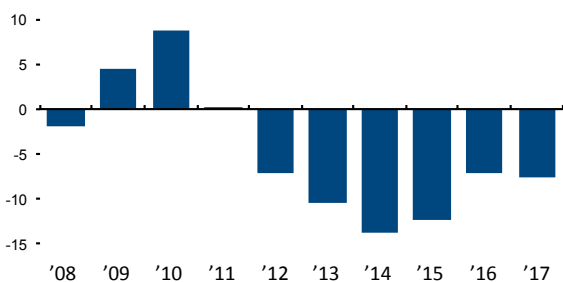
#### State Gross Domestic Product

Cumulative Growth 2007-2017 16.9% Rank: 46



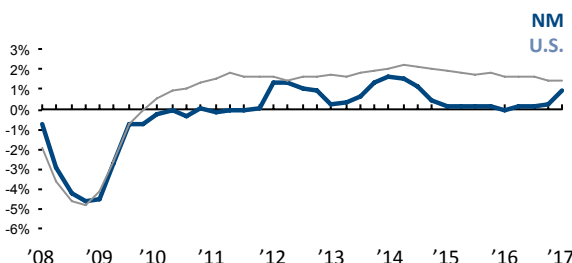
#### Absolute Domestic Migration

Cumulative 2008-2017 (in thousands) -46,966 Rank: 32



#### Non-Farm Payroll Employment

Cumulative 2007-2017 -1.5% RANK: 48



## 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

2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 35 33 37 34 34 35 35**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.90%	15
Top Marginal Corporate Income Tax Rate	5.90%	15
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$11.70	31
Property Tax Burden (per \$1,000 of personal income)	\$19.90	7
Sales Tax Burden (per \$1,000 of personal income)	\$38.08	48
Remaining Tax Burden (per \$1,000 of personal income)	\$16.92	25
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$0.02	22
Debt Service as a Share of Tax Revenue	6.9%	26
Public Employees Per 10,000 of Population (full-time equivalent)	591.5	41
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	68.2	32
State Minimum Wage (federal floor is \$7.25)	\$7.50	22
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.50	17
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

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 17

Economic  
Performance Rank

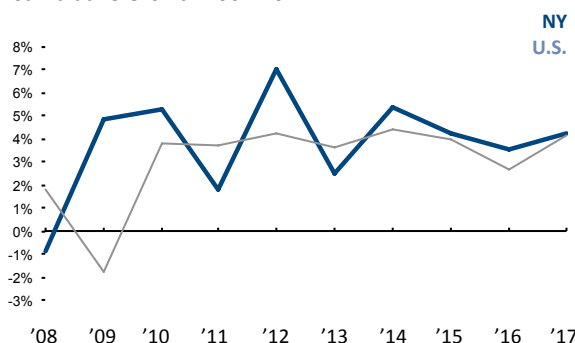
### Economic Performance Rank (1=best 50=worst)

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.

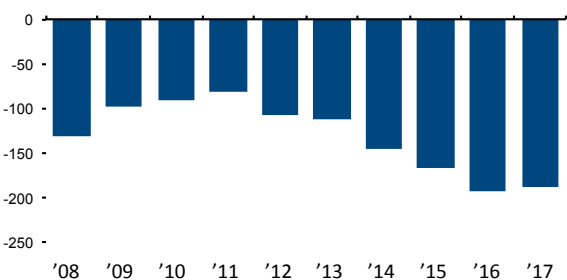
#### State Gross Domestic Product

Cumulative Growth 2007-2017 44.9% Rank: 3



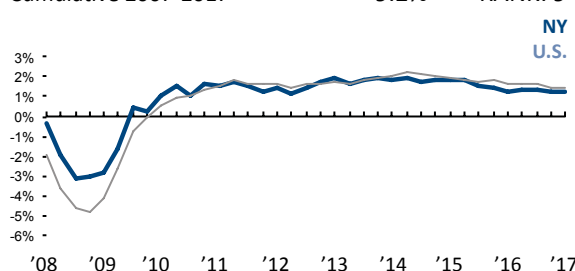
#### Absolute Domestic Migration

Cumulative 2008-2017 -1,316,263 Rank: 50  
(in thousands)



#### Non-Farm Payroll Employment

Cumulative 2007-2017 9.2% RANK: 9



## 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 2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 50 49 50 50 50 50 50**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	12.70%	49
Top Marginal Corporate Income Tax Rate	17.23%	50
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$17.30	41
Property Tax Burden (per \$1,000 of personal income)	\$46.26	45
Sales Tax Burden (per \$1,000 of personal income)	\$24.95	33
Remaining Tax Burden (per \$1,000 of personal income)	\$20.14	35
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$1.79	37
Debt Service as a Share of Tax Revenue	8.3%	40
Public Employees Per 10,000 of Population (full-time equivalent)	604.6	43
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	68.4	29
State Minimum Wage (federal floor is \$7.25)	\$11.10	46
Average Workers' Compensation Costs (per \$100 of payroll)	\$3.08	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)	0	34



# North Carolina

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

9

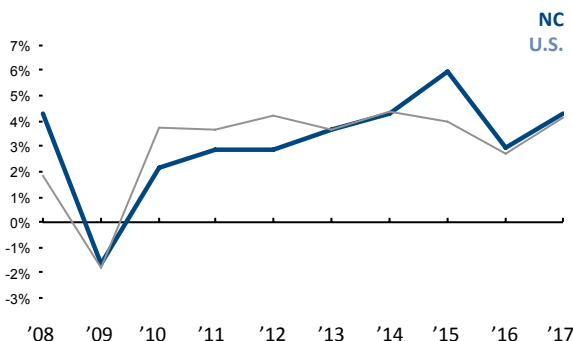
Economic  
Performance Rank

## 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.

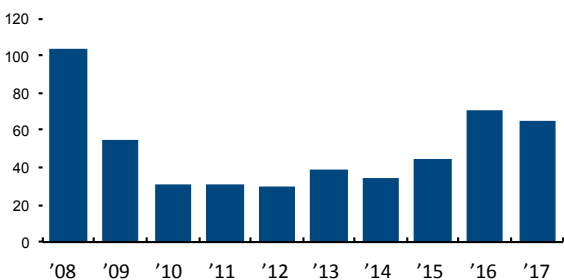
### State Gross Domestic Product

Cumulative Growth 2007-2017 36.4% Rank: 15



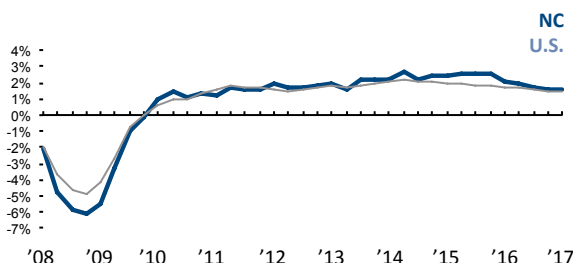
### Absolute Domestic Migration

Cumulative 2008-2017 (in thousands) 504,243 Rank: 3



### Non-Farm Payroll Employment

Cumulative 2007-2017 6.8% Rank: 16



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 2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 23 22 6 4 2 3 7**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.25%	21
Top Marginal Corporate Income Tax Rate	2.50%	4
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$7.00	19
Property Tax Burden (per \$1,000 of personal income)	\$23.20	13
Sales Tax Burden (per \$1,000 of personal income)	\$23.24	26
Remaining Tax Burden (per \$1,000 of personal income)	\$15.98	21
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	-\$2.05	4
Debt Service as a Share of Tax Revenue	5.4%	12
Public Employees Per 10,000 of Population (full-time equivalent)	547.4	36
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	68.2	33
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.84	32
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

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 3

Economic  
Performance Rank

### Economic Performance Rank (1=best 50=worst)

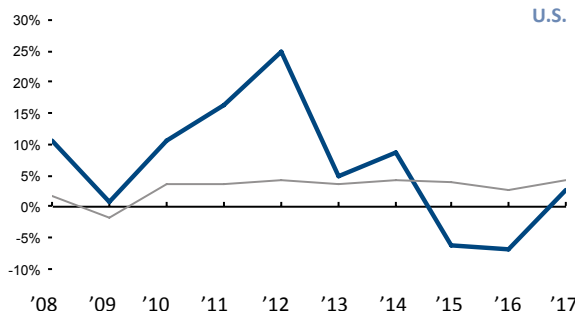
A backward-looking measure based on the state's performance (equal-weighted average) in the three important performance variables shown below.

These variables are highly influenced by state policy.

#### State Gross Domestic Product

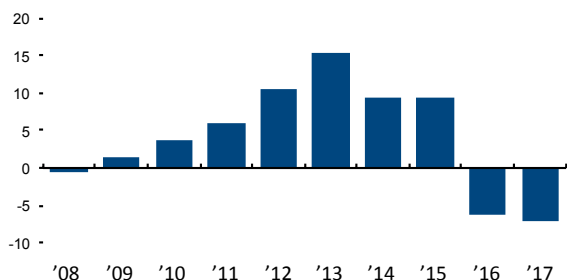
Cumulative Growth 2007-2017 83.1% Rank: 1

ND  
U.S.



#### Absolute Domestic Migration

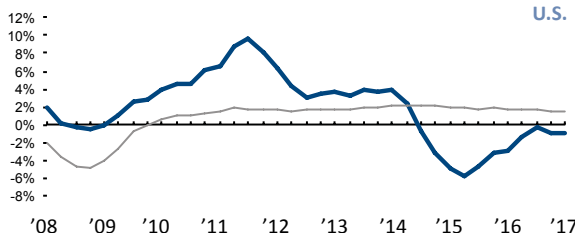
Cumulative 2008-2017 (in thousands) 42,140 Rank: 16



#### Non-Farm Payroll Employment

Cumulative 2007-2017 18.4% Rank: 1

ND  
U.S.



## 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

2012 2013 2014 2015 2016 2017 2018

**ECONOMIC OUTLOOK RANK** 5 2 4 2 3 4 4

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	2.90%	10
Top Marginal Corporate Income Tax Rate	4.31%	7
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$8.60	25
Property Tax Burden (per \$1,000 of personal income)	\$24.59	15
Sales Tax Burden (per \$1,000 of personal income)	\$32.18	43
Remaining Tax Burden (per \$1,000 of personal income)	\$18.64	29
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	-\$5.41	1
Debt Service as a Share of Tax Revenue	3.8%	3
Public Employees Per 10,000 of Population (full-time equivalent)	626.3	44
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	71.5	17
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$0.82	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

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 38

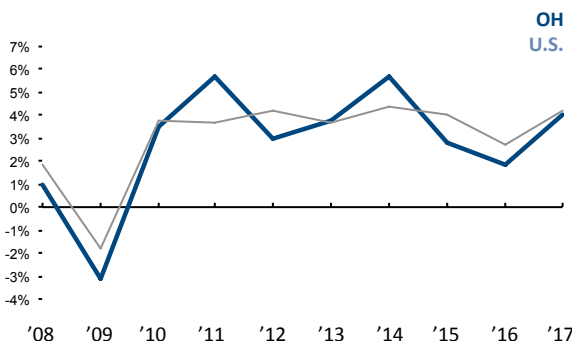
Economic  
Performance Rank

### 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.

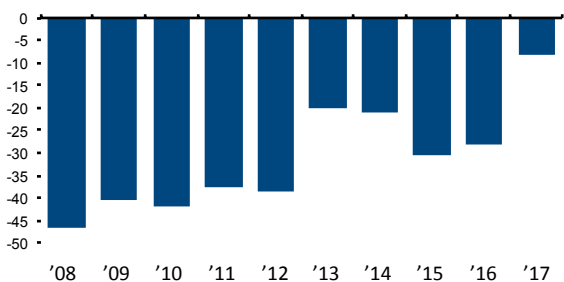
#### State Gross Domestic Product

Cumulative Growth 2007-2017 31.5% Rank: 25



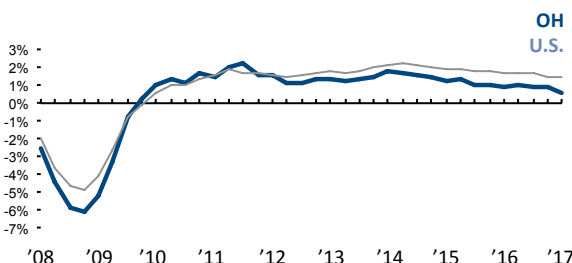
#### Absolute Domestic Migration

Cumulative 2008-2017 -312,403 Rank: 45  
(in thousands)



#### Non-Farm Payroll Employment

Cumulative 2007-2017 2.1% Rank: 37



## 24

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 2012 2013 2014 2015 2016 2017 2018

**ECONOMIC OUTLOOK RANK 37 26 23 23 18 19 21**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	7.50%	40
Top Marginal Corporate Income Tax Rate	3.67%	6
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$12.97	34
Property Tax Burden (per \$1,000 of personal income)	\$28.20	26
Sales Tax Burden (per \$1,000 of personal income)	\$24.76	32
Remaining Tax Burden (per \$1,000 of personal income)	\$17.30	26
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$0.08	23
Debt Service as a Share of Tax Revenue	5.7%	16
Public Employees Per 10,000 of Population (full-time equivalent)	505.0	17
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	68.7	26
State Minimum Wage (federal floor is \$7.25)	\$8.55	27
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.40	15
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

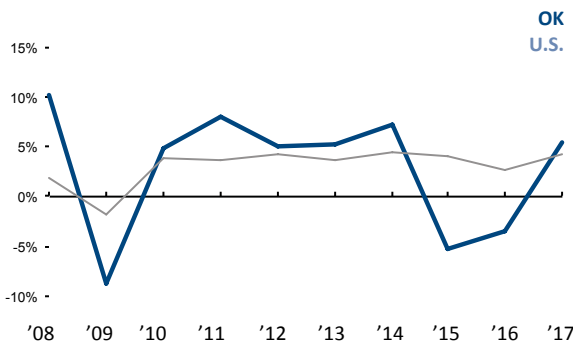
# Oklahoma

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

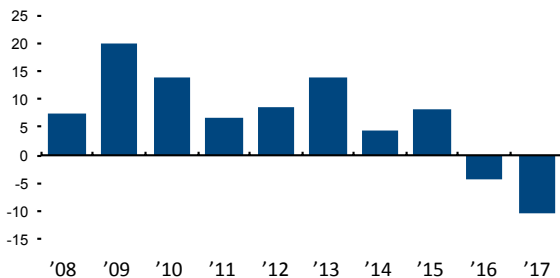
**20** Economic  
Performance Rank

**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.

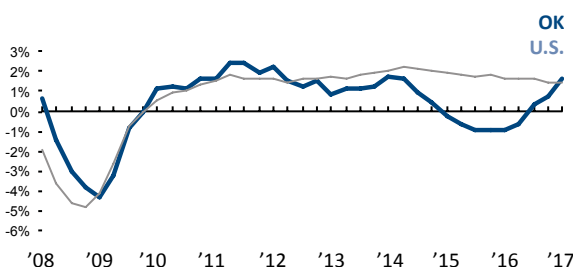
State Gross Domestic Product  
Cumulative Growth 2007-2017 30.2% Rank: 29



Absolute Domestic Migration  
Cumulative 2008-2017 68,399 Rank: 14  
(in thousands)



Non-Farm Payroll Employment  
Cumulative 2007-2017 4.4% Rank: 24



**13** 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 2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 14 19 21 16 10 16 16**

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	20
Property Tax Burden (per \$1,000 of personal income)	\$16.26	2
Sales Tax Burden (per \$1,000 of personal income)	\$26.76	37
Remaining Tax Burden (per \$1,000 of personal income)	\$15.73	19
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$5.69	46
Debt Service as a Share of Tax Revenue	5.4%	13
Public Employees Per 10,000 of Population (full-time equivalent)	537.1	32
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	68.3	31
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.71	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)	2	3

# Oregon

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

7

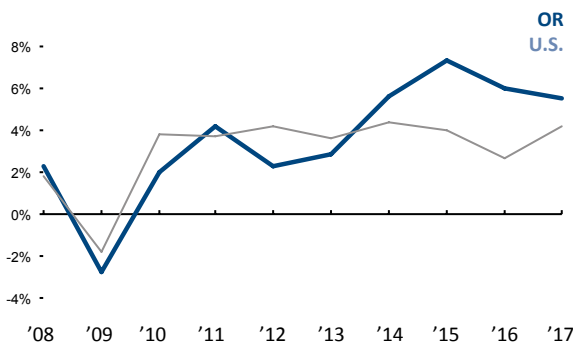
Economic  
Performance Rank

## 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.

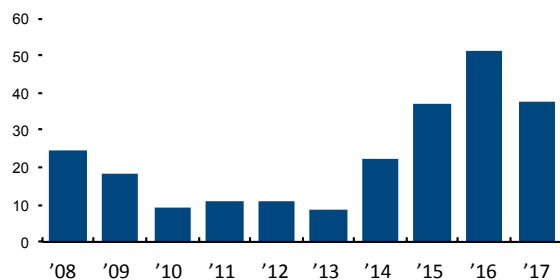
### State Gross Domestic Product

Cumulative Growth 2007-2017 40.6% Rank: 10



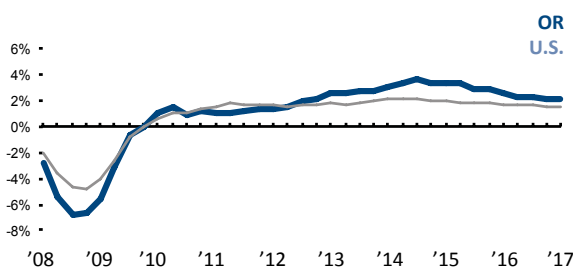
### Absolute Domestic Migration

Cumulative 2008-2017 231,088 Rank: 10  
(in thousands)



### Non-Farm Payroll Employment

Cumulative 2007-2017 8.8% Rank: 10



44

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

2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 45 44 42 45 41 41 41**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	10.66%	46
Top Marginal Corporate Income Tax Rate	11.65%	47
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$14.86	38
Property Tax Burden (per \$1,000 of personal income)	\$31.74	33
Sales Tax Burden (per \$1,000 of personal income)	\$0.00	1
Remaining Tax Burden (per \$1,000 of personal income)	\$22.18	42
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$7.55	47
Debt Service as a Share of Tax Revenue	7.5%	33
Public Employees Per 10,000 of Population (full-time equivalent)	485.1	10
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.4	21
State Minimum Wage (federal floor is \$7.25)	\$10.75	42
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.15	6
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

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 33

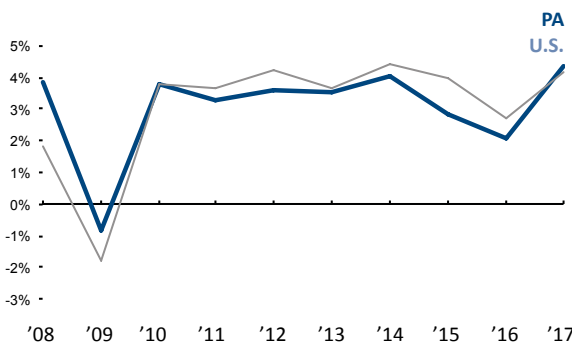
Economic  
Performance Rank

### 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.

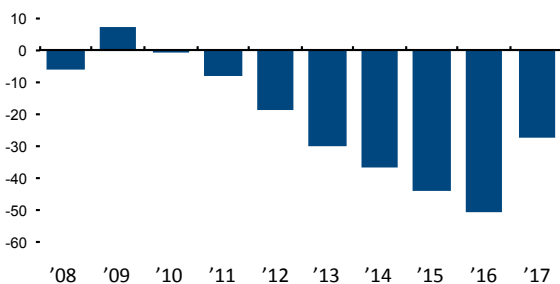
#### State Gross Domestic Product

Cumulative Growth 2007-2017 34.9% Rank: 19



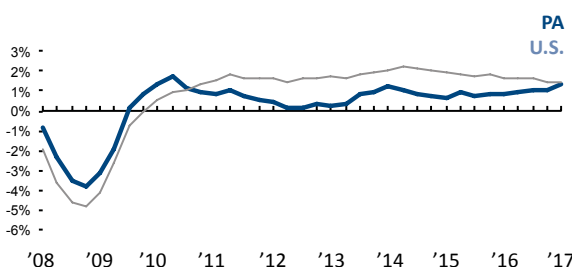
#### Absolute Domestic Migration

Cumulative 2008-2017 (in thousands) -213,835 Rank: 44



#### Non-Farm Payroll Employment

Cumulative 2007-2017 2.9% Rank: 32



## 37

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

2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 40 34 33 41 39 38 38**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.95%	35
Top Marginal Corporate Income Tax Rate	16.88%	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)	\$29.09	28
Sales Tax Burden (per \$1,000 of personal income)	\$17.15	12
Remaining Tax Burden (per \$1,000 of personal income)	\$22.82	43
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$0.39	27
Debt Service as a Share of Tax Revenue	7.2%	31
Public Employees Per 10,000 of Population (full-time equivalent)	442.1	5
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	66.3	38
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.85	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

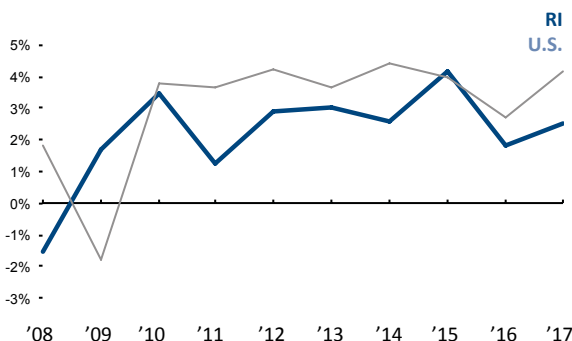
# Rhode Island

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

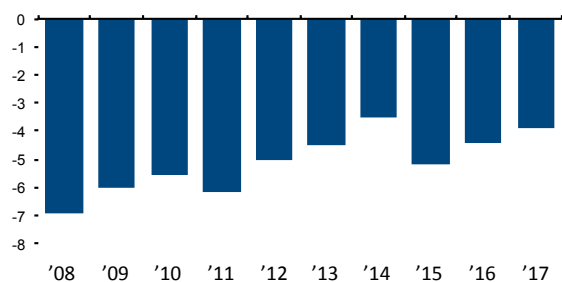
**44** Economic Performance Rank

**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.

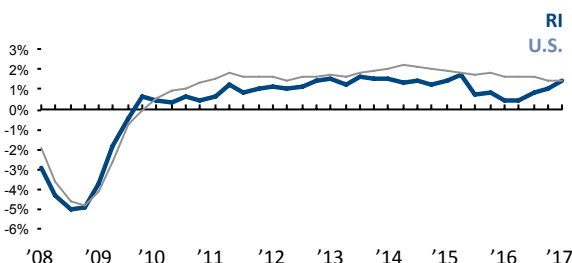
State Gross Domestic Product  
Cumulative Growth 2007-2017 24.0% Rank: 43



Absolute Domestic Migration  
Cumulative 2008-2017 -51,209 Rank: 33  
(in thousands)



Non-Farm Payroll Employment  
Cumulative 2007-2017 1.9% Rank: 40



**42** 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 2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 43 45 41 39 35 36 39**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.99%	27
Top Marginal Corporate Income Tax Rate	7.00%	28
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$11.30	30
Property Tax Burden (per \$1,000 of personal income)	\$47.86	47
Sales Tax Burden (per \$1,000 of personal income)	\$18.24	13
Remaining Tax Burden (per \$1,000 of personal income)	\$18.25	27
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$0.97	32
Debt Service as a Share of Tax Revenue	9.4%	46
Public Employees Per 10,000 of Population (full-time equivalent)	448.4	6
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	69.9	24
State Minimum Wage (federal floor is \$7.25)	\$10.50	41
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.19	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)	2	3

# South Carolina

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 8

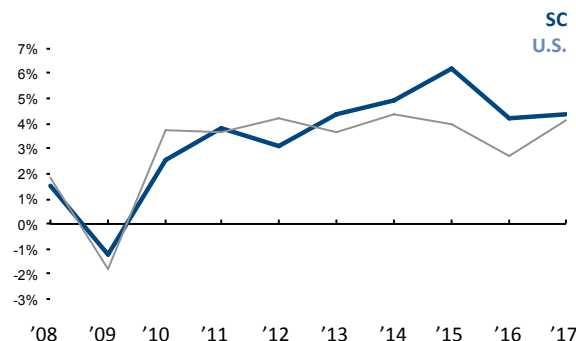
Economic  
Performance Rank

### 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.

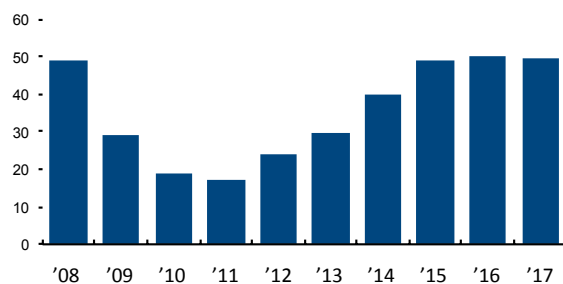
#### State Gross Domestic Product

Cumulative Growth 2007-2017 39.1% Rank: 13



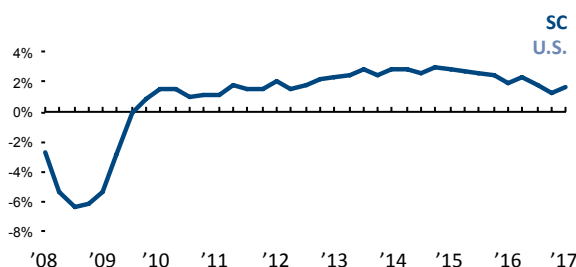
#### Absolute Domestic Migration

Cumulative 2008-2017 356,611 Rank: 5  
(in thousands)



#### Non-Farm Payroll Employment

Cumulative 2007-2017 8.0% Rank: 12



## 29

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

2012 2013 2014 2015 2016 2017 2018

**ECONOMIC OUTLOOK RANK 27 31 31 32 30 27 33**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	7.00%	37
Top Marginal Corporate Income Tax Rate	5.00%	11
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$18.26	43
Property Tax Burden (per \$1,000 of personal income)	\$29.36	30
Sales Tax Burden (per \$1,000 of personal income)	\$19.16	14
Remaining Tax Burden (per \$1,000 of personal income)	\$16.21	22
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$1.71	35
Debt Service as a Share of Tax Revenue	8.4%	41
Public Employees Per 10,000 of Population (full-time equivalent)	528.5	25
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	67.7	34
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.95	37
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

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 12

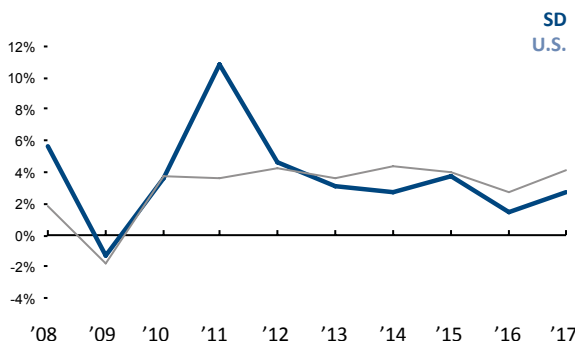
Economic  
Performance Rank

### 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.

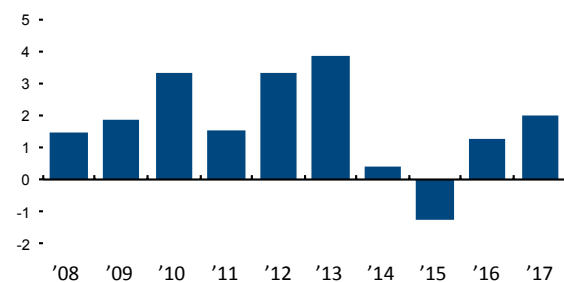
#### State Gross Domestic Product

Cumulative Growth 2007-2017 43.5% Rank: 6



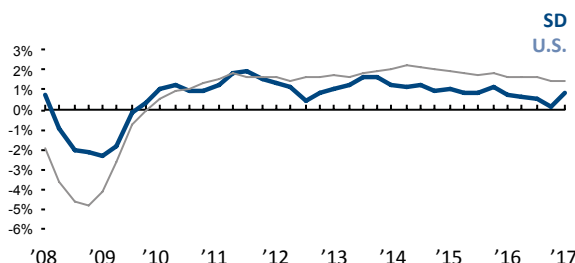
#### Absolute Domestic Migration

Cumulative 2008-2017 17,820 Rank: 20  
(in thousands)



#### Non-Farm Payroll Employment

Cumulative 2007-2017 7.2% Rank: 15



## 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

2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 2 3 2 9 11 12 9**

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)	\$28.73	27
Sales Tax Burden (per \$1,000 of personal income)	\$32.11	42
Remaining Tax Burden (per \$1,000 of personal income)	\$19.38	31
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$0.00	20
Debt Service as a Share of Tax Revenue	5.9%	20
Public Employees Per 10,000 of Population (full-time equivalent)	540.6	33
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	75.3	1
State Minimum Wage (federal floor is \$7.25)	\$9.10	33
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.73	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)	1	15

# Tennessee

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

6

Economic  
Performance Rank

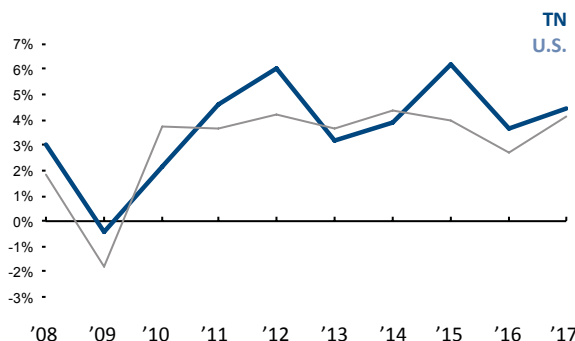
## Economic Performance Rank (1=best 50=worst)

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.

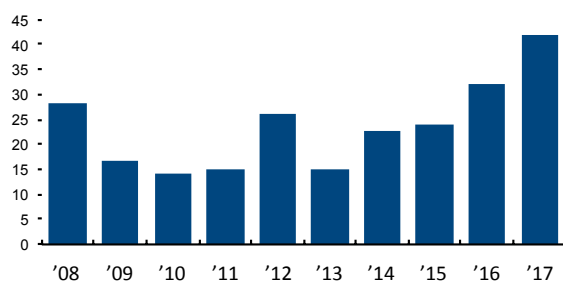
### State Gross Domestic Product

Cumulative Growth 2007-2017 43.1% Rank: 7



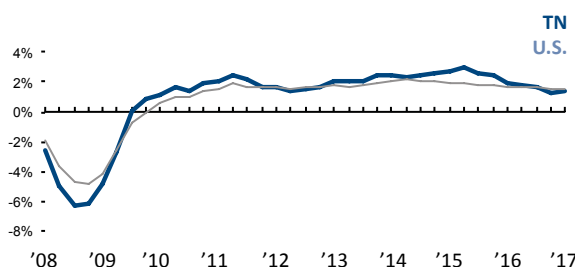
### Absolute Domestic Migration

Cumulative 2008-2017 235,494 Rank: 9  
(in thousands)



### Non-Farm Payroll Employment

Cumulative 2007-2017 8.0% Rank: 13



7

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 2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 12 18 19 17 7 5 12**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	6.50%	21
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)	\$19.37	5
Sales Tax Burden (per \$1,000 of personal income)	\$31.94	41
Remaining Tax Burden (per \$1,000 of personal income)	\$19.12	30
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$1.52	33
Debt Service as a Share of Tax Revenue	6.9%	28
Public Employees Per 10,000 of Population (full-time equivalent)	488.2	12
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	68.3	30
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.52	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

# Texas

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 2

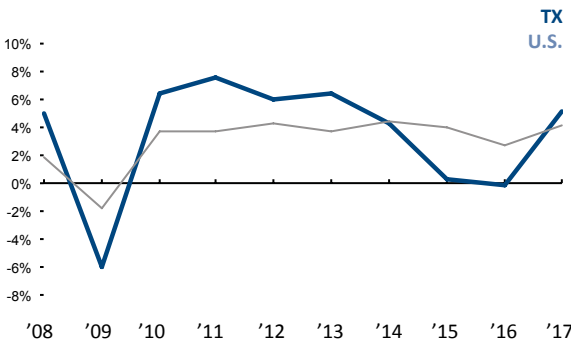
Economic  
Performance Rank

### 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.

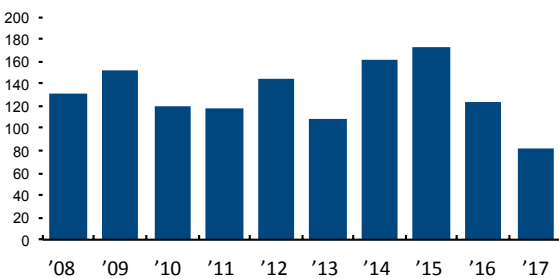
#### State Gross Domestic Product

Cumulative Growth 2007-2017 39.6% Rank: 12



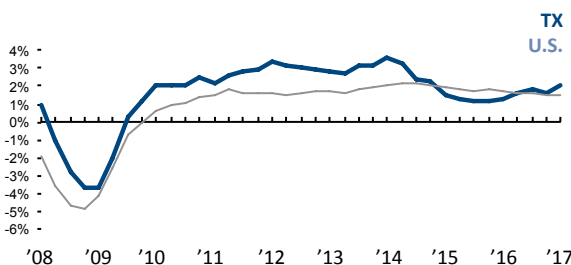
#### Absolute Domestic Migration

Cumulative 2008-2017 1,310,644 Rank: 1  
(in thousands)



#### Non-Farm Payroll Employment

Cumulative 2007-2017 17.0% Rank: 3



## 15

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

2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 16 12 13 11 12 9 14**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	2.62%	5
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)	\$38.35	41
Sales Tax Burden (per \$1,000 of personal income)	\$27.98	38
Remaining Tax Burden (per \$1,000 of personal income)	\$16.31	23
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	-\$0.01	18
Debt Service as a Share of Tax Revenue	9.9%	48
Public Employees Per 10,000 of Population (full-time equivalent)	534.7	31
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	64.3	40
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.21	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)	1	15

# Utah

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

5

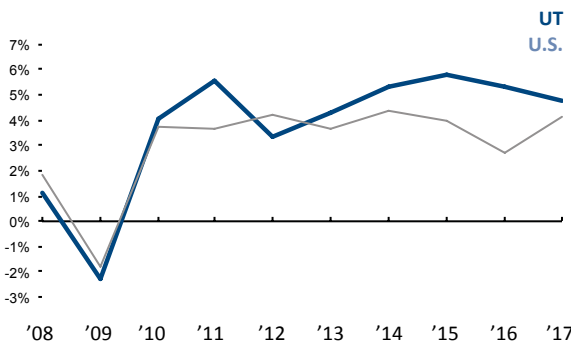
Economic  
Performance Rank

## 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.

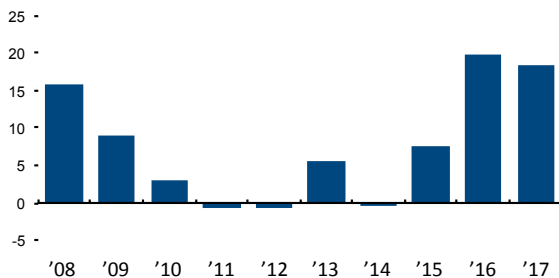
### State Gross Domestic Product

Cumulative Growth 2007-2017 43.8% Rank: 5



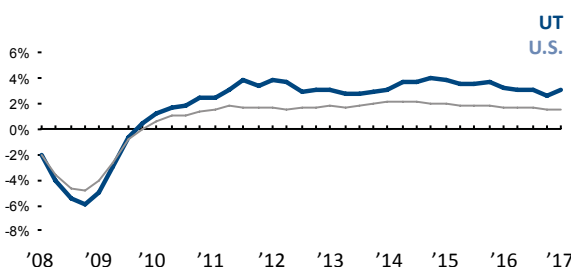
### Absolute Domestic Migration

Cumulative 2008-2017 77,629 Rank: 12  
(in thousands)



### Non-Farm Payroll Employment

Cumulative 2007-2017 17.6% Rank: 2



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

2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 1 1 1 1 1 1 1**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.95%	16
Top Marginal Corporate Income Tax Rate	4.95%	10
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)	\$24.75	17
Sales Tax Burden (per \$1,000 of personal income)	\$22.56	22
Remaining Tax Burden (per \$1,000 of personal income)	\$13.63	10
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$0.75	29
Debt Service as a Share of Tax Revenue	5.6%	14
Public Employees Per 10,000 of Population (full-time equivalent)	498.1	15
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	72.8	12
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.06	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)	1	15

# Vermont

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 31

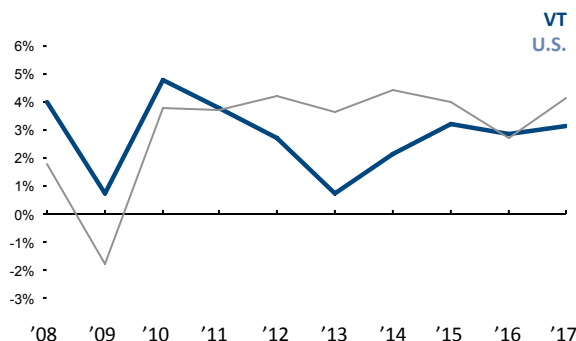
Economic  
Performance Rank

### 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.

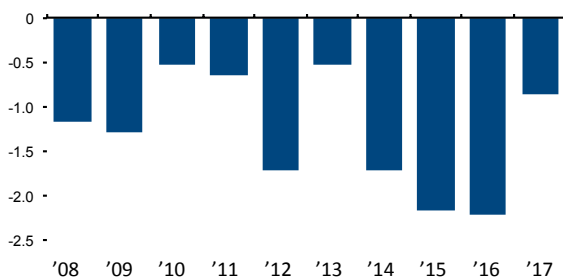
#### State Gross Domestic Product

Cumulative Growth 2007-2017 31.8% Rank: 24



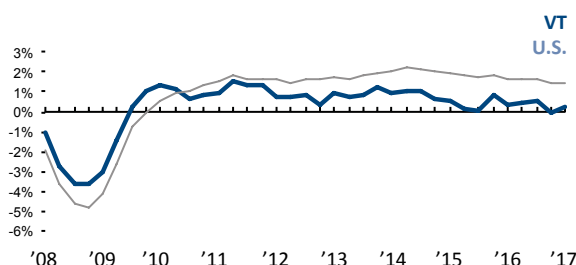
#### Absolute Domestic Migration

Cumulative 2008-2017 (in thousands) -12,819 Rank: 26



#### Non-Farm Payroll Employment

Cumulative 2007-2017 2.0% Rank: 38



## 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

2012 2013 2014 2015 2016 2017 2018

**ECONOMIC OUTLOOK RANK 49 50 49 49 49 49 49**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	8.75%	43
Top Marginal Corporate Income Tax Rate	8.50%	39
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$28.78	49
Property Tax Burden (per \$1,000 of personal income)	\$51.68	49
Sales Tax Burden (per \$1,000 of personal income)	\$12.29	7
Remaining Tax Burden (per \$1,000 of personal income)	\$27.21	48
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$0.22	25
Debt Service as a Share of Tax Revenue	4.0%	4
Public Employees Per 10,000 of Population (full-time equivalent)	656.9	47
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	75.2	2
State Minimum Wage (federal floor is \$7.25)	\$10.78	43
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.09	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)	0	34

# Virginia

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 27

Economic  
Performance Rank

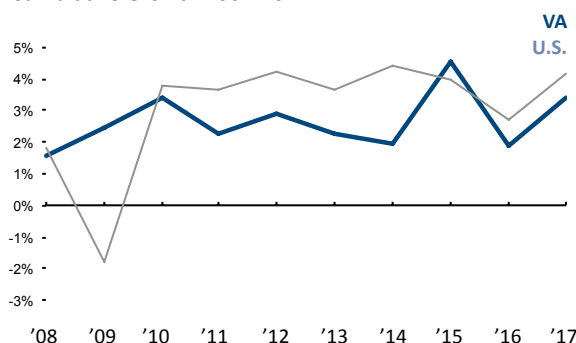
### Economic Performance Rank (1=best 50=worst)

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.

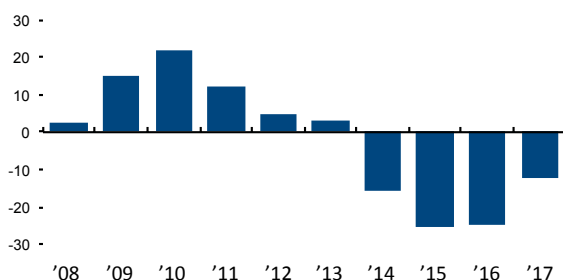
#### State Gross Domestic Product

Cumulative Growth 2007-2017 29.9% Rank: 30



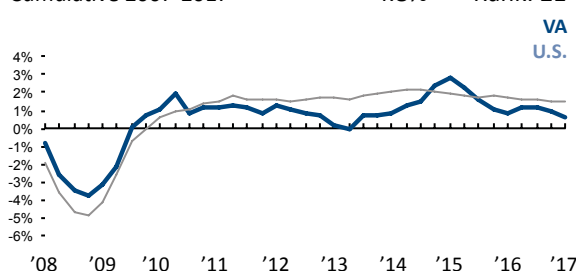
#### Absolute Domestic Migration

Cumulative 2008-2017 (in thousands) -18,712 Rank: 29



#### Non-Farm Payroll Employment

Cumulative 2007-2017 4.8% Rank: 21



## 14

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 2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 3 5 11 12 13 11 10**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.75%	25
Top Marginal Corporate Income Tax Rate	7.62%	32
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$6.45	18
Property Tax Burden (per \$1,000 of personal income)	\$29.23	29
Sales Tax Burden (per \$1,000 of personal income)	\$11.88	6
Remaining Tax Burden (per \$1,000 of personal income)	\$15.90	20
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$0.84	31
Debt Service as a Share of Tax Revenue	6.7%	25
Public Employees Per 10,000 of Population (full-time equivalent)	529.9	26
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	72.8	10
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.28	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

# Washington

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

# 1

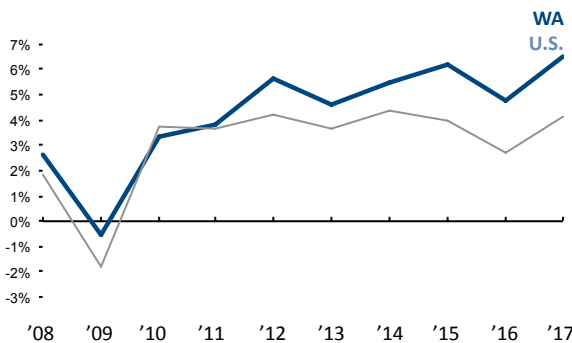
Economic  
Performance Rank

## 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.

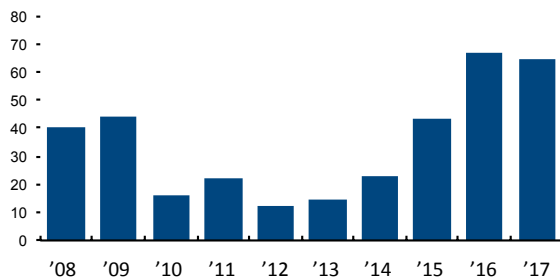
### State Gross Domestic Product Cumulative Growth 2007-2017

51.3% Rank: 2



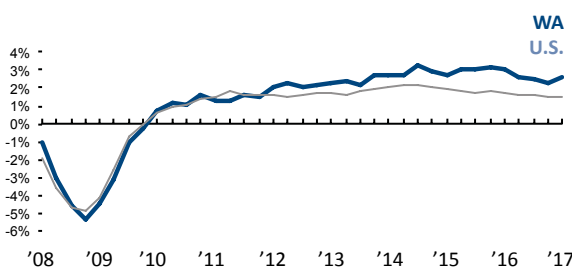
### Absolute Domestic Migration Cumulative 2008-2017 (in thousands)

347,101 Rank: 7



### Non-Farm Payroll Employment Cumulative 2007-2017

12.4% Rank: 5



# 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

2012 2013 2014 2015 2016 2017 2018

**ECONOMIC OUTLOOK RANK 33 36 38 35 36 40 37**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	6.75%	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)	\$26.55	18
Sales Tax Burden (per \$1,000 of personal income)	\$33.17	44
Remaining Tax Burden (per \$1,000 of personal income)	\$23.32	44
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$0.49	28
Debt Service as a Share of Tax Revenue	9.3%	45
Public Employees Per 10,000 of Population (full-time equivalent)	516.4	19
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	68.4	28
State Minimum Wage (federal floor is \$7.25)	\$12.00	48
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.87	35
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

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 41

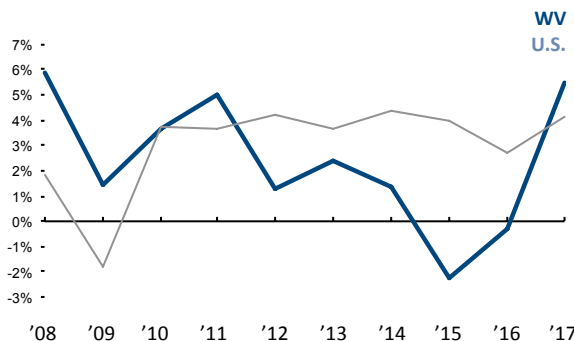
Economic  
Performance Rank

### 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.

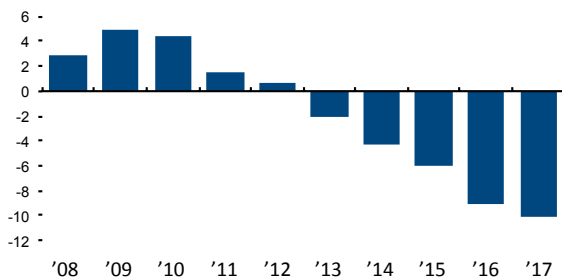
#### State Gross Domestic Product

Cumulative Growth 2007-2017 26.3% Rank: 37



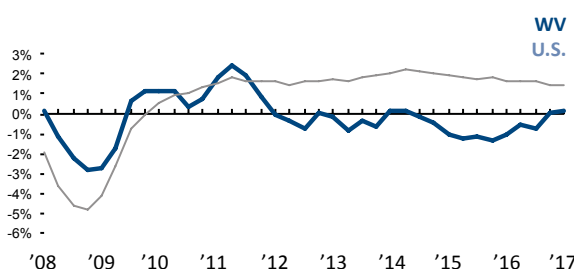
#### Absolute Domestic Migration

Cumulative 2008-2017 -17,121 Rank: 28  
(in thousands)



#### Non-Farm Payroll Employment

Cumulative 2007-2017 -1.7% Rank: 49



## 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

2012 2013 2014 2015 2016 2017 2018

**ECONOMIC OUTLOOK RANK 30 32 30 36 37 31 30**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.50%	29
Top Marginal Corporate Income Tax Rate	6.50%	21
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)	\$24.75	16
Sales Tax Burden (per \$1,000 of personal income)	\$19.53	15
Remaining Tax Burden (per \$1,000 of personal income)	\$25.90	46
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$2.44	43
Debt Service as a Share of Tax Revenue	5.8%	19
Public Employees Per 10,000 of Population (full-time equivalent)	561.5	39
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	60.6	45
State Minimum Wage (federal floor is \$7.25)	\$8.75	29
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.01	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

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 34

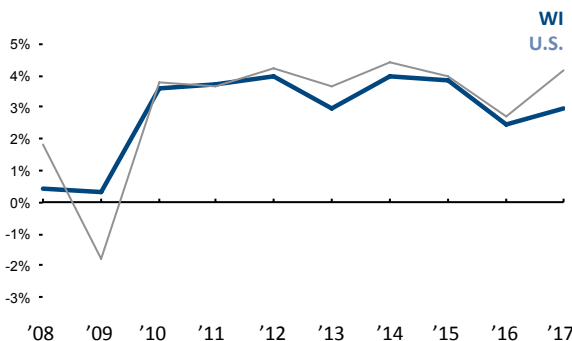
Economic  
Performance Rank

### 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 2007-2017

31.8% Rank: 23

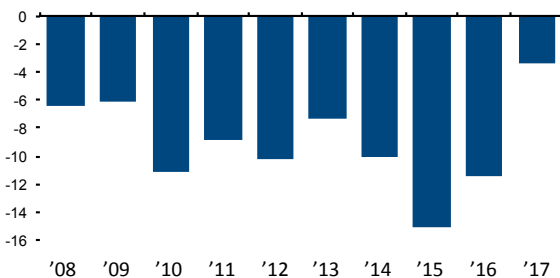


#### Absolute Domestic Migration

Cumulative 2008-2017

-89,983 Rank: 40

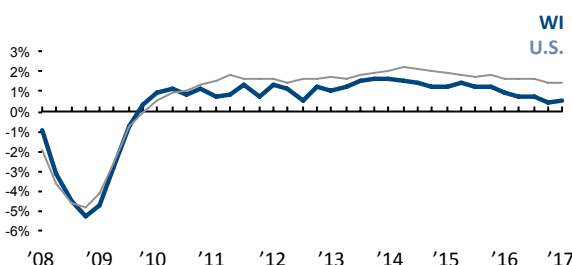
(in thousands)



#### Non-Farm Payroll Employment

Cumulative 2007-2017

2.6% Rank: 36



## 20

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

2012 2013 2014 2015 2016 2017 2018

**ECONOMIC OUTLOOK RANK 32 15 17 13 9 14 19**

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	7.65%	41
Top Marginal Corporate Income Tax Rate	7.90%	35
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$12.89	33
Property Tax Burden (per \$1,000 of personal income)	\$34.69	36
Sales Tax Burden (per \$1,000 of personal income)	\$20.14	18
Remaining Tax Burden (per \$1,000 of personal income)	\$15.69	18
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	-\$0.35	15
Debt Service as a Share of Tax Revenue	6.0%	21
Public Employees Per 10,000 of Population (full-time equivalent)	491.3	13
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.7	20
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.02	40
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

2019 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

## 45

Economic  
Performance Rank

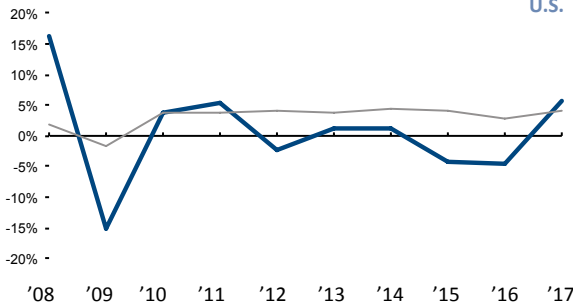
### Economic Performance Rank (1=best 50=worst)

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

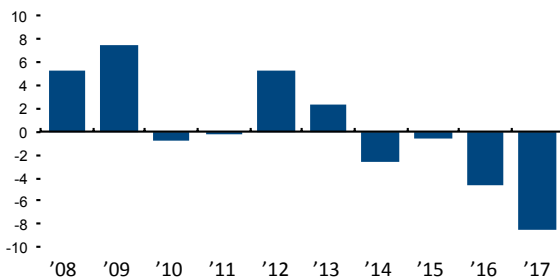
Cumulative Growth 2007-2017 3.9% Rank: 50

WY  
U.S.



#### Absolute Domestic Migration

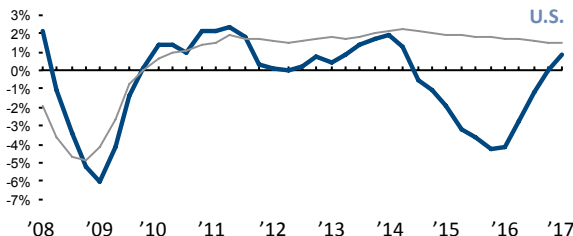
Cumulative 2008-2017 (in thousands) 3,402 Rank: 22



#### Non-Farm Payroll Employment

Cumulative 2007-2017 -3.7% Rank: 50

WY  
U.S.



## 11

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

2012 2013 2014 2015 2016 2017 2018  
**ECONOMIC OUTLOOK RANK 6 6 10 8 4 7 8**

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)	\$42.43	44
Sales Tax Burden (per \$1,000 of personal income)	\$24.75	31
Remaining Tax Burden (per \$1,000 of personal income)	\$13.11	6
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$2.37	42
Debt Service as a Share of Tax Revenue	2.3%	1
Public Employees Per 10,000 of Population (full-time equivalent)	864.5	50
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	73.3	8
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.87	35
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

## 2018 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 2019 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, 2019.

### 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 4.4997 percent measure we would use if the tax was a gross receipts tax and the 0.75 percent highest rate on its margin tax, leading to our measure of 2.62 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, 2019.

### 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 liabili-

ties 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 2016. These data were released in December 2018.

### 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 2016. 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 October 2018.

### 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 2016. These data were released in October 2018.

### 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, 2019.

#### **RECENTLY LEGISLATED TAX CHANGES**

This variable calculates each state’s relative change in tax burden over a two-year period (in this case, the 2017 and 2018 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 still be reflected in a state’s ranking despite the 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 2016 U.S. Census Bureau data. These data were released in October 2018.

#### **PUBLIC EMPLOYEES PER 10,000 RESIDENTS**

This variable shows the full-time equivalent public employees per 10,000 of population. This information comes from 2017 U.S. Census Bureau data. These data were released in October 2018.

#### **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 2017 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, 2019.

#### **WORKERS’ COMPENSATION COSTS**

This variable highlights the 2018 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 1, 2019.

#### **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.