



RICH STATES, POOR STATES

ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



ARTHUR B. LAFFER
STEPHEN MOORE
JONATHAN WILLIAMS

Acknowledgements

We wish to thank the following for making this publication possible:

First, our sincere thanks go to the Searle Freedom Trust for their generous support of this research.

Next, we thank Lisa B. Nelson, Bill Meierling, Christine Phipps, Lee Schalk, Thomas Savidge, Alexis Jarrett and the professional staff of the American Legislative Exchange Council for publishing this in a timely manner. Special thanks to Skip Estes of ALEC for managing the production of this publication. We also appreciate the research assistance of Nicholas Drinkwater, Richard Neikirk, Kenneth Smith and Max Myers. We hope these research findings will continue to be a valuable resource for America's state legislators and members of the public interested in pro-growth economic reforms.

Salt Lake City, Utah



State Rankings

State Rankings

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

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

ALEC-Laffer State Economic Outlook Rankings, 2021

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

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

ALEC-Laffer State Economic Performance Rankings, 2009-2019

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

Alabama

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

28

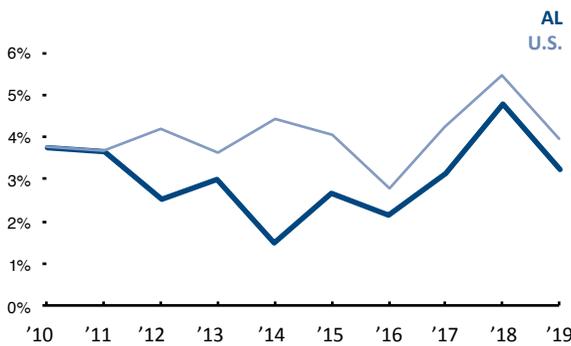
Economic Performance Rank

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.

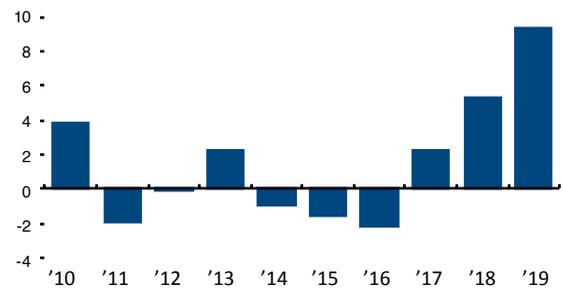
State Gross Domestic Product

Cumulative Growth 2009-2019 **34.9%** Rank: **37**



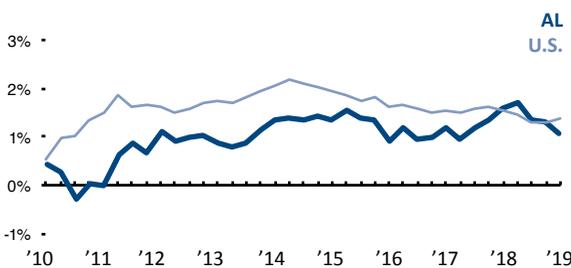
Absolute Domestic Migration

Cumulative 2010-2019 (in thousands) **16,414** Rank: **18**



Non-Farm Payroll Employment

Cumulative 2009-2019 **10.4%** Rank: **28**



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

2014 2015 2016 2017 2018 2019 2020

ECONOMIC OUTLOOK RANK 20 19 21 21 20 21 23

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.15%	12
Top Marginal Corporate Income Tax Rate	6.05%	18
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	-\$1.84	1
Property Tax Burden (per \$1,000 of personal income)	\$14.29	1
Sales Tax Burden (per \$1,000 of personal income)	\$25.72	35
Remaining Tax Burden (per \$1,000 of personal income)	\$21.46	41
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$1.54	42
Debt Service as a Share of Tax Revenue	6.8%	30
Public Employees Per 10,000 of Population (full-time equivalent)	586.0	40
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	65.6	42
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.33	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)	0	32

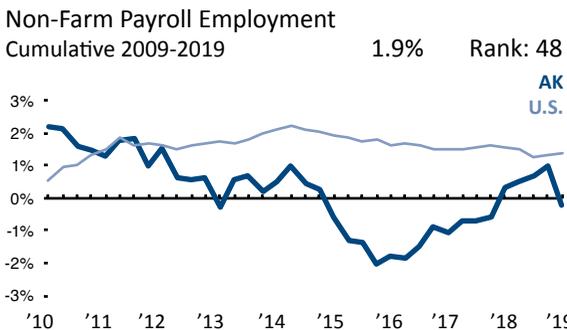
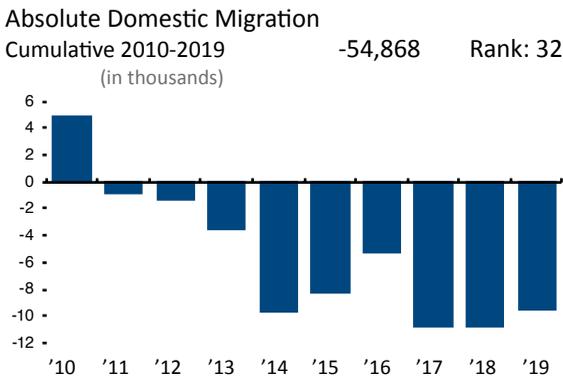
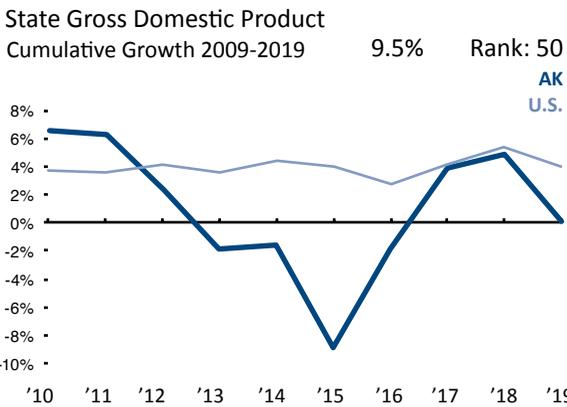
Alaska

2021 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.



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 18 14 25 30 34 30 26

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)	\$37.23	40
Sales Tax Burden (per \$1,000 of personal income)	\$5.67	5
Remaining Tax Burden (per \$1,000 of personal income)	\$12.78	4
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.00	12
Debt Service as a Share of Tax Revenue	9.7%	49
Public Employees Per 10,000 of Population (full-time equivalent)	709.1	49
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	73.1	5
State Minimum Wage (federal floor is \$7.25)	\$10.34	34
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.86	41
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

Arizona

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

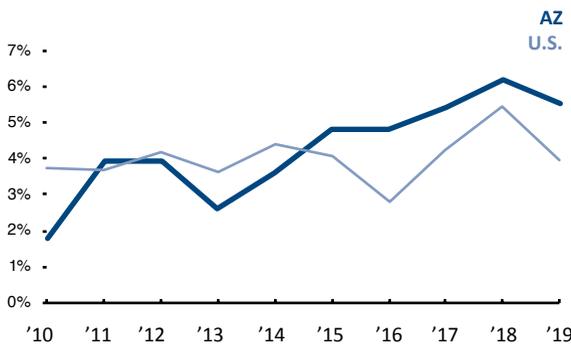


7

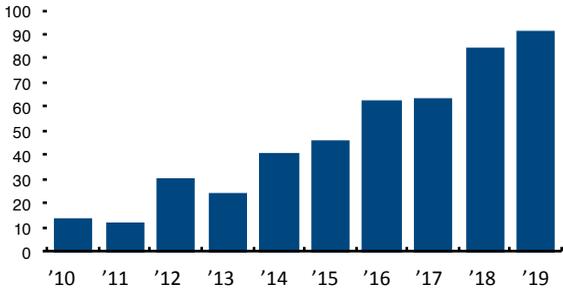
Economic Performance Rank

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.

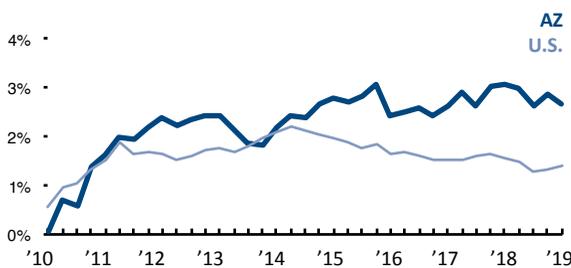
State Gross Domestic Product Cumulative Growth 2009-2019 **51.8%** Rank: 14



Absolute Domestic Migration Cumulative 2010-2019 (in thousands) **463,597** Rank: 4



Non-Farm Payroll Employment Cumulative 2009-2019 **24.5%** Rank: 7



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 7 5 5 8 5 11 10

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	8.00%	42
Top Marginal Corporate Income Tax Rate	4.90%	11
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$12.90	32
Property Tax Burden (per \$1,000 of personal income)	\$25.99	17
Sales Tax Burden (per \$1,000 of personal income)	\$35.78	45
Remaining Tax Burden (per \$1,000 of personal income)	\$10.62	1
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	-\$0.18	7
Debt Service as a Share of Tax Revenue	6.9%	33
Public Employees Per 10,000 of Population (full-time equivalent)	390.7	2
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.8	17
State Minimum Wage (federal floor is \$7.25)	\$12.15	44
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.05	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

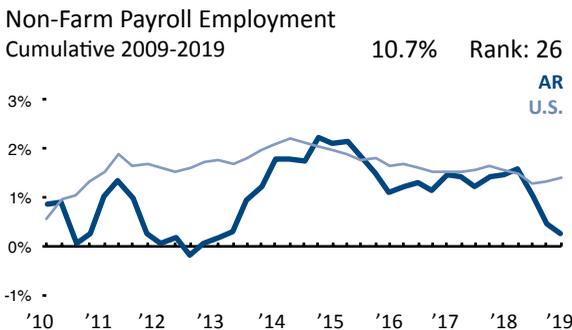
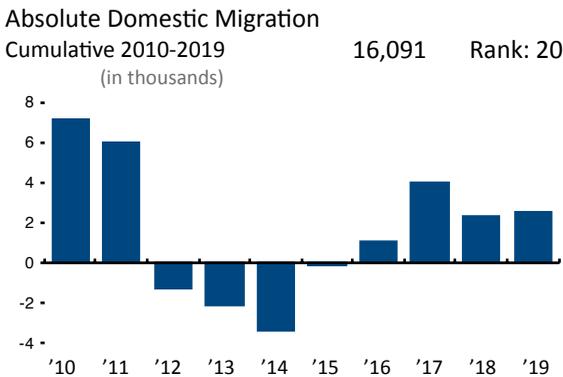
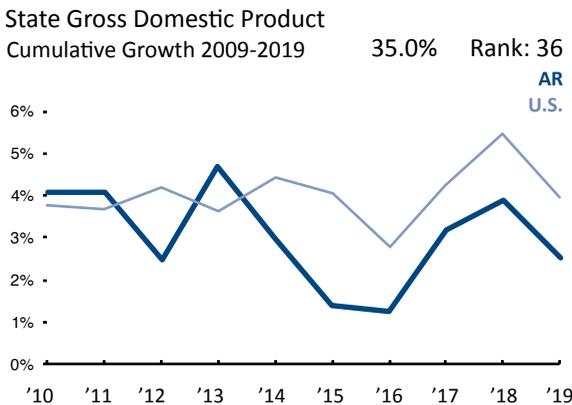
Arkansas

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

26

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.



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 26 22 20 23 22 23 22

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.90%	25
Top Marginal Corporate Income Tax Rate	6.20%	19
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$15.52	37
Property Tax Burden (per \$1,000 of personal income)	\$18.32	5
Sales Tax Burden (per \$1,000 of personal income)	\$36.95	46
Remaining Tax Burden (per \$1,000 of personal income)	\$16.41	21
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.46	35
Debt Service as a Share of Tax Revenue	4.5%	9
Public Employees Per 10,000 of Population (full-time equivalent)	563.7	38
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	69.5	30
State Minimum Wage (federal floor is \$7.25)	\$11.00	36
Average Workers' Compensation Costs (per \$100 of payroll)	\$0.72	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

California

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

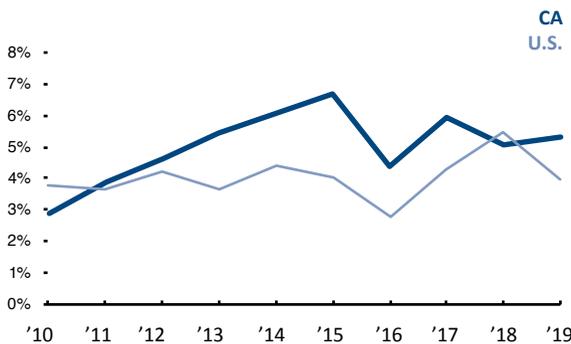


16

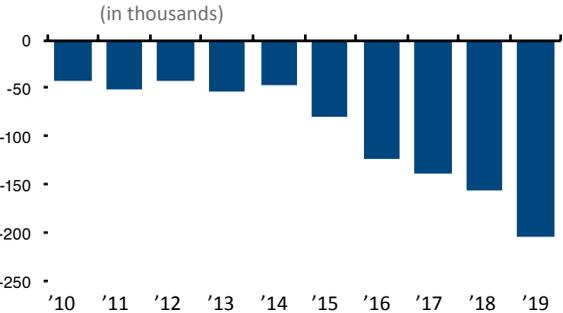
Economic Performance Rank

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.

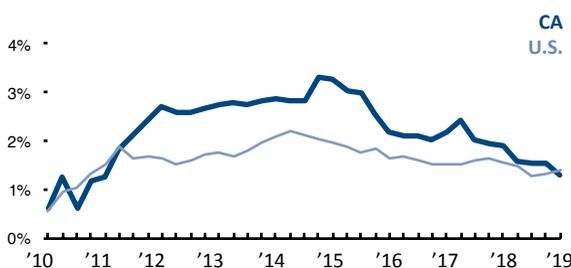
State Gross Domestic Product Cumulative Growth 2009-2019 **63.2%** Rank: 4



Absolute Domestic Migration Cumulative 2010-2019 **-933,214** Rank: 49



Non-Farm Payroll Employment Cumulative 2009-2019 **23.0%** Rank: 10



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 47 44 46 47 47 47 46

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	13.30%	49
Top Marginal Corporate Income Tax Rate	8.84%	40
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$40.22	50
Property Tax Burden (per \$1,000 of personal income)	\$27.08	19
Sales Tax Burden (per \$1,000 of personal income)	\$21.59	22
Remaining Tax Burden (per \$1,000 of personal income)	\$17.12	25
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$2.26	46
Debt Service as a Share of Tax Revenue	7.9%	39
Public Employees Per 10,000 of Population (full-time equivalent)	478.1	7
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	60.2	48
State Minimum Wage (federal floor is \$7.25)	\$14.00	50
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.16	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)	2	3

Colorado

2021 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.

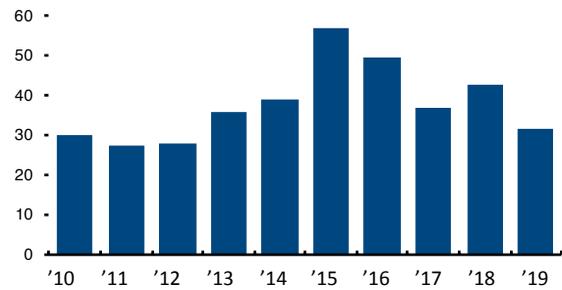
State Gross Domestic Product

Cumulative Growth 2009-2019 58.0% Rank: 6
CO
U.S.



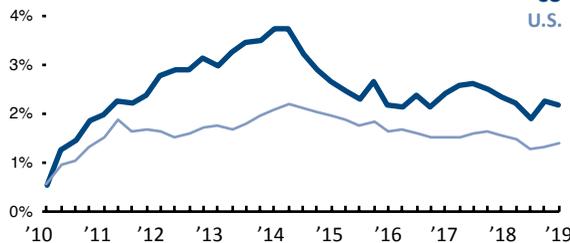
Absolute Domestic Migration

Cumulative 2010-2019 375,632 Rank: 6
(in thousands)



Non-Farm Payroll Employment

Cumulative 2009-2019 26.4% Rank: 2
CO
U.S.



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 22 21 16 15 15 18 18

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.55%	13
Top Marginal Corporate Income Tax Rate	4.55%	9
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$7.61	21
Property Tax Burden (per \$1,000 of personal income)	\$28.39	24
Sales Tax Burden (per \$1,000 of personal income)	\$24.56	33
Remaining Tax Burden (per \$1,000 of personal income)	\$13.62	7
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.08	22
Debt Service as a Share of Tax Revenue	8.6%	44
Public Employees Per 10,000 of Population (full-time equivalent)	540.2	34
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.7	21
State Minimum Wage (federal floor is \$7.25)	\$12.32	46
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.25	18
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

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



50

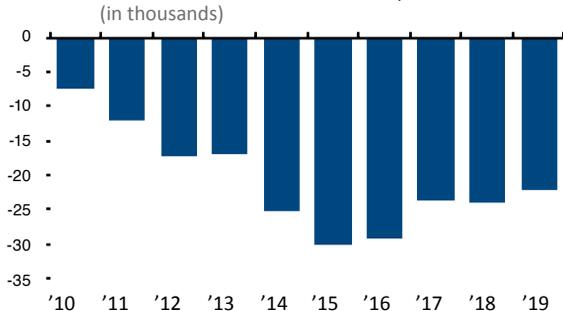
Economic Performance Rank

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.

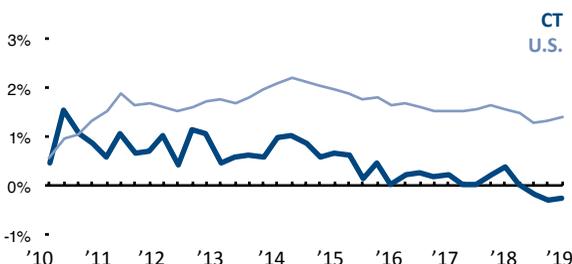
State Gross Domestic Product
Cumulative Growth 2009-2019 **21.5%** Rank: 48



Absolute Domestic Migration
Cumulative 2010-2019 **-208,004** Rank: 43
(in thousands)



Non-Farm Payroll Employment
Cumulative 2009-2019 **4.5%** Rank: 47



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 44 47 47 46 40 40 40

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.99%	35
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)	\$42.42	44
Sales Tax Burden (per \$1,000 of personal income)	\$17.32	11
Remaining Tax Burden (per \$1,000 of personal income)	\$16.06	18
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$2.51	47
Debt Service as a Share of Tax Revenue	6.8%	29
Public Employees Per 10,000 of Population (full-time equivalent)	511.9	20
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	73.8	3
State Minimum Wage (federal floor is \$7.25)	\$12.00	41
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.99	45
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Delaware

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

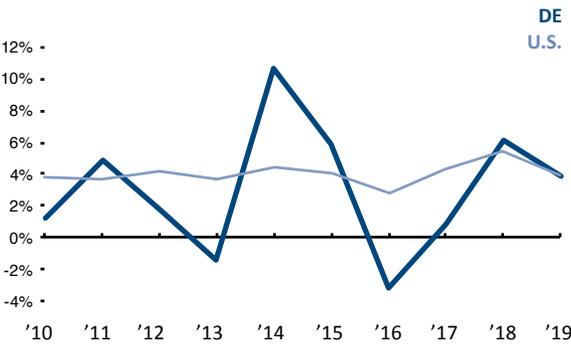


20

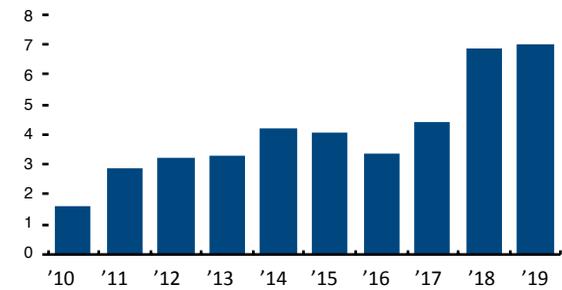
Economic Performance Rank

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.

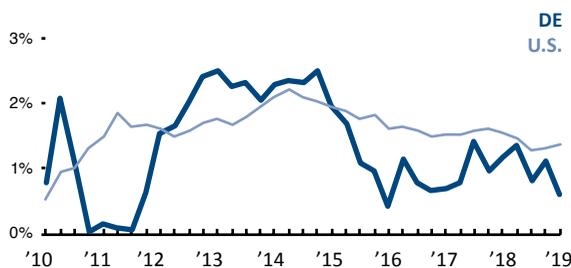
State Gross Domestic Product Cumulative Growth 2009-2019 **34.6%** Rank: **38**



Absolute Domestic Migration Cumulative 2010-2019 (in thousands) **40,847** Rank: **15**



Non-Farm Payroll Employment Cumulative 2009-2019 **12.8%** Rank: **21**



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 27 38 44 37 36 36 24

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	7.85%	41
Top Marginal Corporate Income Tax Rate	11.77%	47
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$15.10	35
Property Tax Burden (per \$1,000 of personal income)	\$18.01	4
Sales Tax Burden (per \$1,000 of personal income)	\$0.00	1
Remaining Tax Burden (per \$1,000 of personal income)	\$50.55	50
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.04	21
Debt Service as a Share of Tax Revenue	5.5%	18
Public Employees Per 10,000 of Population (full-time equivalent)	514.8	23
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	76.3	1
State Minimum Wage (federal floor is \$7.25)	\$9.25	28
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.97	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

Florida

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



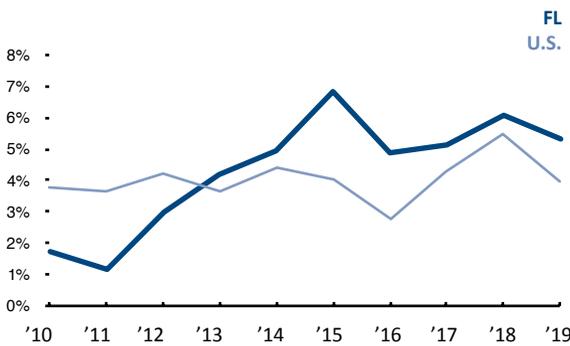
5

Economic Performance Rank

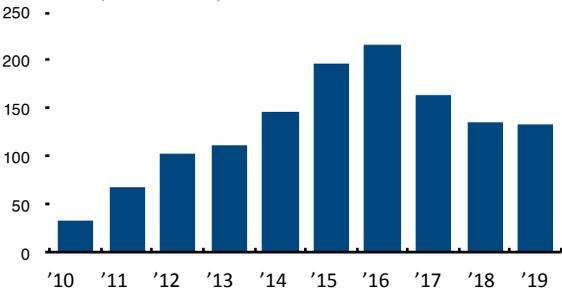
Economic Performance Rank (1=best 50=worst)

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.

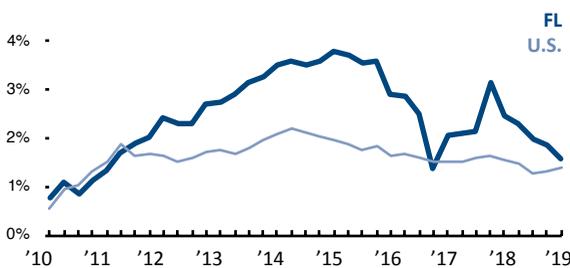
State Gross Domestic Product Cumulative Growth 2009-2019 **52.5%** Rank: **12**



Absolute Domestic Migration Cumulative 2010-2019 (in thousands) **1,313,236** Rank: **1**



Non-Farm Payroll Employment Cumulative 2009-2019 **26.1%** Rank: **4**



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 16 15 8 6 6 9 7

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	4.46%	8
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)	\$27.83	22
Sales Tax Burden (per \$1,000 of personal income)	\$30.59	40
Remaining Tax Burden (per \$1,000 of personal income)	\$19.20	34
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	-\$0.51	3
Debt Service as a Share of Tax Revenue	5.5%	19
Public Employees Per 10,000 of Population (full-time equivalent)	421.4	3
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	62.3	46
State Minimum Wage (federal floor is \$7.25)	\$8.65	22
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.41	24
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

Georgia

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

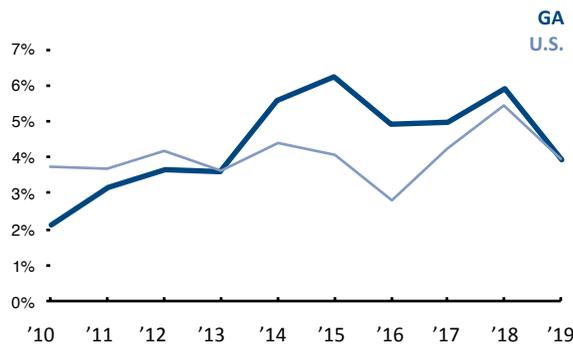


10

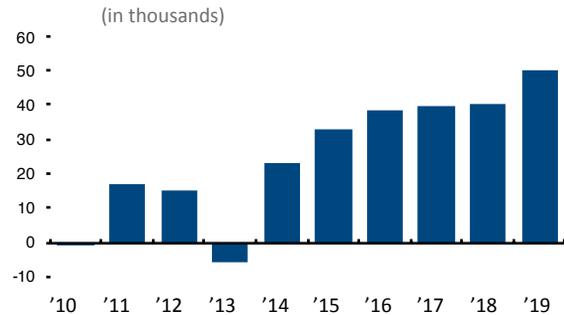
Economic Performance Rank

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.

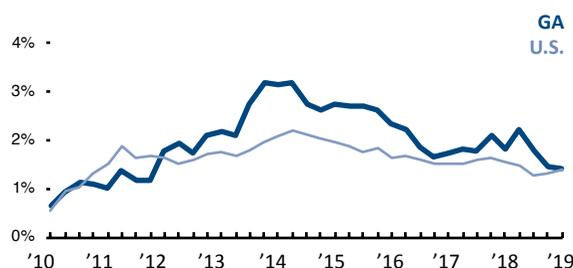
State Gross Domestic Product
Cumulative Growth 2009-2019 **54.1%** Rank: **10**



Absolute Domestic Migration
Cumulative 2010-2019 **249,480** Rank: **9**



Non-Farm Payroll Employment
Cumulative 2009-2019 **20.4%** Rank: **13**



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 9 7 19 17 11 20 21

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.75%	23
Top Marginal Corporate Income Tax Rate	6.39%	21
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)	\$26.63	18
Sales Tax Burden (per \$1,000 of personal income)	\$20.35	20
Remaining Tax Burden (per \$1,000 of personal income)	\$12.24	3
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	-\$0.60	2
Debt Service as a Share of Tax Revenue	5.9%	24
Public Employees Per 10,000 of Population (full-time equivalent)	498.2	16
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	66.1	41
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.64	36
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	32

Hawaii

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

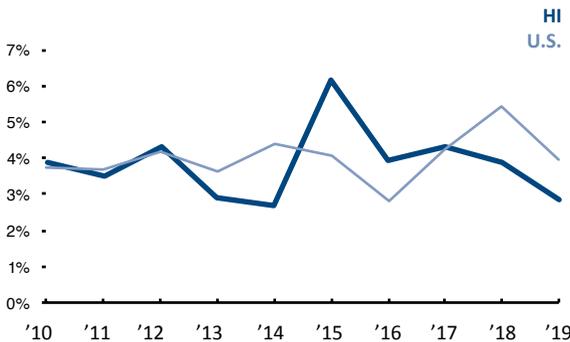


27

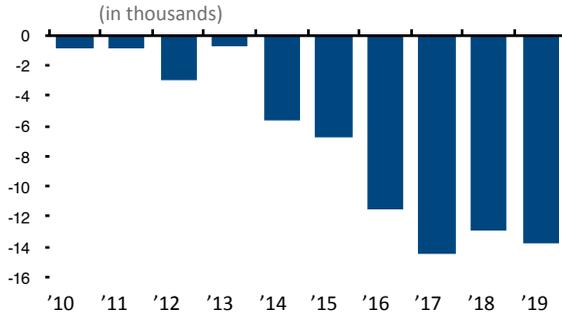
Economic Performance Rank

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 2009-2019 **45.7%** Rank: 22



Absolute Domestic Migration
 Cumulative 2010-2019 **-70,836** Rank: 36



Non-Farm Payroll Employment
 Cumulative 2009-2019 **12.3%** Rank: 24



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 36 37 42 43 45 45 44

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	11.00%	46
Top Marginal Corporate Income Tax Rate	6.40%	22
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$13.54	34
Property Tax Burden (per \$1,000 of personal income)	\$24.96	16
Sales Tax Burden (per \$1,000 of personal income)	\$49.52	50
Remaining Tax Burden (per \$1,000 of personal income)	\$26.96	46
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.26	27
Debt Service as a Share of Tax Revenue	3.5%	2
Public Employees Per 10,000 of Population (full-time equivalent)	518.1	24
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	71.1	15
State Minimum Wage (federal floor is \$7.25)	\$10.10	32
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.08	46
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Idaho

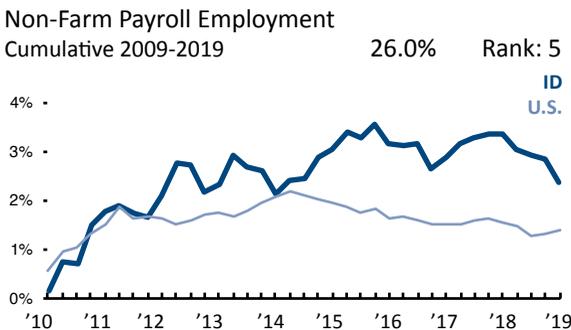
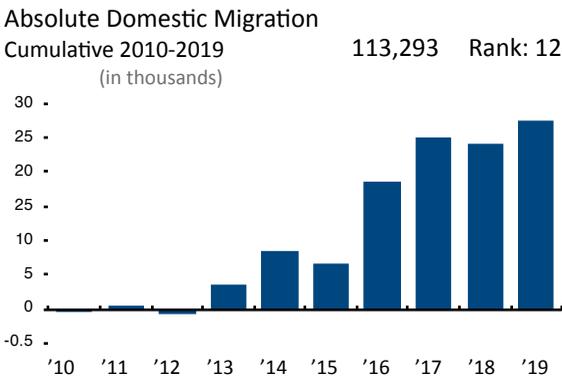
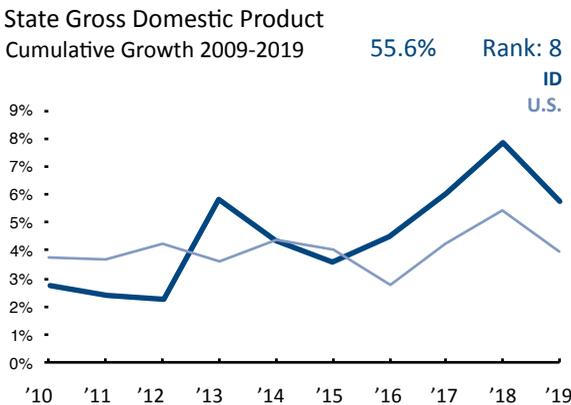
2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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.



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 5 6 15 10 2 2 3

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.93%	33
Top Marginal Corporate Income Tax Rate	6.93%	27
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$15.19	36
Property Tax Burden (per \$1,000 of personal income)	\$23.72	15
Sales Tax Burden (per \$1,000 of personal income)	\$23.80	30
Remaining Tax Burden (per \$1,000 of personal income)	\$14.45	10
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.28	30
Debt Service as a Share of Tax Revenue	3.6%	3
Public Employees Per 10,000 of Population (full-time equivalent)	482.8	8
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	72.2	9
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.56	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

Illinois

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



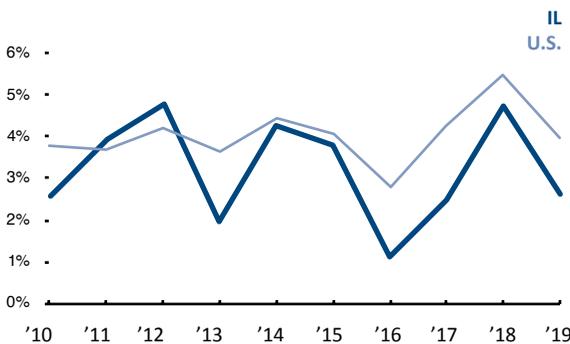
42

Economic Performance Rank

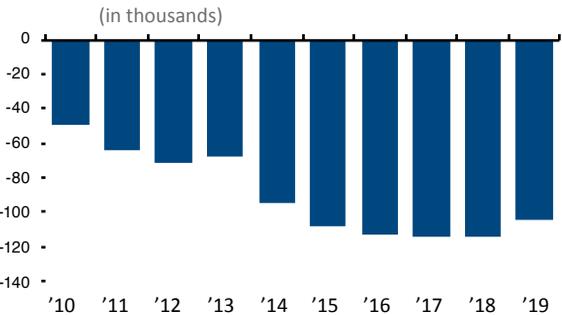
Economic Performance Rank (1=best 50=worst)

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.

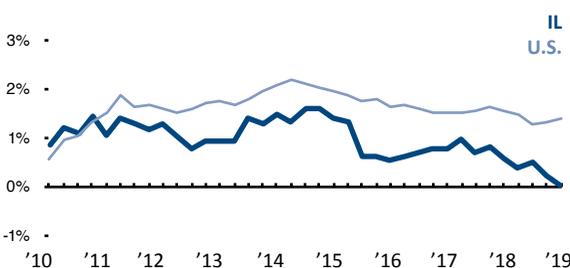
State Gross Domestic Product Cumulative Growth 2009-2019 **37.3%** Rank: 34



Absolute Domestic Migration Cumulative 2010-2019 **-902,387** Rank: 48



Non-Farm Payroll Employment Cumulative 2009-2019 **9.3%** Rank: 35



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 48 40 43 44 48 48 47

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.95%	14
Top Marginal Corporate Income Tax Rate	9.50%	43
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$1.57	14
Property Tax Burden (per \$1,000 of personal income)	\$40.75	43
Sales Tax Burden (per \$1,000 of personal income)	\$19.60	18
Remaining Tax Burden (per \$1,000 of personal income)	\$20.92	38
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$3.64	50
Debt Service as a Share of Tax Revenue	11.2%	50
Public Employees Per 10,000 of Population (full-time equivalent)	486.9	11
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	59.6	50
State Minimum Wage (federal floor is \$7.25)	\$11.00	36
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.46	27
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	32

Indiana

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

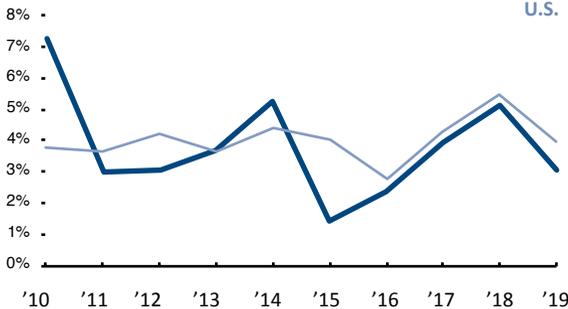


21

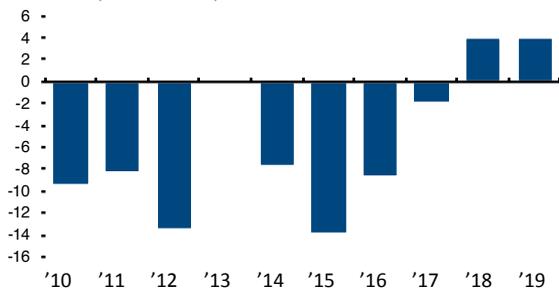
Economic Performance Rank

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.

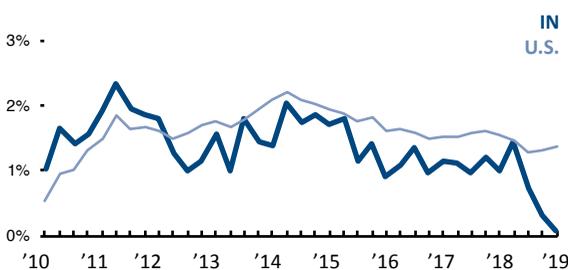
State Gross Domestic Product
Cumulative Growth 2009-2019 45.2% Rank: 25
IN U.S.



Absolute Domestic Migration
Cumulative 2010-2019 -55,167 Rank: 33
(in thousands)



Non-Farm Payroll Employment
Cumulative 2009-2019 13.3% Rank: 19
IN U.S.



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 3 3 6 2 3 3 4

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.25%	20
Top Marginal Corporate Income Tax Rate	5.25%	15
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)	\$22.37	11
Sales Tax Burden (per \$1,000 of personal income)	\$25.21	34
Remaining Tax Burden (per \$1,000 of personal income)	\$17.84	27
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	-\$0.67	1
Debt Service as a Share of Tax Revenue	7.4%	38
Public Employees Per 10,000 of Population (full-time equivalent)	500.0	17
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	68.9	31
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$0.77	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

Iowa

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

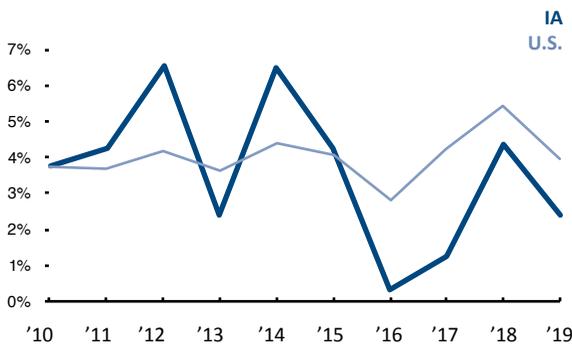


33

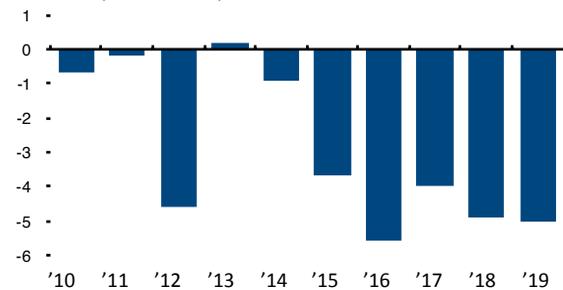
Economic Performance Rank

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.

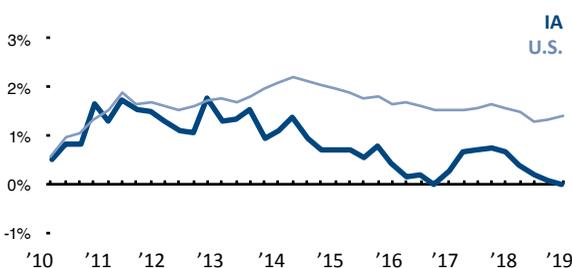
State Gross Domestic Product Cumulative Growth 2009-2019 **42.3%** Rank: 27



Absolute Domestic Migration Cumulative 2010-2019 **-29,252** Rank: 27
(in thousands)



Non-Farm Payroll Employment Cumulative 2009-2019 **7.8%** Rank: 40



33

Economic Outlook Rank

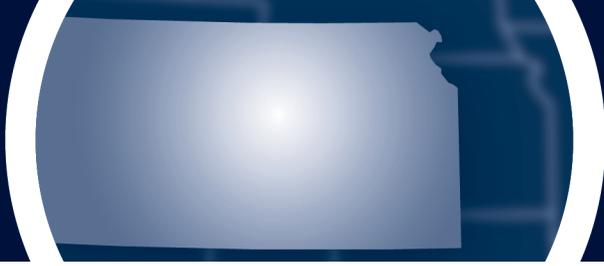
Economic Outlook Rank (1=best 50=worst)
A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 25 25 29 29 29 25 27

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.37%	21
Top Marginal Corporate Income Tax Rate	9.68%	44
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$13.20	33
Property Tax Burden (per \$1,000 of personal income)	\$34.97	37
Sales Tax Burden (per \$1,000 of personal income)	\$23.56	27
Remaining Tax Burden (per \$1,000 of personal income)	\$18.50	29
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	-\$0.33	6
Debt Service as a Share of Tax Revenue	3.9%	6
Public Employees Per 10,000 of Population (full-time equivalent)	594.7	42
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.6	23
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.54	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)	0	32

Kansas

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

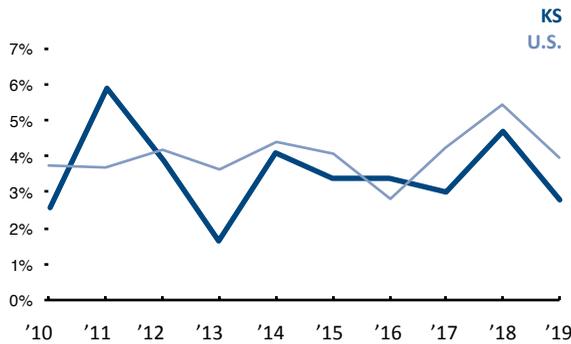


39

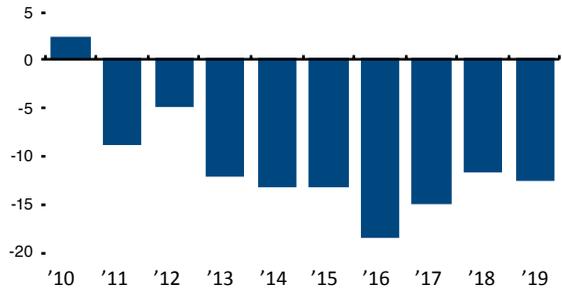
Economic Performance Rank

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.

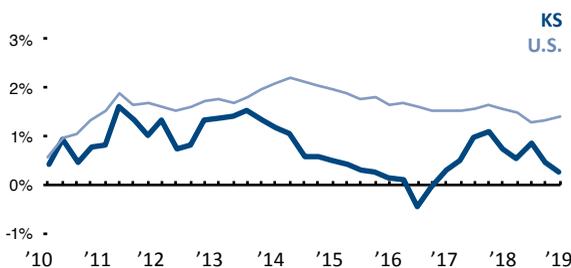
State Gross Domestic Product
Cumulative Growth 2009-2019 **41.4%** Rank: 29



Absolute Domestic Migration
Cumulative 2010-2019 **-105,634** Rank: 40
(in thousands)



Non-Farm Payroll Employment
Cumulative 2009-2019 **7.2%** Rank: 41



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 15 18 27 26 26 26 25

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.70%	22
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)	\$32.12	34
Sales Tax Burden (per \$1,000 of personal income)	\$30.73	41
Remaining Tax Burden (per \$1,000 of personal income)	\$14.08	9
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.00	12
Debt Service as a Share of Tax Revenue	5.8%	21
Public Employees Per 10,000 of Population (full-time equivalent)	692.5	48
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	68.8	32
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.12	12
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	32

Kentucky

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



29

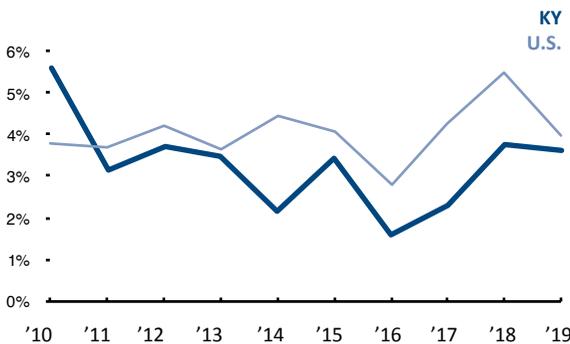
Economic Performance Rank

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.

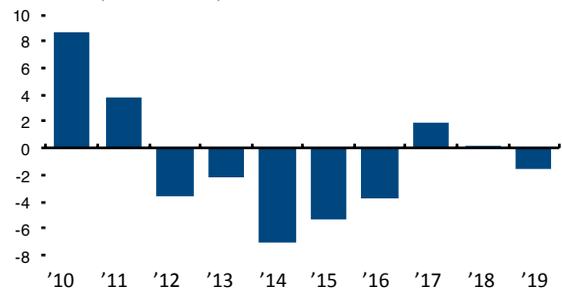
State Gross Domestic Product

Cumulative Growth 2009-2019 **38.0%** Rank: **33**



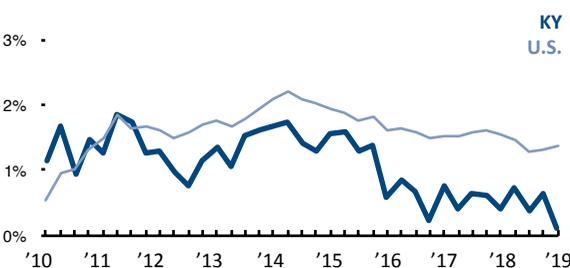
Absolute Domestic Migration

Cumulative 2010-2019 **-8,567** Rank: **23**
(in thousands)



Non-Farm Payroll Employment

Cumulative 2009-2019 **10.6%** Rank: **27**



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

2014 2015 2016 2017 2018 2019 2020

ECONOMIC OUTLOOK RANK 39 30 33 33 31 33 31

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	7.20%	38
Top Marginal Corporate Income Tax Rate	7.20%	30
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$1.79	15
Property Tax Burden (per \$1,000 of personal income)	\$20.33	7
Sales Tax Burden (per \$1,000 of personal income)	\$19.41	16
Remaining Tax Burden (per \$1,000 of personal income)	\$19.01	33
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	-\$0.04	10
Debt Service as a Share of Tax Revenue	8.3%	41
Public Employees Per 10,000 of Population (full-time equivalent)	539.3	33
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	66.5	40
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.13	13
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	32

Louisiana

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

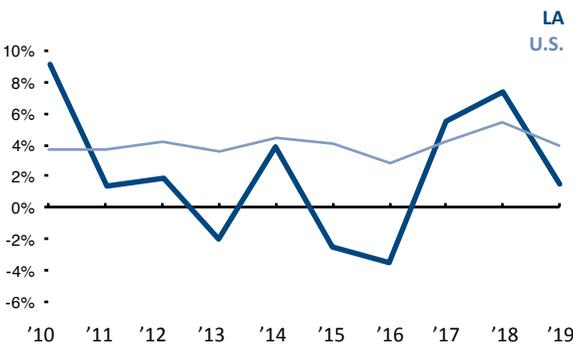


49

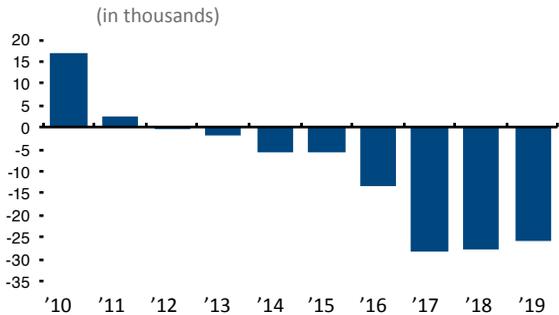
Economic Performance Rank

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.

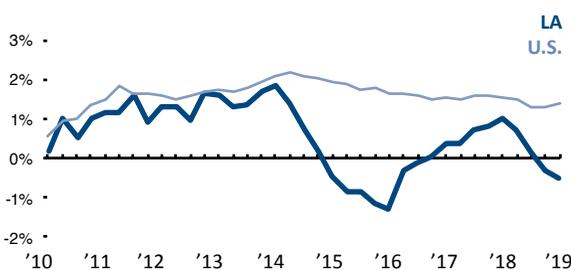
State Gross Domestic Product
 Cumulative Growth 2009-2019 **24.0%** Rank: 46



Absolute Domestic Migration
 Cumulative 2010-2019 **-89,556** Rank: 39
 (in thousands)



Non-Farm Payroll Employment
 Cumulative 2009-2019 **5.2%** Rank: 46



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 29 26 28 28 27 27 30

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	3.78%	11
Top Marginal Corporate Income Tax Rate	6.32%	20
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$11.10	28
Property Tax Burden (per \$1,000 of personal income)	\$19.82	6
Sales Tax Burden (per \$1,000 of personal income)	\$41.05	49
Remaining Tax Burden (per \$1,000 of personal income)	\$16.97	23
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	-\$0.11	9
Debt Service as a Share of Tax Revenue	6.9%	31
Public Employees Per 10,000 of Population (full-time equivalent)	556.8	36
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	60.0	49
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.95	43
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

Maine

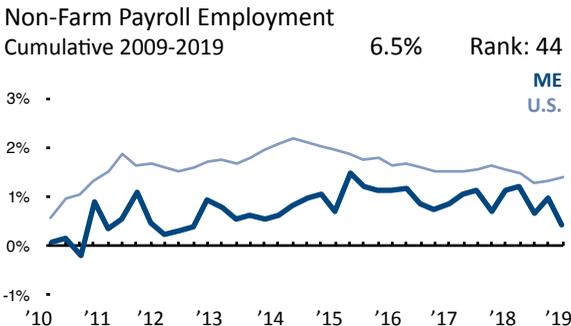
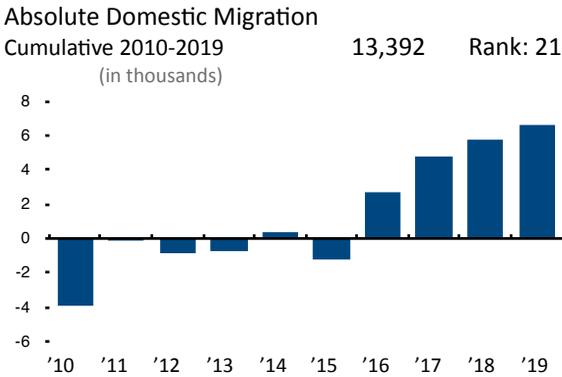
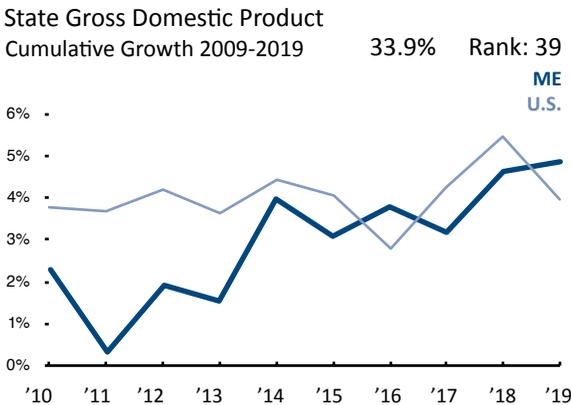
2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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.



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 40 42 38 42 42 42 41

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	7.15%	37
Top Marginal Corporate Income Tax Rate	8.93%	41
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$25.42	47
Property Tax Burden (per \$1,000 of personal income)	\$47.19	47
Sales Tax Burden (per \$1,000 of personal income)	\$23.96	31
Remaining Tax Burden (per \$1,000 of personal income)	\$17.03	24
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.16	25
Debt Service as a Share of Tax Revenue	3.8%	4
Public Employees Per 10,000 of Population (full-time equivalent)	526.7	27
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	73.8	2
State Minimum Wage (federal floor is \$7.25)	\$12.15	44
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.62	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

Maryland

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

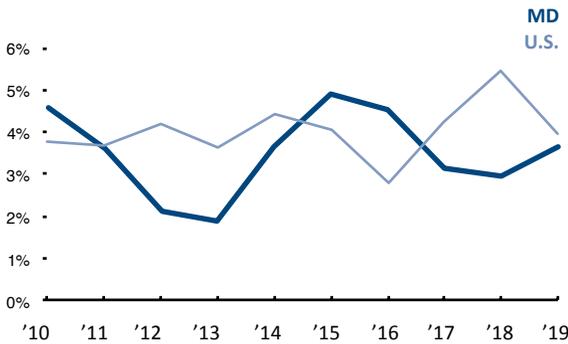


35

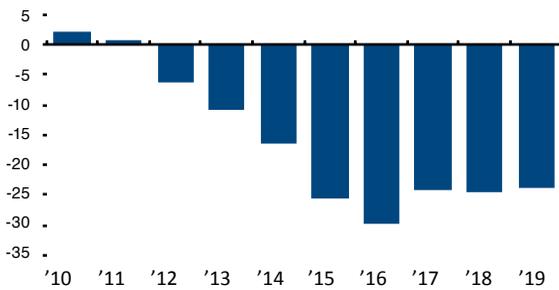
Economic Performance Rank

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.

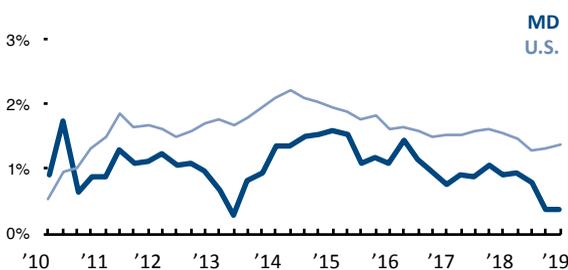
State Gross Domestic Product
Cumulative Growth 2009-2019 **41.1%** Rank: 30



Absolute Domestic Migration
Cumulative 2010-2019 **-158,912** Rank: 41
(in thousands)



Non-Farm Payroll Employment
Cumulative 2009-2019 **10.3%** Rank: 30



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 34 33 31 34 32 35 37

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)	\$8.95	25
Property Tax Burden (per \$1,000 of personal income)	\$27.44	21
Sales Tax Burden (per \$1,000 of personal income)	\$12.66	8
Remaining Tax Burden (per \$1,000 of personal income)	\$22.86	42
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.38	32
Debt Service as a Share of Tax Revenue	5.6%	20
Public Employees Per 10,000 of Population (full-time equivalent)	503.5	18
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	69.7	27
State Minimum Wage (federal floor is \$7.25)	\$11.75	39
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.14	14
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	32

Massachusetts

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



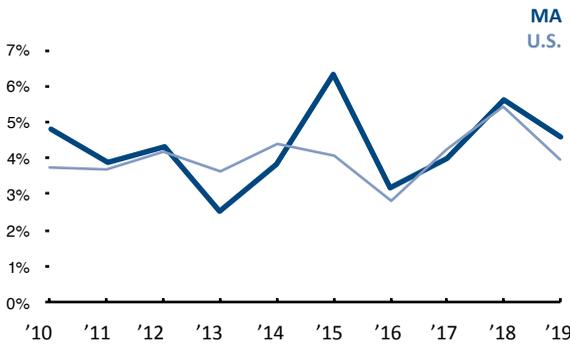
19

Economic Performance Rank

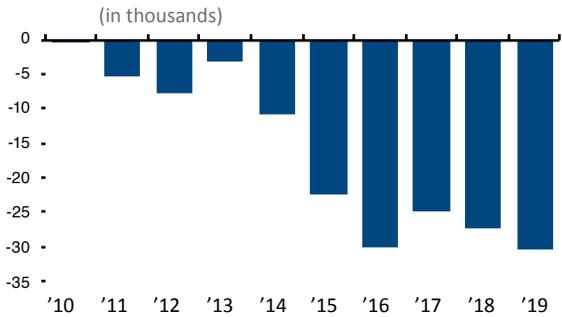
Economic Performance Rank (1=best 50=worst)

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 2009-2019 **52.5%** Rank: 13



Absolute Domestic Migration Cumulative 2010-2019 **-162,465** Rank: 42



Non-Farm Payroll Employment Cumulative 2009-2019 **15.4%** Rank: 16



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 28 28 26 25 25 28 35

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.00%	16
Top Marginal Corporate Income Tax Rate	8.00%	36
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$2.93	17
Property Tax Burden (per \$1,000 of personal income)	\$36.58	39
Sales Tax Burden (per \$1,000 of personal income)	\$13.44	9
Remaining Tax Burden (per \$1,000 of personal income)	\$11.16	2
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.26	28
Debt Service as a Share of Tax Revenue	7.3%	37
Public Employees Per 10,000 of Population (full-time equivalent)	486.7	10
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	69.6	28
State Minimum Wage (federal floor is \$7.25)	\$13.50	48
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.17	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)	1	15

Michigan

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



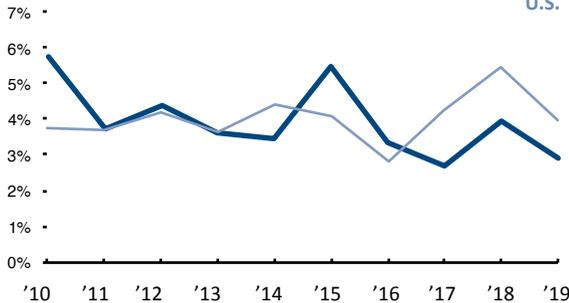
30

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.

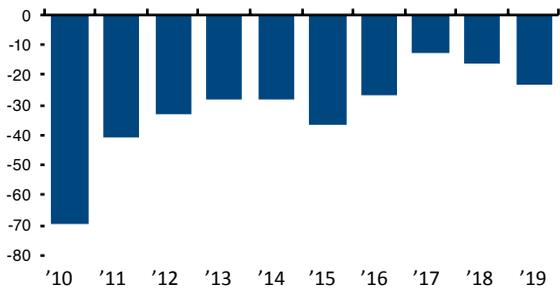
State Gross Domestic Product
Cumulative Growth 2009-2019 **46.9%** Rank: 21

MI
U.S.



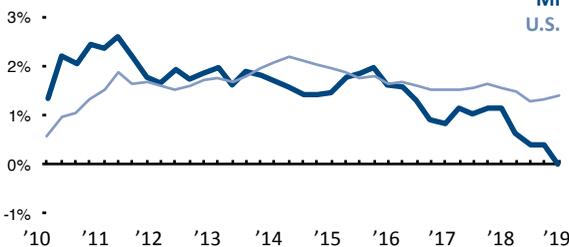
Absolute Domestic Migration Cumulative 2010-2019 **-316,617** Rank: 46

(in thousands)



Non-Farm Payroll Employment Cumulative 2009-2019 **15.0%** Rank: 18

MI
U.S.



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 12 24 22 20 18 12 14

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)	\$2.78	16
Property Tax Burden (per \$1,000 of personal income)	\$31.27	33
Sales Tax Burden (per \$1,000 of personal income)	\$21.08	21
Remaining Tax Burden (per \$1,000 of personal income)	\$16.61	22
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.03	20
Debt Service as a Share of Tax Revenue	7.2%	34
Public Employees Per 10,000 of Population (full-time equivalent)	434.2	4
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	68.8	33
State Minimum Wage (federal floor is \$7.25)	\$9.65	30
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.14	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

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



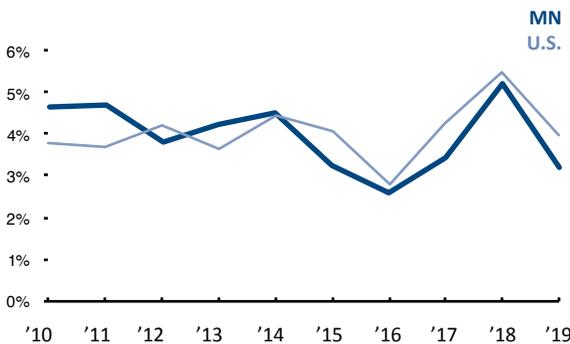
18

Economic Performance Rank

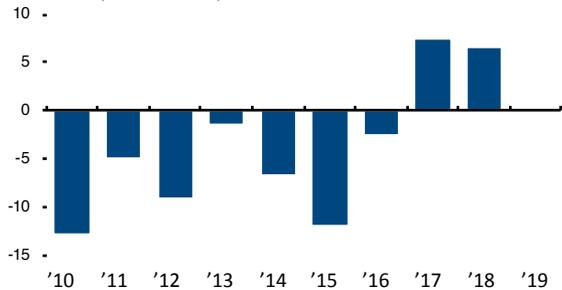
Economic Performance Rank (1=best 50=worst)

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.

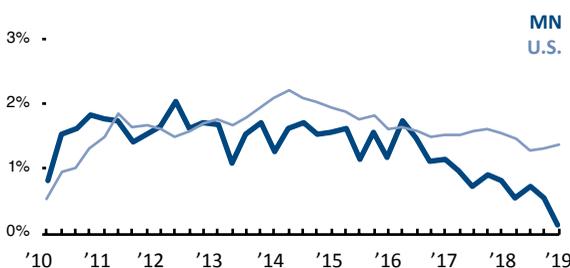
State Gross Domestic Product Cumulative Growth 2009-2019 **47.3%** Rank: **18**



Absolute Domestic Migration Cumulative 2010-2019 (in thousands) **-35,084** Rank: **28**



Non-Farm Payroll Employment Cumulative 2009-2019 **12.8%** Rank: **22**



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 46 48 45 45 44 41 45

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	9.85%	45
Top Marginal Corporate Income Tax Rate	9.80%	45
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$19.98	45
Property Tax Burden (per \$1,000 of personal income)	\$29.52	28
Sales Tax Burden (per \$1,000 of personal income)	\$19.43	17
Remaining Tax Burden (per \$1,000 of personal income)	\$23.54	43
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.55	36
Debt Service as a Share of Tax Revenue	5.0%	13
Public Employees Per 10,000 of Population (full-time equivalent)	532.7	30
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.7	20
State Minimum Wage (federal floor is \$7.25)	\$10.08	31
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.61	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	32

Mississippi

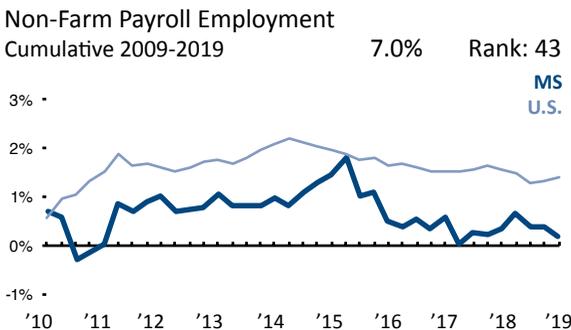
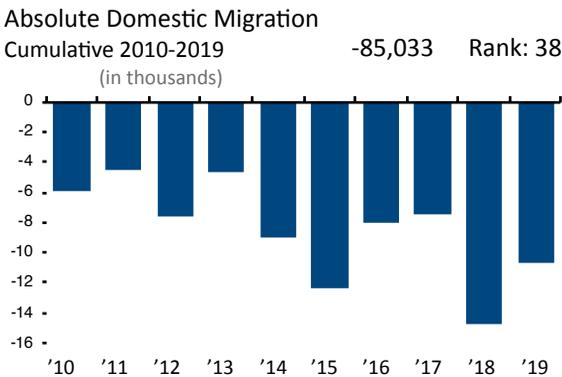
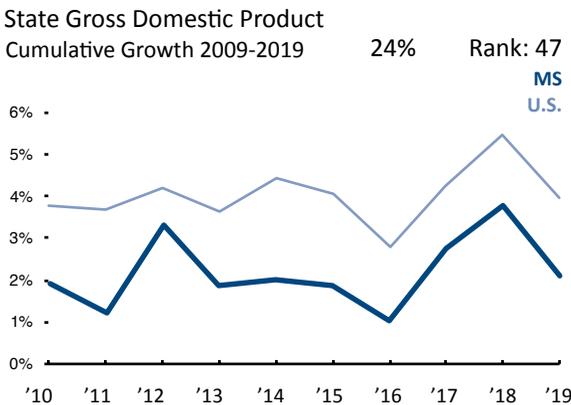
2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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.



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 14 20 17 22 24 19 20

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.00%	16
Top Marginal Corporate Income Tax Rate	5.00%	13
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$9.13	26
Property Tax Burden (per \$1,000 of personal income)	\$28.53	26
Sales Tax Burden (per \$1,000 of personal income)	\$32.08	42
Remaining Tax Burden (per \$1,000 of personal income)	\$19.57	35
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.22	26
Debt Service as a Share of Tax Revenue	5.0%	14
Public Employees Per 10,000 of Population (full-time equivalent)	619.3	44
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	61.9	47
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.20	17
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Missouri

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



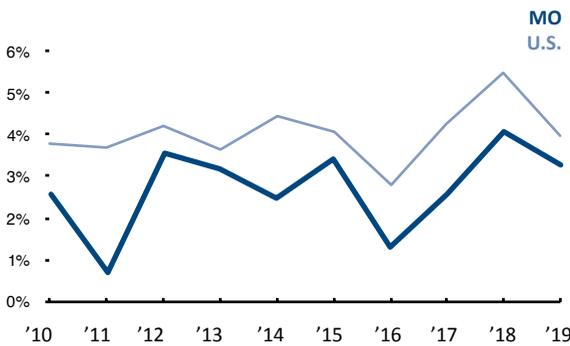
41

Economic Performance Rank

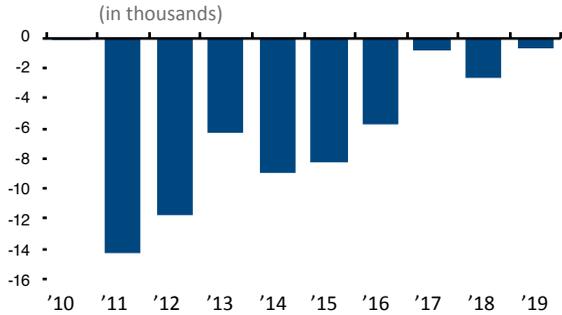
Economic Performance Rank (1=best 50=worst)

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.

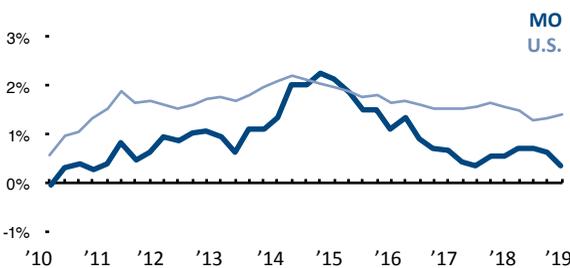
State Gross Domestic Product Cumulative Growth 2009-2019 **30.6%** Rank: **41**



Absolute Domestic Migration Cumulative 2010-2019 **-60,217** Rank: **35**



Non-Farm Payroll Employment Cumulative 2009-2019 **8.7%** Rank: **39**



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 24 27 24 24 23 22 19

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.40%	28
Top Marginal Corporate Income Tax Rate	4.58%	10
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$12.68	31
Property Tax Burden (per \$1,000 of personal income)	\$23.25	12
Sales Tax Burden (per \$1,000 of personal income)	\$23.58	28
Remaining Tax Burden (per \$1,000 of personal income)	\$13.23	5
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	-\$0.03	11
Debt Service as a Share of Tax Revenue	7.3%	36
Public Employees Per 10,000 of Population (full-time equivalent)	513.8	22
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	64.4	44
State Minimum Wage (federal floor is \$7.25)	\$10.30	33
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.65	37
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	3	1

Montana

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

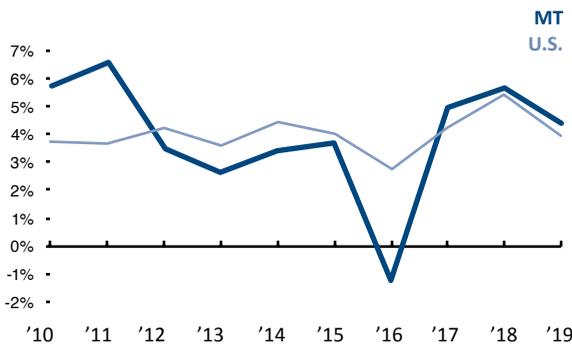


15

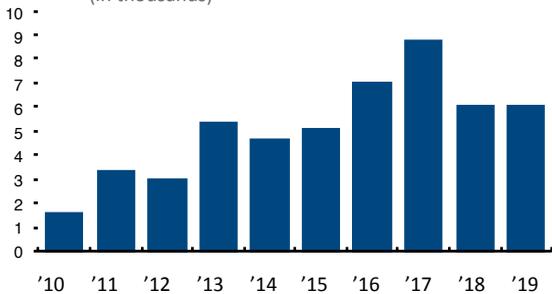
Economic Performance Rank

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.

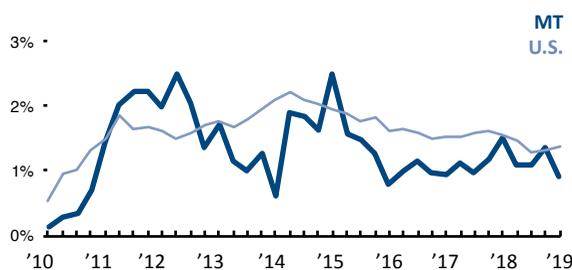
State Gross Domestic Product
Cumulative Growth 2009-2019 **46.9%** Rank: 20



Absolute Domestic Migration
Cumulative 2010-2019 **50,650** Rank: 14
(in thousands)



Non-Farm Payroll Employment
Cumulative 2009-2019 **13.3%** Rank: 20



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 43 43 40 39 43 39 33

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.90%	32
Top Marginal Corporate Income Tax Rate	6.75%	25
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$18.34	42
Property Tax Burden (per \$1,000 of personal income)	\$36.38	38
Sales Tax Burden (per \$1,000 of personal income)	\$0.00	1
Remaining Tax Burden (per \$1,000 of personal income)	\$20.94	39
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.15	23
Debt Service as a Share of Tax Revenue	4.5%	8
Public Employees Per 10,000 of Population (full-time equivalent)	573.1	39
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	72.5	7
State Minimum Wage (federal floor is \$7.25)	\$8.75	23
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.69	39
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	32

Nebraska

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

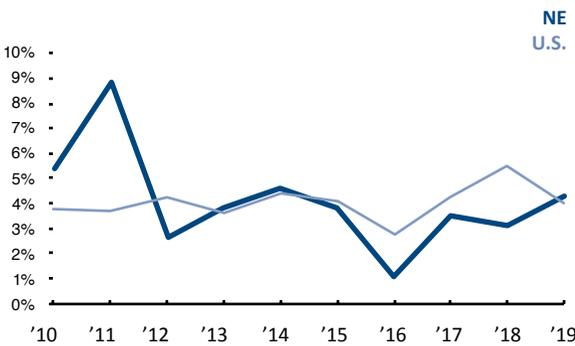


24

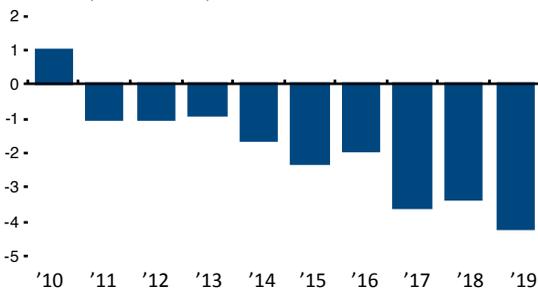
Economic Performance Rank

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.

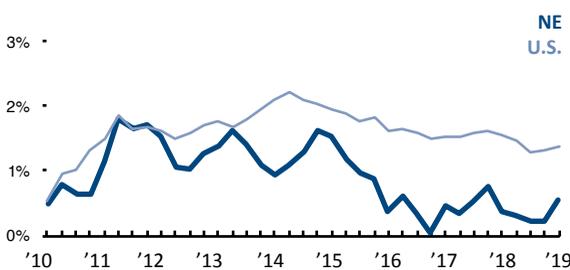
State Gross Domestic Product
Cumulative Growth 2009-2019 **49.3%** Rank: 17



Absolute Domestic Migration
Cumulative 2010-2019 **-18,956** Rank: 26
(in thousands)



Non-Farm Payroll Employment
Cumulative 2009-2019 **9.2%** Rank: 36



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 35 31 32 32 28 34 36

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)	\$18.93	44
Property Tax Burden (per \$1,000 of personal income)	\$38.94	41
Sales Tax Burden (per \$1,000 of personal income)	\$23.39	26
Remaining Tax Burden (per \$1,000 of personal income)	\$14.66	11
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.00	12
Debt Service as a Share of Tax Revenue	5.4%	16
Public Employees Per 10,000 of Population (full-time equivalent)	650.8	47
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	72.3	8
State Minimum Wage (federal floor is \$7.25)	\$9.00	26
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.44	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	32

Nevada

2021 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 2009-2019 47.3% Rank: 19

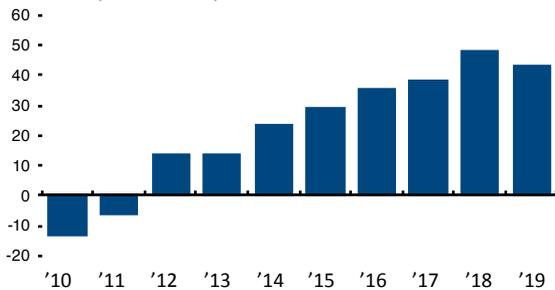
NV
U.S.



Absolute Domestic Migration

Cumulative 2010-2019 224,658 Rank: 11

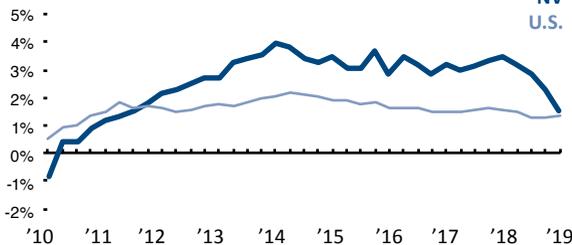
(in thousands)



Non-Farm Payroll Employment

Cumulative 2009-2019 26.4% Rank: 3

NV
U.S.



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

2014 2015 2016 2017 2018 2019 2020

ECONOMIC OUTLOOK RANK 8 10 14 13 13 5 6

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	0.65%	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)	\$21.57	9
Sales Tax Burden (per \$1,000 of personal income)	\$40.12	48
Remaining Tax Burden (per \$1,000 of personal income)	\$34.33	49
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.43	34
Debt Service as a Share of Tax Revenue	7.3%	35
Public Employees Per 10,000 of Population (full-time equivalent)	385.4	1
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	69.5	29
State Minimum Wage (federal floor is \$7.25)	\$9.00	26
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.07	9
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

New Hampshire

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



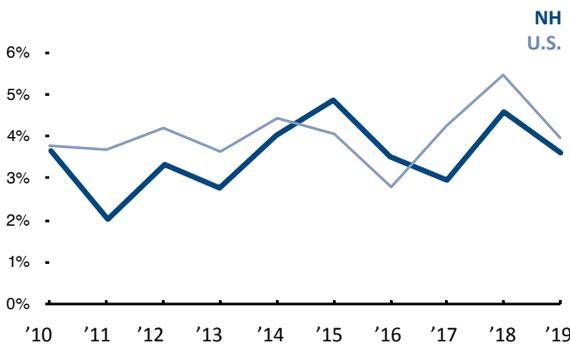
25

Economic Performance Rank

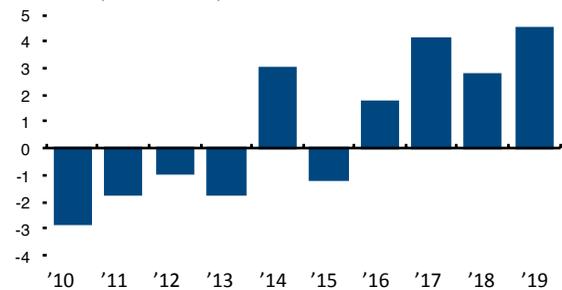
Economic Performance Rank (1=best 50=worst)

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 2009-2019 41.6% Rank: 28



Absolute Domestic Migration Cumulative 2010-2019 (in thousands) 7,859 Rank: 22



Non-Farm Payroll Employment Cumulative 2009-2019 9.6% Rank: 32



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 32 29 23 18 17 16 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)	\$55.89	50
Sales Tax Burden (per \$1,000 of personal income)	\$0.00	1
Remaining Tax Burden (per \$1,000 of personal income)	\$20.74	37
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.27	29
Debt Service as a Share of Tax Revenue	6.2%	26
Public Employees Per 10,000 of Population (full-time equivalent)	513.5	21
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.7	18
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.37	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	32

New Jersey

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

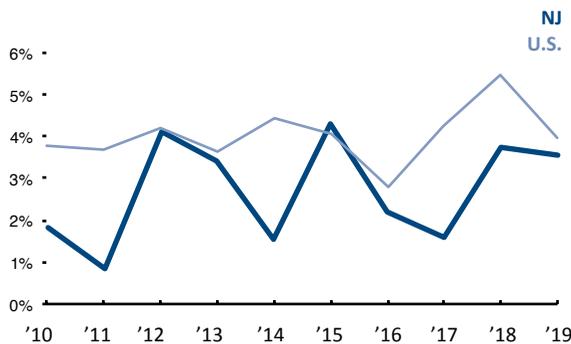


46

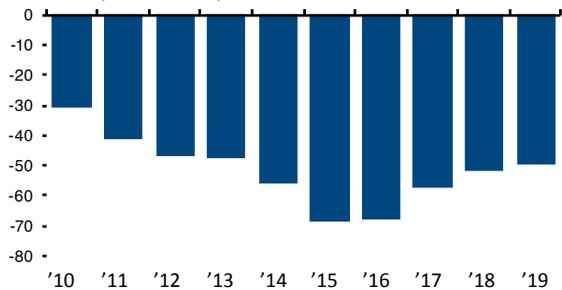
Economic Performance Rank

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.

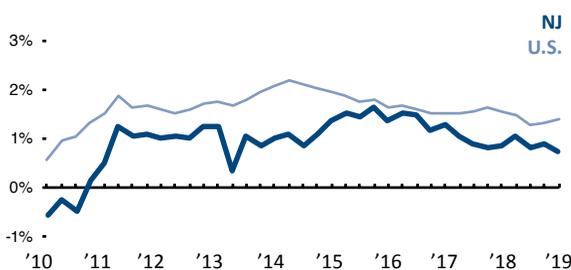
State Gross Domestic Product
Cumulative Growth 2009-2019 30.6% Rank: 42



Absolute Domestic Migration
Cumulative 2010-2019 -512,722 Rank: 47
(in thousands)



Non-Farm Payroll Employment
Cumulative 2009-2019 9.2% Rank: 37



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 45 46 48 48 46 46 48

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	11.75%	47
Top Marginal Corporate Income Tax Rate	11.50%	46
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$24.81	46
Property Tax Burden (per \$1,000 of personal income)	\$50.83	48
Sales Tax Burden (per \$1,000 of personal income)	\$17.71	12
Remaining Tax Burden (per \$1,000 of personal income)	\$13.91	8
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$1.63	43
Debt Service as a Share of Tax Revenue	5.1%	15
Public Employees Per 10,000 of Population (full-time equivalent)	545.1	35
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	65.4	43
State Minimum Wage (federal floor is \$7.25)	\$12.00	41
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.52	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)	1	15

New Mexico

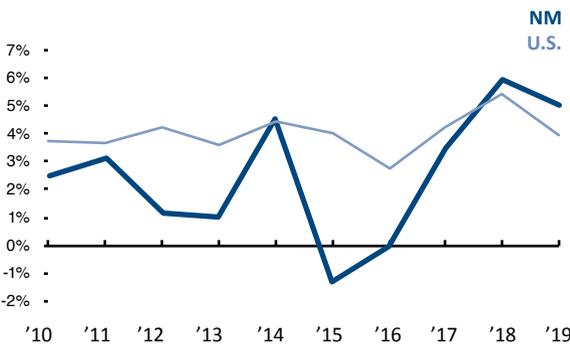
2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



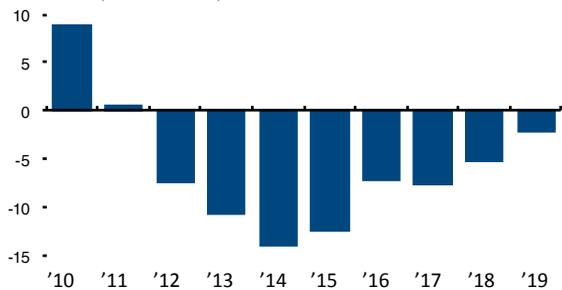
43 Economic Performance Rank

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.

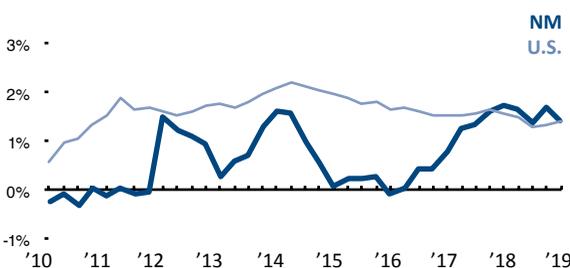
State Gross Domestic Product
Cumulative Growth 2009-2019 **28.2%** Rank: **44**



Absolute Domestic Migration
Cumulative 2010-2019 **-56,737** Rank: **34**
(in thousands)



Non-Farm Payroll Employment
Cumulative 2009-2019 **7.0%** Rank: **42**



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 37 34 34 35 35 29 34

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.90%	25
Top Marginal Corporate Income Tax Rate	5.90%	16
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$11.93	30
Property Tax Burden (per \$1,000 of personal income)	\$20.50	8
Sales Tax Burden (per \$1,000 of personal income)	\$37.92	47
Remaining Tax Burden (per \$1,000 of personal income)	\$15.31	14
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$2.57	48
Debt Service as a Share of Tax Revenue	8.0%	40
Public Employees Per 10,000 of Population (full-time equivalent)	589.4	41
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.6	22
State Minimum Wage (federal floor is \$7.25)	\$10.50	35
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.34	22
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	32

New York

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

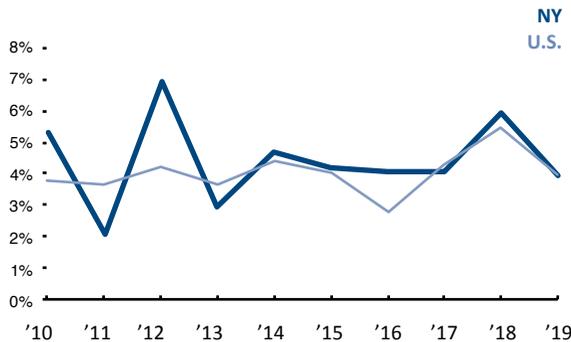


23

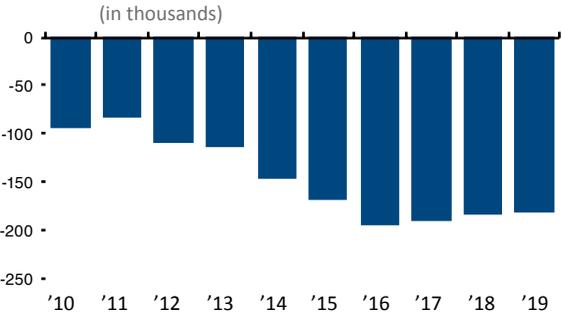
Economic Performance Rank

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.

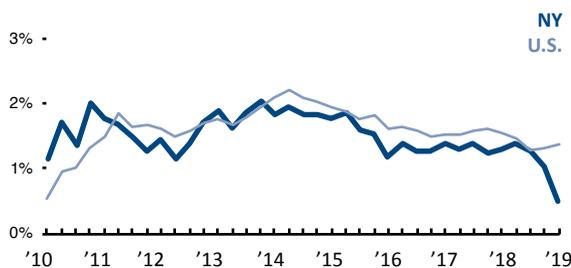
State Gross Domestic Product
Cumulative Growth 2009-2019 **54.0%** Rank: **11**



Absolute Domestic Migration
Cumulative 2010-2019 **-1,448,228** Rank: **50**
(in thousands)



Non-Farm Payroll Employment
Cumulative 2009-2019 **15.2%** Rank: **17**



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 50 50 50 50 50 50 50

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	12.70%	48
Top Marginal Corporate Income Tax Rate	17.30%	50
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$16.69	41
Property Tax Burden (per \$1,000 of personal income)	\$44.77	45
Sales Tax Burden (per \$1,000 of personal income)	\$24.13	32
Remaining Tax Burden (per \$1,000 of personal income)	\$18.30	28
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.93	40
Debt Service as a Share of Tax Revenue	9.1%	46
Public Employees Per 10,000 of Population (full-time equivalent)	624.1	46
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	67.7	36
State Minimum Wage (federal floor is \$7.25)	\$12.50	47
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.23	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)	0	32

North Carolina

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



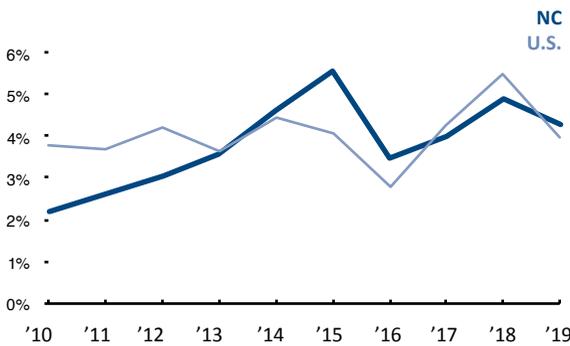
14

Economic Performance Rank

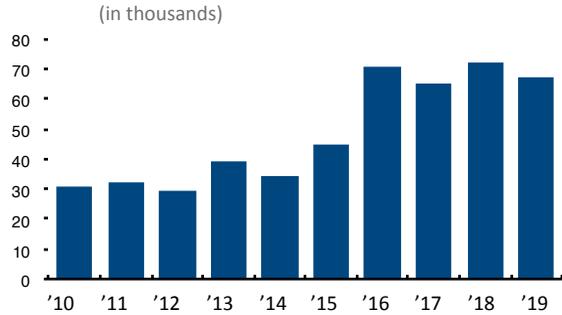
Economic Performance Rank (1=best 50=worst)

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.

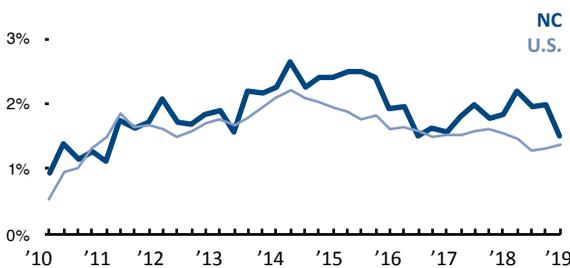
State Gross Domestic Product Cumulative Growth 2009-2019 **45.4%** Rank: **24**



Absolute Domestic Migration Cumulative 2010-2019 **485,416** Rank: **3**



Non-Farm Payroll Employment Cumulative 2009-2019 **19.0%** Rank: **14**



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 6 4 2 3 7 6 5

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.25%	19
Top Marginal Corporate Income Tax Rate	2.50%	4
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$7.53	19
Property Tax Burden (per \$1,000 of personal income)	\$22.05	10
Sales Tax Burden (per \$1,000 of personal income)	\$23.71	29
Remaining Tax Burden (per \$1,000 of personal income)	\$16.06	19
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.43	33
Debt Service as a Share of Tax Revenue	4.9%	12
Public Employees Per 10,000 of Population (full-time equivalent)	529.6	29
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.9	16
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.31	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)	1	15

North Dakota

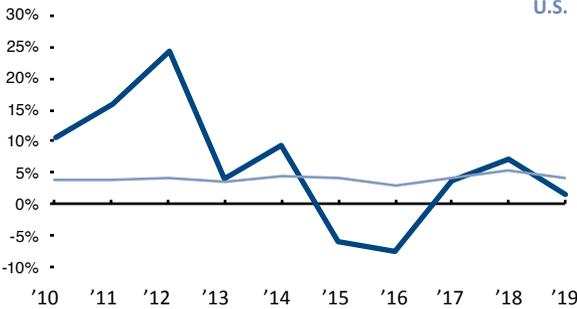
2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



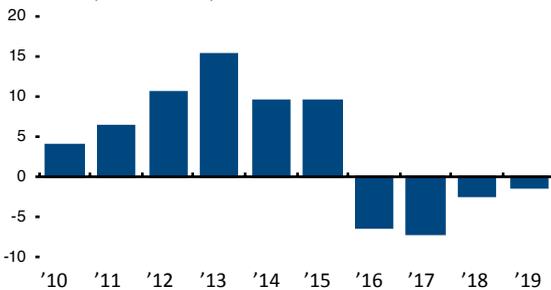
12 Economic Performance Rank

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.

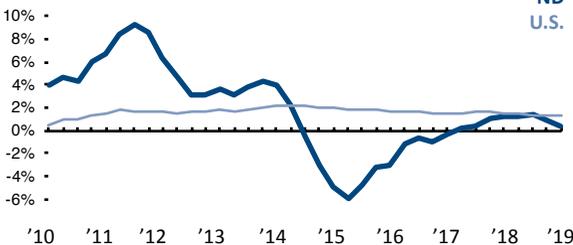
State Gross Domestic Product
Cumulative Growth 2009-2019 **77.4%** Rank: **1**
ND
U.S.



Absolute Domestic Migration
Cumulative 2010-2019 **37,690** Rank: **17**
(in thousands)



Non-Farm Payroll Employment
Cumulative 2009-2019 **18.7%** Rank: **15**
ND
U.S.



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 4 2 3 4 4 4 11

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)	\$8.52	24
Property Tax Burden (per \$1,000 of personal income)	\$30.69	30
Sales Tax Burden (per \$1,000 of personal income)	\$28.50	37
Remaining Tax Burden (per \$1,000 of personal income)	\$18.88	31
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	-\$0.48	5
Debt Service as a Share of Tax Revenue	4.2%	7
Public Employees Per 10,000 of Population (full-time equivalent)	622.3	45
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	72.6	6
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$0.67	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	32

Ohio

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

32

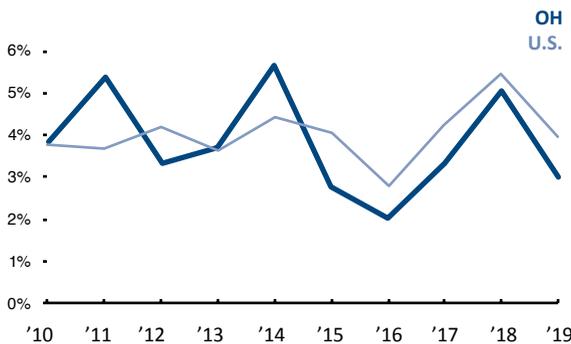
Economic Performance Rank

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.

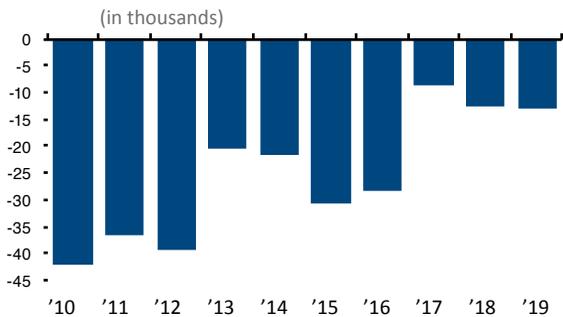
State Gross Domestic Product

Cumulative Growth 2009-2019 45.5% Rank: 23



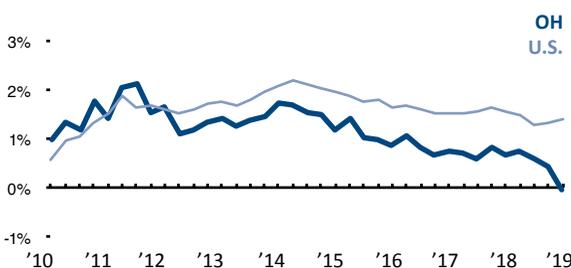
Absolute Domestic Migration

Cumulative 2010-2019 -250,579 Rank: 44



Non-Farm Payroll Employment

Cumulative 2009-2019 11.0% Rank: 25



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

2014 2015 2016 2017 2018 2019 2020

ECONOMIC OUTLOOK RANK 23 23 18 19 21 24 29

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	7.30%	39
Top Marginal Corporate Income Tax Rate	3.69%	6
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$15.65	39
Property Tax Burden (per \$1,000 of personal income)	\$28.43	25
Sales Tax Burden (per \$1,000 of personal income)	\$22.68	24
Remaining Tax Burden (per \$1,000 of personal income)	\$16.21	20
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.74	39
Debt Service as a Share of Tax Revenue	5.8%	22
Public Employees Per 10,000 of Population (full-time equivalent)	497.8	15
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	67.7	35
State Minimum Wage (federal floor is \$7.25)	\$8.80	25
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.11	11
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Oklahoma

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

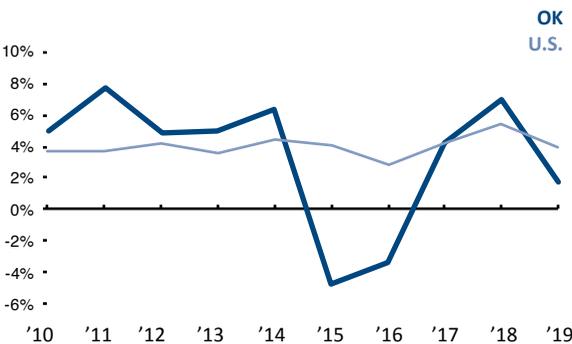


22

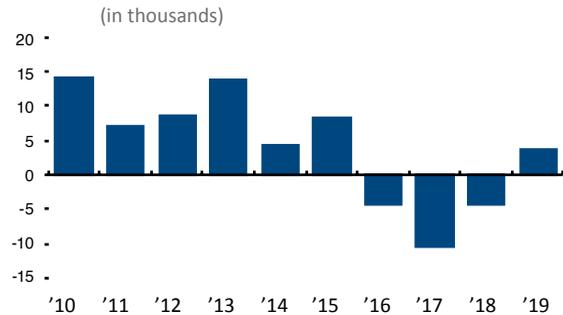
Economic Performance Rank

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 2009-2019 **38.5%** Rank: **32**



Absolute Domestic Migration
 Cumulative 2010-2019 **40,392** Rank: **16**



Non-Farm Payroll Employment
 Cumulative 2009-2019 **10.4%** Rank: **29**



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 21 16 10 16 16 13 9

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.00%	16
Top Marginal Corporate Income Tax Rate	6.00%	17
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$7.41	18
Property Tax Burden (per \$1,000 of personal income)	\$17.21	2
Sales Tax Burden (per \$1,000 of personal income)	\$28.12	36
Remaining Tax Burden (per \$1,000 of personal income)	\$15.53	15
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.00	12
Debt Service as a Share of Tax Revenue	4.6%	10
Public Employees Per 10,000 of Population (full-time equivalent)	524.6	26
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	71.2	14
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.66	38
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

Oregon

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



9

Economic Performance Rank

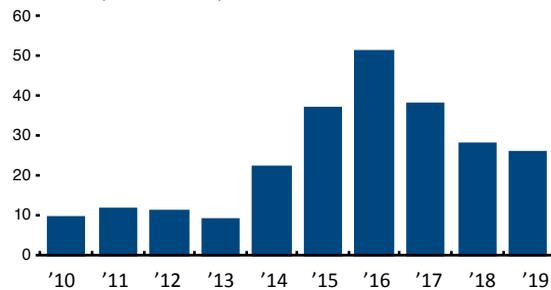
Economic Performance Rank (1=best 50=worst)

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.

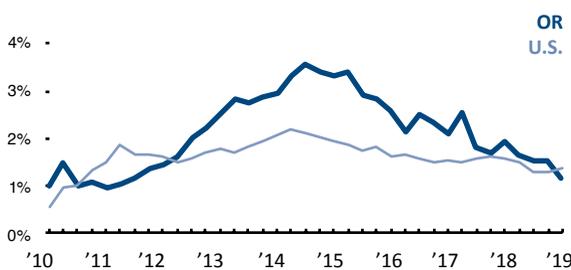
State Gross Domestic Product Cumulative Growth 2009-2019 **57.9%** Rank: **7** OR U.S.



Absolute Domestic Migration Cumulative 2010-2019 (in thousands) **241,823** Rank: **10**



Non-Farm Payroll Employment Cumulative 2009-2019 **21.9%** Rank: **11** OR U.S.



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 42 45 41 41 41 44 42

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	14.68%	50
Top Marginal Corporate Income Tax Rate	15.80%	48
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$40.03	49
Property Tax Burden (per \$1,000 of personal income)	\$31.19	31
Sales Tax Burden (per \$1,000 of personal income)	\$0.00	1
Remaining Tax Burden (per \$1,000 of personal income)	\$21.25	40
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$2.14	45
Debt Service as a Share of Tax Revenue	6.9%	32
Public Employees Per 10,000 of Population (full-time equivalent)	492.1	13
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	69.9	25
State Minimum Wage (federal floor is \$7.25)	\$12.00	41
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.00	7
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

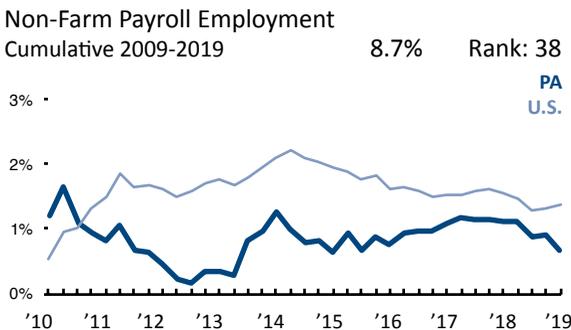
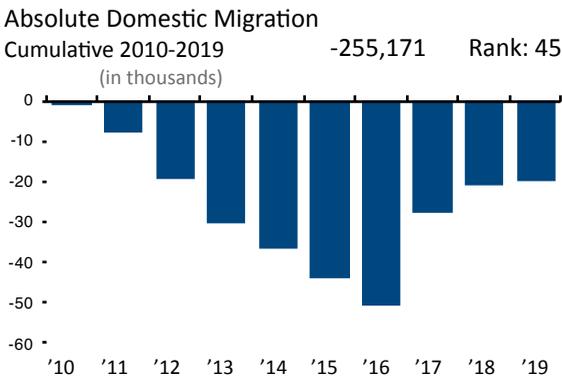
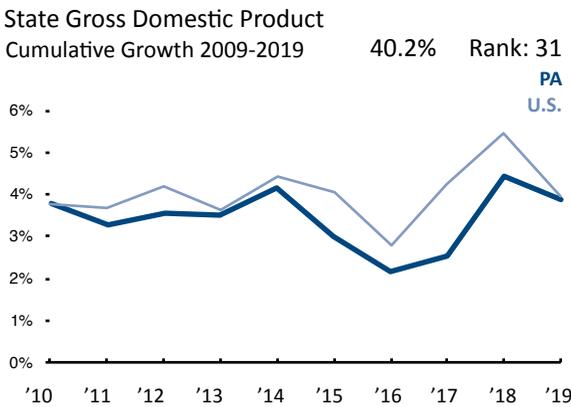
Pennsylvania

2021 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.



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 33 41 39 38 38 38 38

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.94%	34
Top Marginal Corporate Income Tax Rate	16.84%	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)	\$29.01	27
Sales Tax Burden (per \$1,000 of personal income)	\$16.98	10
Remaining Tax Burden (per \$1,000 of personal income)	\$24.00	44
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.02	19
Debt Service as a Share of Tax Revenue	6.5%	27
Public Employees Per 10,000 of Population (full-time equivalent)	435.2	5
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	66.6	39
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.55	31
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	32

Rhode Island

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



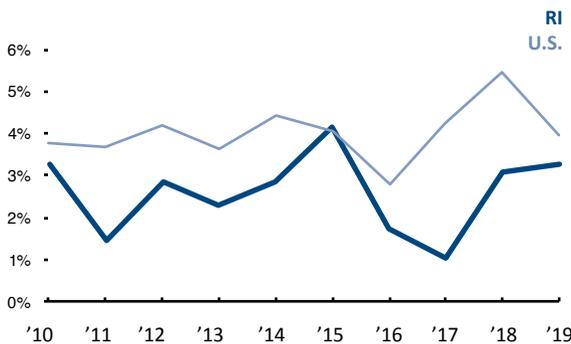
37

Economic Performance Rank

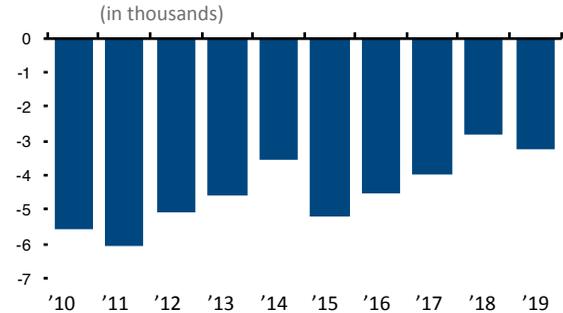
Economic Performance Rank (1=best 50=worst)

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.

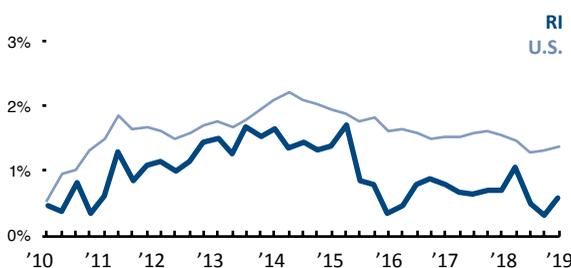
State Gross Domestic Product
Cumulative Growth 2009-2019 29.2% Rank: 43



Absolute Domestic Migration
Cumulative 2010-2019 -44,175 Rank: 30
(in thousands)



Non-Farm Payroll Employment
Cumulative 2009-2019 9.5% Rank: 33



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 41 39 35 36 39 43 43

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)	\$11.35	29
Property Tax Burden (per \$1,000 of personal income)	\$45.27	46
Sales Tax Burden (per \$1,000 of personal income)	\$18.46	14
Remaining Tax Burden (per \$1,000 of personal income)	\$18.61	30
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.29	31
Debt Service as a Share of Tax Revenue	9.1%	47
Public Employees Per 10,000 of Population (full-time equivalent)	456.9	6
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.5	24
State Minimum Wage (federal floor is \$7.25)	\$11.50	38
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.93	42
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

South Carolina

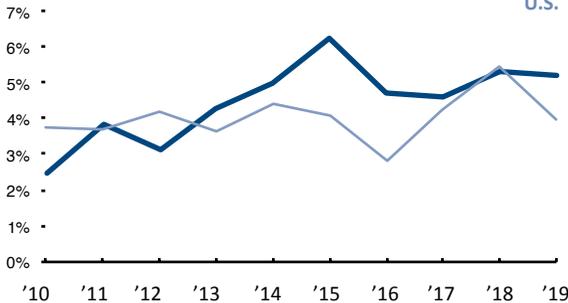
2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



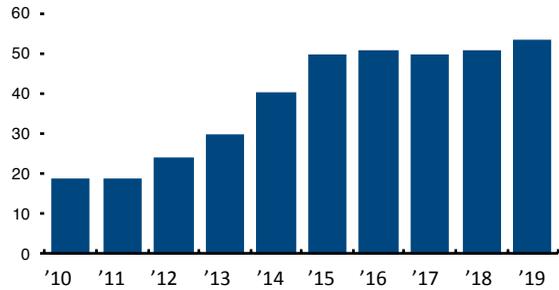
6 Economic Performance Rank

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.

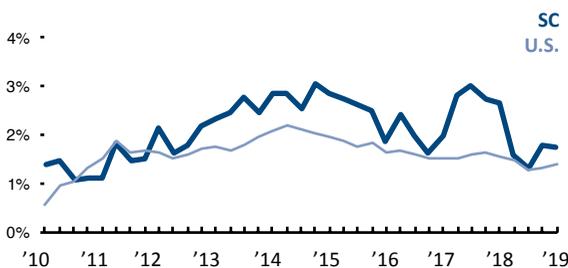
State Gross Domestic Product
 Cumulative Growth 2009-2019 **54.8%** Rank: **9**
 SC U.S.



Absolute Domestic Migration
 Cumulative 2010-2019 **381,378** Rank: **5**
 (in thousands)



Non-Farm Payroll Employment
 Cumulative 2009-2019 **23.0%** Rank: **9**
 SC U.S.



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 31 32 30 27 33 32 32

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	7.00%	36
Top Marginal Corporate Income Tax Rate	5.00%	13
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$18.76	43
Property Tax Burden (per \$1,000 of personal income)	\$28.32	23
Sales Tax Burden (per \$1,000 of personal income)	\$18.32	13
Remaining Tax Burden (per \$1,000 of personal income)	\$17.69	26
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.00	12
Debt Service as a Share of Tax Revenue	6.8%	28
Public Employees Per 10,000 of Population (full-time equivalent)	536.8	32
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	67.6	37
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.56	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

South Dakota

2021 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 2009-2019

51.2% Rank: 15

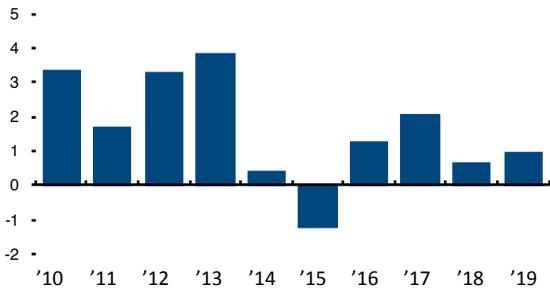
SD
U.S.



Absolute Domestic Migration

Cumulative 2010-2019
(in thousands)

16,096 Rank: 19

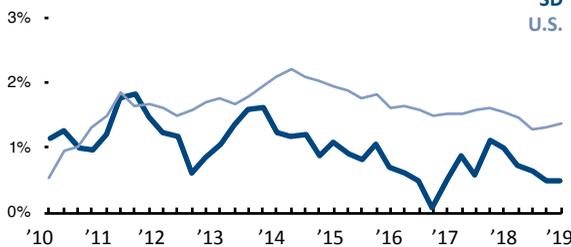


Non-Farm Payroll Employment

Cumulative 2009-2019

10.1% Rank: 31

SD
U.S.



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

2014 2015 2016 2017 2018 2019 2020

ECONOMIC OUTLOOK RANK 2 9 11 12 9 7 13

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)	\$31.24	32
Sales Tax Burden (per \$1,000 of personal income)	\$33.53	43
Remaining Tax Burden (per \$1,000 of personal income)	\$19.57	36
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.00	12
Debt Service as a Share of Tax Revenue	5.5%	17
Public Employees Per 10,000 of Population (full-time equivalent)	535.6	31
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	72.0	10
State Minimum Wage (federal floor is \$7.25)	\$9.45	29
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.48	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

2021 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

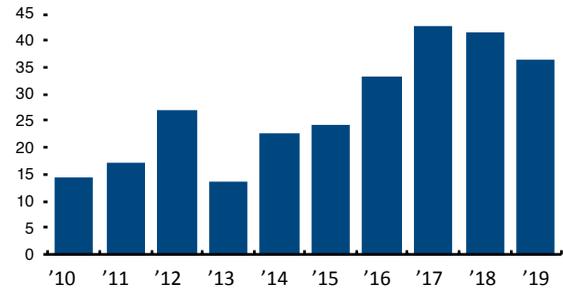
Cumulative Growth 2009-2019 50.4% Rank: 16



Absolute Domestic Migration

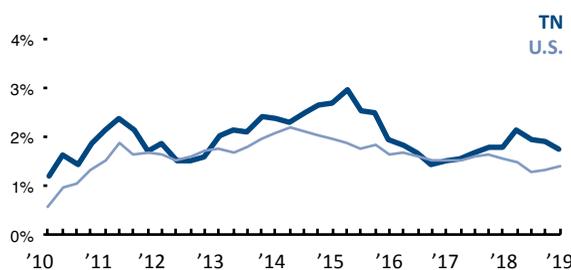
Cumulative 2010-2019 270,611 Rank: 8

(in thousands)



Non-Farm Payroll Employment

Cumulative 2009-2019 21.0% Rank: 12



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

2014 2015 2016 2017 2018 2019 2020

ECONOMIC OUTLOOK RANK 19 17 7 5 12 8 8

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	6.50%	23
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)	\$17.40	3
Sales Tax Burden (per \$1,000 of personal income)	\$29.13	39
Remaining Tax Burden (per \$1,000 of personal income)	\$18.90	32
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$2.60	49
Debt Service as a Share of Tax Revenue	8.5%	43
Public Employees Per 10,000 of Population (full-time equivalent)	491.6	12
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	68.3	34
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.09	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)	2	3

Texas

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

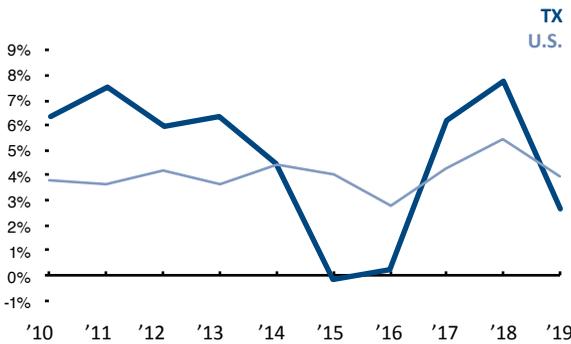


1

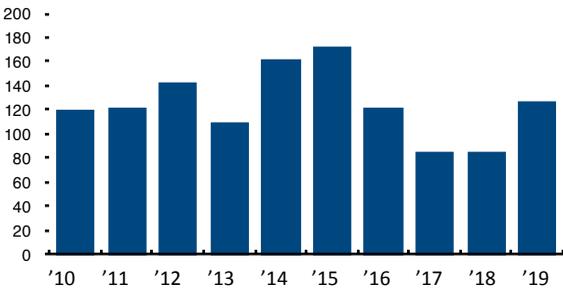
Economic Performance Rank

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.

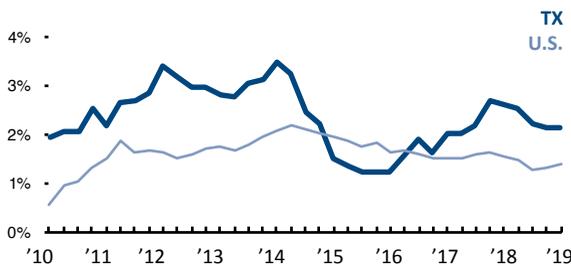
State Gross Domestic Product Cumulative Growth 2009-2019 **58.5%** Rank: 5



Absolute Domestic Migration Cumulative 2010-2019 (in thousands) **1,236,832** Rank: 2



Non-Farm Payroll Employment Cumulative 2009-2019 **26.0%** Rank: 6



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 13 11 12 9 14 15 15

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	2.66%	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)	\$39.82	42
Sales Tax Burden (per \$1,000 of personal income)	\$28.59	38
Remaining Tax Burden (per \$1,000 of personal income)	\$15.74	17
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.16	24
Debt Service as a Share of Tax Revenue	9.0%	45
Public Employees Per 10,000 of Population (full-time equivalent)	523.8	25
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	67.1	38
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$0.98	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)	2	3

Utah

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

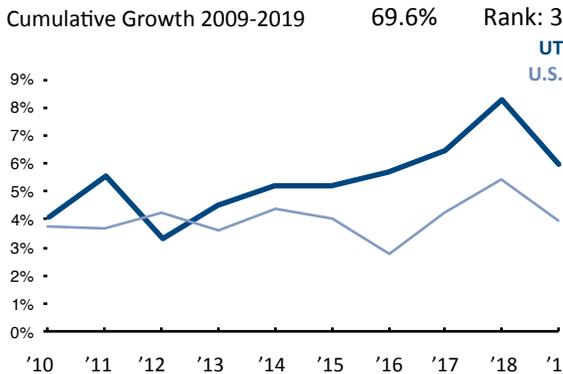
4

Economic Performance Rank

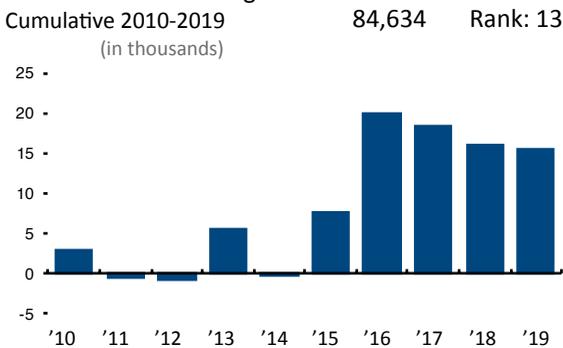
Economic Performance Rank (1=best 50=worst)

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

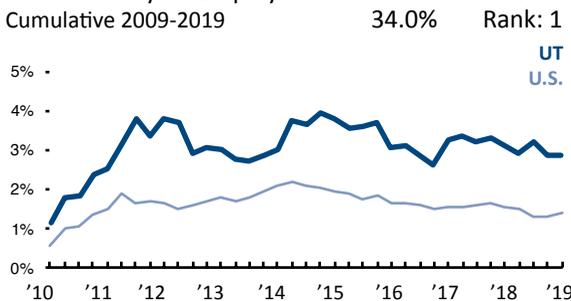
State Gross Domestic Product



Absolute Domestic Migration



Non-Farm Payroll Employment



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 2014 2015 2016 2017 2018 2019 2020

ECONOMIC OUTLOOK RANK 1 1 1 1 1 1 1

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.95%	14
Top Marginal Corporate Income Tax Rate	4.95%	12
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$0.29	12
Property Tax Burden (per \$1,000 of personal income)	\$23.61	13
Sales Tax Burden (per \$1,000 of personal income)	\$21.83	23
Remaining Tax Burden (per \$1,000 of personal income)	\$15.06	12
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.02	18
Debt Service as a Share of Tax Revenue	5.9%	25
Public Employees Per 10,000 of Population (full-time equivalent)	497.6	14
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.7	19
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$0.85	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

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

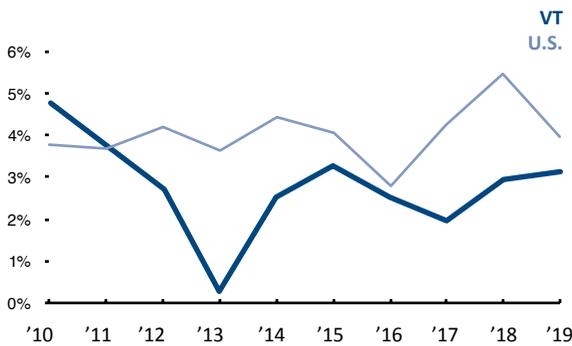


38

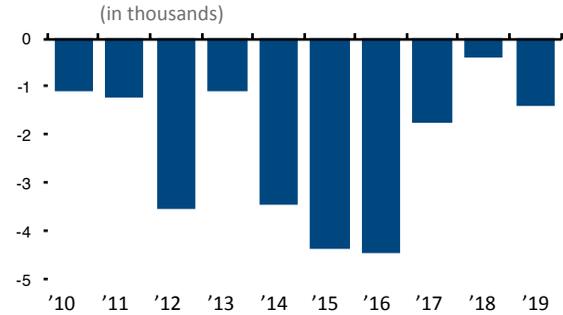
Economic Performance Rank

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.

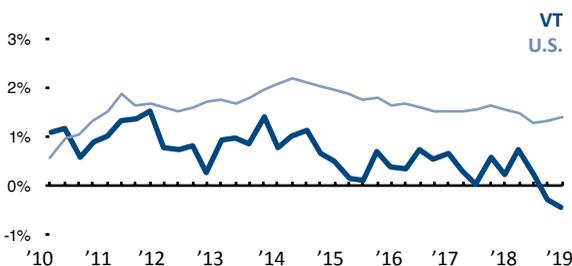
State Gross Domestic Product
 Cumulative Growth 2009-2019 **31.5%** Rank: 40



Absolute Domestic Migration
 Cumulative 2010-2019 **-11,229** Rank: 24
 (in thousands)



Non-Farm Payroll Employment
 Cumulative 2009-2019 **6.0%** Rank: 45



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 49 49 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)	\$28.76	48
Property Tax Burden (per \$1,000 of personal income)	\$52.05	49
Sales Tax Burden (per \$1,000 of personal income)	\$12.55	7
Remaining Tax Burden (per \$1,000 of personal income)	\$27.76	48
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.59	37
Debt Service as a Share of Tax Revenue	3.8%	5
Public Employees Per 10,000 of Population (full-time equivalent)	596.3	43
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	71.7	11
State Minimum Wage (federal floor is \$7.25)	\$11.75	39
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.21	48
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	32

Virginia

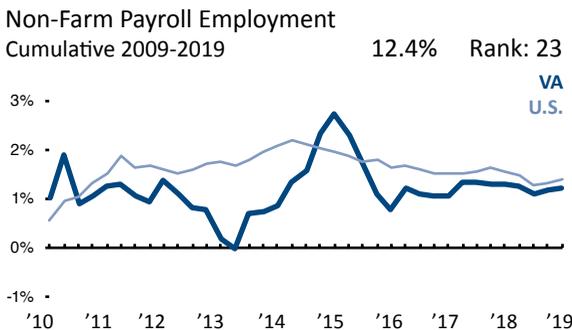
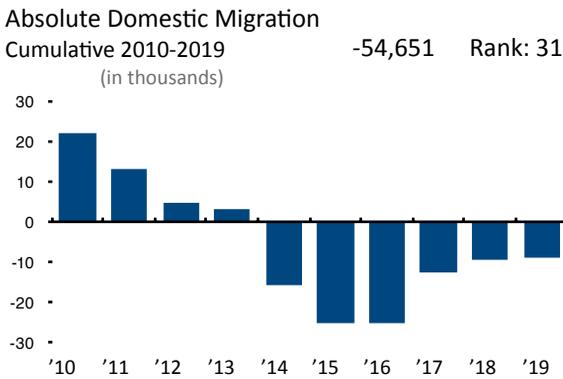
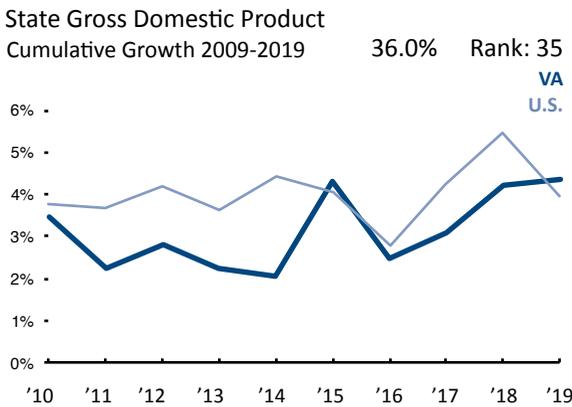
2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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.



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 11 12 13 11 10 14 16

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.75%	23
Top Marginal Corporate Income Tax Rate	7.64%	32
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$7.60	20
Property Tax Burden (per \$1,000 of personal income)	\$29.99	29
Sales Tax Burden (per \$1,000 of personal income)	\$11.49	6
Remaining Tax Burden (per \$1,000 of personal income)	\$15.57	16
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$1.78	44
Debt Service as a Share of Tax Revenue	5.9%	23
Public Employees Per 10,000 of Population (full-time equivalent)	527.3	28
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	71.3	12
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.28	19
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	32

Washington

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

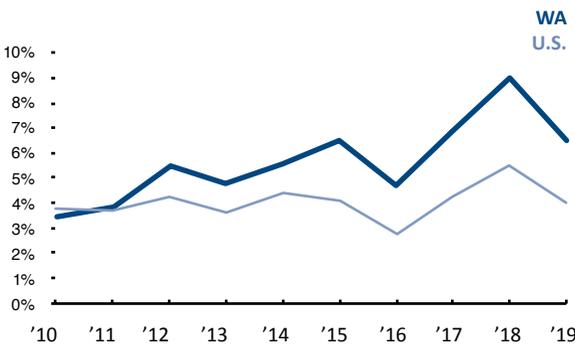


3

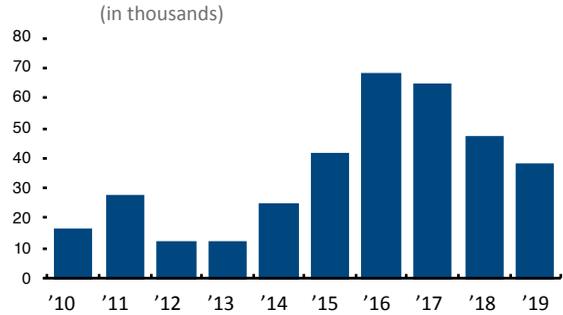
Economic Performance Rank

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.

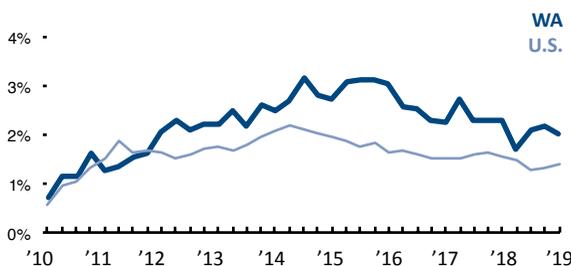
State Gross Domestic Product
 Cumulative Growth 2009-2019 **73.3%** Rank: **2**



Absolute Domestic Migration
 Cumulative 2010-2019 **349,920** Rank: **7**



Non-Farm Payroll Employment
 Cumulative 2009-2019 **23.2%** Rank: **8**



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 38 35 36 40 37 37 39

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	6.85%	26
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)	\$27.43	20
Sales Tax Burden (per \$1,000 of personal income)	\$34.25	44
Remaining Tax Burden (per \$1,000 of personal income)	\$24.89	45
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.97	41
Debt Service as a Share of Tax Revenue	8.5%	42
Public Employees Per 10,000 of Population (full-time equivalent)	510.5	19
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	69.8	26
State Minimum Wage (federal floor is \$7.25)	\$13.69	49
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.53	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)	2	3

West Virginia

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

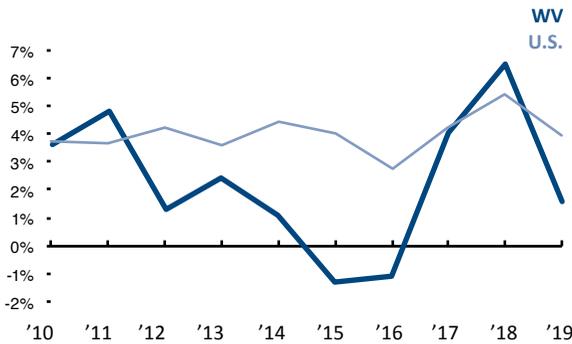


45

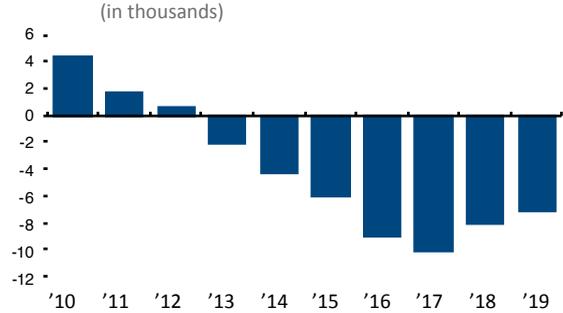
Economic Performance Rank

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.

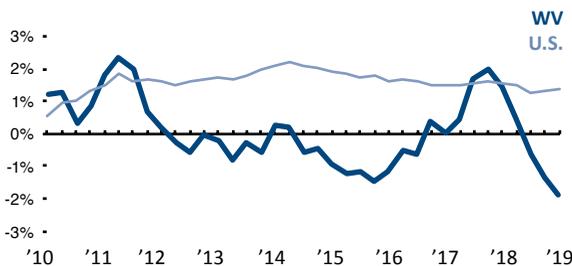
State Gross Domestic Product
Cumulative Growth 2009-2019 **25.1%** Rank: **45**



Absolute Domestic Migration
Cumulative 2010-2019 **-39,980** Rank: **29**



Non-Farm Payroll Employment
Cumulative 2009-2019 **0.8%** Rank: **50**



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 30 36 37 31 30 31 28

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.50%	29
Top Marginal Corporate Income Tax Rate	6.50%	23
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$15.53	38
Property Tax Burden (per \$1,000 of personal income)	\$23.70	14
Sales Tax Burden (per \$1,000 of personal income)	\$18.78	15
Remaining Tax Burden (per \$1,000 of personal income)	\$27.26	47
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	-\$0.15	8
Debt Service as a Share of Tax Revenue	9.6%	48
Public Employees Per 10,000 of Population (full-time equivalent)	561.1	37
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	63.3	45
State Minimum Wage (federal floor is \$7.25)	\$8.75	23
Average Workers' Compensation Costs (per \$100 of payroll)	\$0.79	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	32

Wisconsin

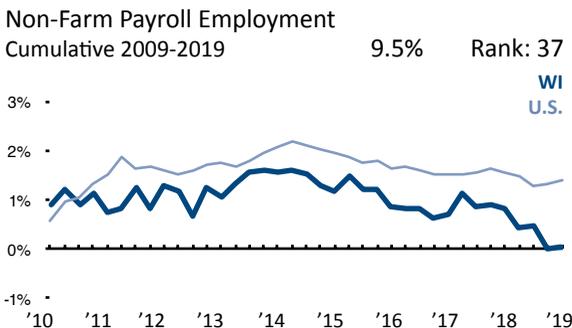
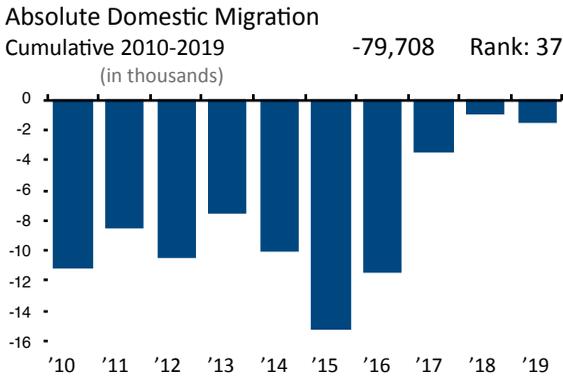
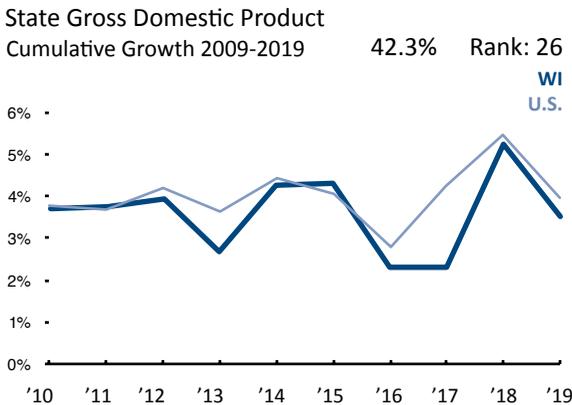
2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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.



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 17 13 9 14 19 17 12

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	7.65%	40
Top Marginal Corporate Income Tax Rate	7.90%	35
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$16.57	40
Property Tax Burden (per \$1,000 of personal income)	\$33.32	35
Sales Tax Burden (per \$1,000 of personal income)	\$20.11	19
Remaining Tax Burden (per \$1,000 of personal income)	\$15.09	13
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	-\$0.50	4
Debt Service as a Share of Tax Revenue	4.8%	11
Public Employees Per 10,000 of Population (full-time equivalent)	485.3	9
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	71.2	13
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.74	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)	1	15

Wyoming

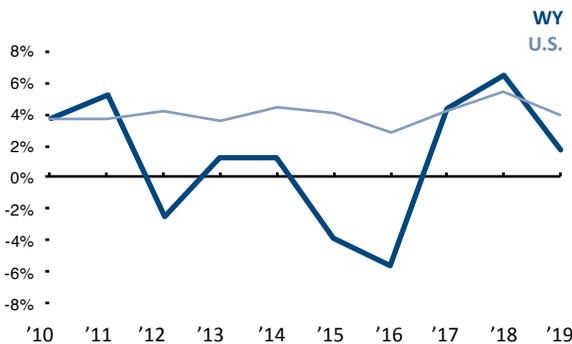
2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

44

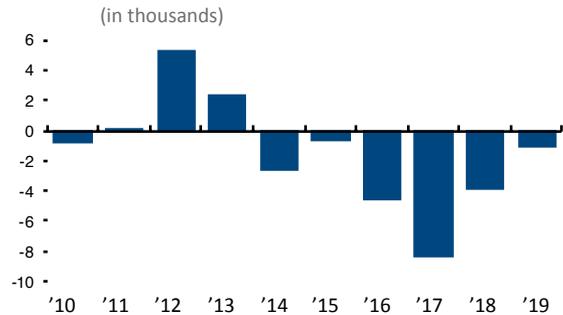
Economic Performance Rank

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.

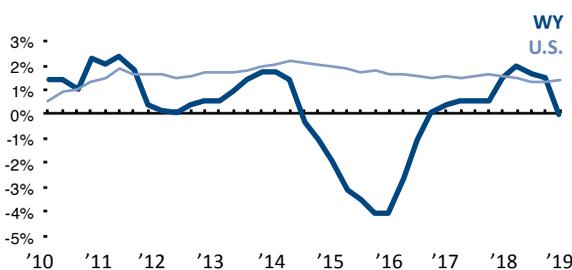
State Gross Domestic Product
Cumulative Growth 2009-2019 **12.0%** Rank: 49



Absolute Domestic Migration
Cumulative 2010-2019 **-14,046** Rank: 25
(in thousands)



Non-Farm Payroll Employment
Cumulative 2009-2019 **1.7%** Rank: 49



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 2014 2015 2016 2017 2018 2019 2020
ECONOMIC OUTLOOK RANK 10 8 4 7 8 10 2

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)	\$34.29	36
Sales Tax Burden (per \$1,000 of personal income)	\$22.88	25
Remaining Tax Burden (per \$1,000 of personal income)	\$13.45	6
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2019 & 2020, per \$1,000 of personal income)	\$0.61	38
Debt Service as a Share of Tax Revenue	2.2%	1
Public Employees Per 10,000 of Population (full-time equivalent)	882.8	50
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	73.1	4
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.44	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	32

Appendix

2021 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 2020 ALEC-Laffer Economic Outlook ranking 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 variable includes local taxes, if any, and any impact of federal deductibility, if allowed. A state's largest city is 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, 2021.

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 is used as a proxy for local tax rates. In the case of gross receipts or business franchise taxes, an effective tax rate is approximated using NIPA profits, rental and proprietor's income and gross domestic product data. For an explanation of the estimation of Texas' franchise tax, see note below. 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 a gross receipts tax. Therefore, we believe the best measurement for an effective corporate tax rate for Texas is to average the 4.5648 percent measure we would use if the tax were a gross receipts tax and the 0.75 percent highest rate on its margin tax, leading to our measure of 2.66 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, 2021.

PERSONAL INCOME TAX PROGRESSIVITY

This variable is measured as the difference between the average tax liability per \$1,000, at in-

comes of \$50,000 and \$150,000. The tax liabilities are measured using a combination of effective tax rates, exemptions, and deductions at both state and federal levels, which are calculations from Laffer Associates. Tax rates are as of January 1, 2021.

PROPERTY TAX BURDEN

This variable is calculated by taking tax revenues from state and local property taxes per \$1,000 of personal income. We have used U.S. Census Bureau data, for which the most recent year available is 2018. These data were released in October 2020.

SALES TAX BURDEN

This variable is calculated by taking tax revenues from state and local sales taxes per \$1,000 of personal income. Sales taxes taken into consideration include the general sales tax and specific sales taxes. We use U.S. Census Bureau Data, for which the most recent year available is 2018. Where appropriate, gross receipts or business franchise taxes, counted as sales taxes in the Census data, are 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 2020.

REMAINING TAX BURDEN

This variable is calculated by taking tax revenues from state and local taxes — excluding personal income, corporate income (including corporate license), property, sales and severance per \$1,000 of personal income. We use U.S. Census Bureau Data, for which the most recent year available is 2018. These data were released in October 2020.

ESTATE OR INHERITANCE TAX

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 are drawn from McGuire Woods LLP, “State Death Tax Chart” and indicate the presence of an estate or inheritance tax as of January 1, 2021.

RECENTLY LEGISLATED TAX CHANGES

This variable calculates each state’s relative change in tax burden over a two-year period (in this case, the 2019 and 2020 legislative sessions) for the next fiscal year, using revenue estimates of legislated tax changes per \$1,000 of personal income. Personal income data are drawn from 2019. This timeframe ensures that tax changes will still be reflected in a state’s ranking despite lags in the tax revenue data. ALEC and Laffer Associates calculations use 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

This variable calculates interest paid on state and local debt as a percentage of state and local total tax revenue. This information comes from 2018 U.S. Census Bureau data. These data were released in October 2020.

PUBLIC EMPLOYEES PER 10,000 RESIDENTS

This variable shows the full-time equivalent state and local public employees per 10,000 of population. This information comes from 2019 U.S. Census Bureau data. These data were released in June 2020.

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 2019 Lawsuit Climate Survey.

STATE MINIMUM WAGE

This variable indicates 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 of \$7.25 per hour. This information comes from the U.S. Department of Labor, as of January 1, 2021.

WORKERS’ COMPENSATION COSTS

This variable highlights the 2020 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

This variable assesses whether or not a state allows employees to be forced to pay union dues as a condition of employment. States receive their rank 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, 2021.

TAX OR EXPENDITURE LIMIT

This variable measures the influence of tax and expenditure limits on state tax revenue and spending. States were ranked by the effectiveness of state tax or expenditure limits in place according to the methodology in the ALEC “Tax and Expenditure Limitations: A Check on Growing Government” publication (forthcoming). Information was sourced from state constitutions and statutes.

Appendix

2021 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX: Economic Performance Methodology

GROSS DOMESTIC PRODUCT GROWTH

This variable is calculated by observing state GDP growth figures over 10 years from 2009-2019. A percentage change formula over the 10-year timeframe generates a GDP growth figure for each state. Data are drawn from the Bureau of Economic Analysis, which were last updated in November 2020.

CUMULATIVE DOMESTIC MIGRATION

This variable is a summation of net in-migration of individuals for each state over a 10-year period from 2010-2019. Data are drawn from the U.S. Census Bureau, which were last revised in December 2020.

NON-FARM EMPLOYMENT GROWTH

This variable is calculated by observing state non-farm employment growth figures over a 10-year period, from 2009-2019. A percentage change formula over the 10-year timeframe generates a decadal non-farm employment growth rate for each state. Data are drawn from the Bureau of Labor Statistics, which were last revised in January 2021.