



RICH STATES, POOR STATES

ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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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, Dan Reynolds, Christine Phipps, Lee Schalk, Thomas Savidge, Daniel Turner, Joel Sorrell 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, and Kenneth Smith. 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.

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, 2020

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

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

ALEC-Laffer State Economic Performance Rankings, 2008-2018

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

Alabama

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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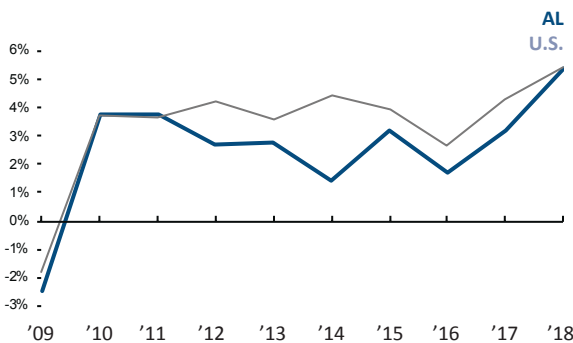
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

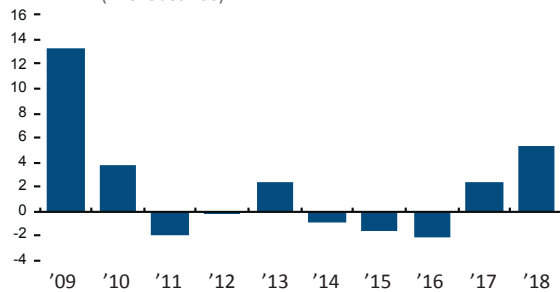
State Gross Domestic Product

Cumulative Growth 2008-2018 28.4% Rank: 40



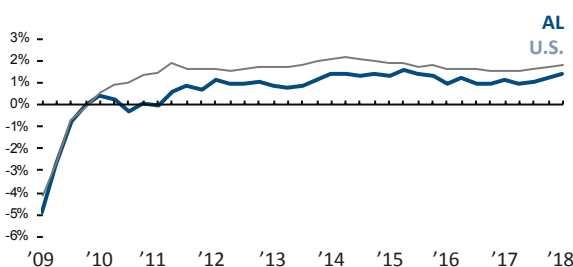
Absolute Domestic Migration

Cumulative 2009-2018 (in thousands) 20,389 Rank: 18



Non-Farm Payroll Employment

Cumulative 2008-2018 3.6% Rank: 40



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Economic
Outlook Rank

Economic Outlook Rank (1=best 50=worst)

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

Historical Ranking Comparison

2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 17 20 19 21 21 20 21

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.15%	12
Top Marginal Corporate Income Tax Rate	6.07%	18
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	-\$1.88	1
Property Tax Burden (per \$1,000 of personal income)	\$14.65	1
Sales Tax Burden (per \$1,000 of personal income)	\$26.16	35
Remaining Tax Burden (per \$1,000 of personal income)	\$21.70	40
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$1.20	39
Debt Service as a Share of Tax Revenue	7.0%	33
Public Employees Per 10,000 of Population (full-time equivalent)	580.9	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)	\$1.65	22
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Alaska

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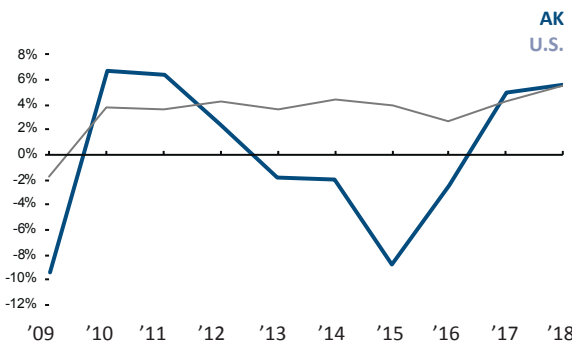
Economic
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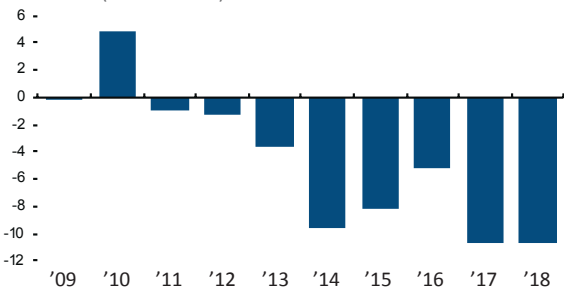
State Gross Domestic Product

Cumulative Growth 2008-2018 0.0% Rank: 49



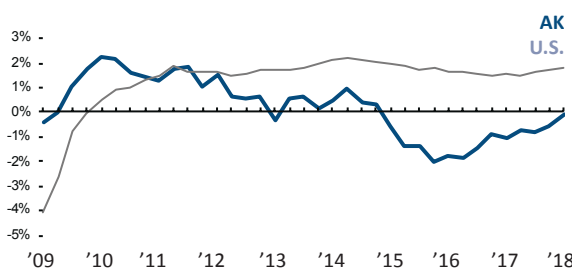
Absolute Domestic Migration

Cumulative 2009-2018 (in thousands) -45,514 Rank: 31



Non-Farm Payroll Employment

Cumulative 2008-2018 1.2% Rank: 46



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Economic
Outlook Rank

Economic Outlook Rank (1=best 50=worst)

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

Historical Ranking Comparison 2013 2014 2015 2016 2017 2018 2019
ECONOMIC OUTLOOK RANK 21 18 14 25 30 34 30

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)	\$37.66	39
Sales Tax Burden (per \$1,000 of personal income)	\$5.61	5
Remaining Tax Burden (per \$1,000 of personal income)	\$13.34	8
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$0.00	17
Debt Service as a Share of Tax Revenue	11.4%	50
Public Employees Per 10,000 of Population (full-time equivalent)	703.5	49
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	73.1	5
State Minimum Wage (federal floor is \$7.25)	\$10.19	37
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.51	47
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	14

Arizona

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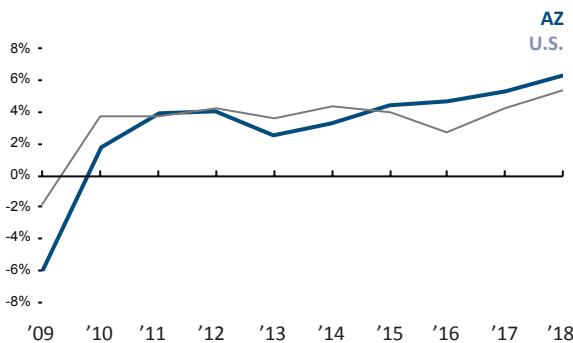
Economic
Performance Rank

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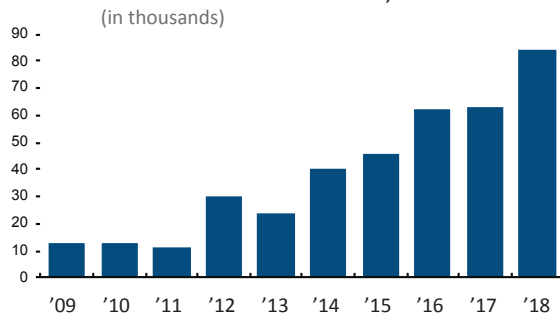
State Gross Domestic Product

Cumulative Growth 2008-2018 34.3% Rank: 29



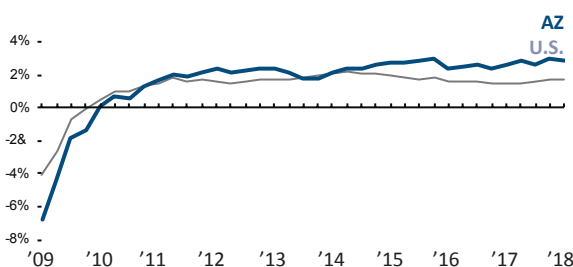
Absolute Domestic Migration

Cumulative 2009-2018 385,647 Rank: 4



Non-Farm Payroll Employment

Cumulative 2008-2018 12.8% Rank: 14



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Economic
Outlook Rank

Economic Outlook Rank (1=best 50=worst)

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

Historical Ranking Comparison

2013 2014 2015 2016 2017 2018 2019
ECONOMIC OUTLOOK RANK 6 7 5 5 8 5 11

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.50%	13
Top Marginal Corporate Income Tax Rate	4.90%	11
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$12.85	32
Property Tax Burden (per \$1,000 of personal income)	\$26.66	18
Sales Tax Burden (per \$1,000 of personal income)	\$33.25	43
Remaining Tax Burden (per \$1,000 of personal income)	\$11.11	1
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$0.12	22
Debt Service as a Share of Tax Revenue	7.7%	38
Public Employees Per 10,000 of Population (full-time equivalent)	388.7	2
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.8	17
State Minimum Wage (federal floor is \$7.25)	\$12.00	45
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.30	11
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

Arkansas

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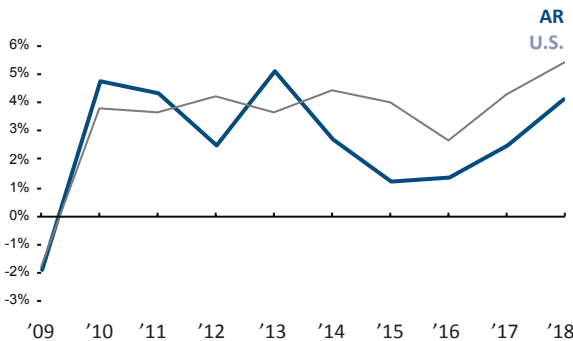
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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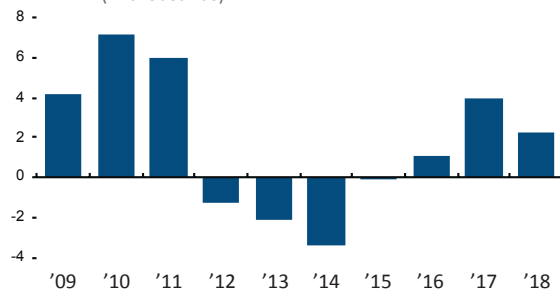
State Gross Domestic Product

Cumulative Growth 2008-2018 29.8% Rank: 37



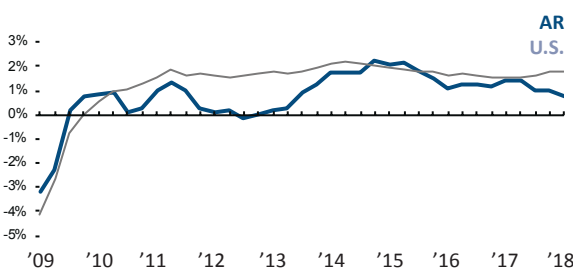
Absolute Domestic Migration

Cumulative 2009-2018 (in thousands) 17,767 Rank: 19



Non-Farm Payroll Employment

Cumulative 2008-2018 6.2% Rank: 28



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Economic
Outlook Rank

Economic Outlook Rank (1=best 50=worst)

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

Historical Ranking Comparison

2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 24 26 22 20 23 22 23

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.60%	30
Top Marginal Corporate Income Tax Rate	6.50%	22
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$18.68	45
Property Tax Burden (per \$1,000 of personal income)	\$18.15	3
Sales Tax Burden (per \$1,000 of personal income)	\$37.07	46
Remaining Tax Burden (per \$1,000 of personal income)	\$16.61	24
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$0.47	29
Debt Service as a Share of Tax Revenue	4.5%	8
Public Employees Per 10,000 of Population (full-time equivalent)	562.2	38
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	69.5	30
State Minimum Wage (federal floor is \$7.25)	\$10.00	34
Average Workers' Compensation Costs (per \$100 of payroll)	\$0.90	3
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	14

California

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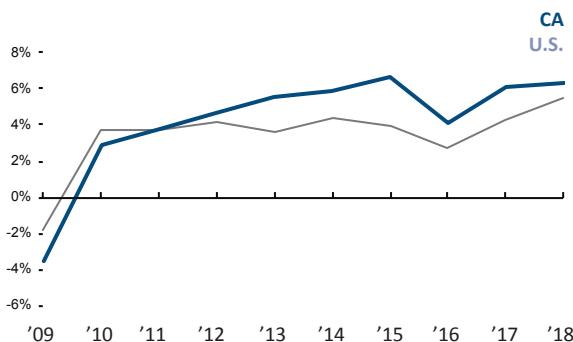
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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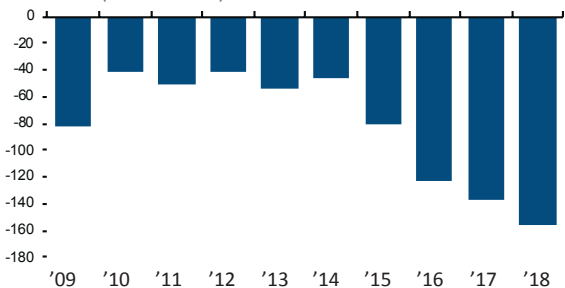
State Gross Domestic Product

Cumulative Growth 2008-2018 50.6% Rank: 5



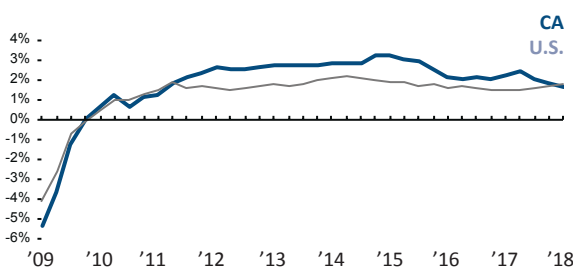
Absolute Domestic Migration Cumulative 2009-2018

(in thousands) -811,801 Rank: 48



Non-Farm Payroll Employment

Cumulative 2008-2018 14.6% Rank: 8



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Economic
Outlook Rank

Economic Outlook Rank (1=best 50=worst)

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

Historical Ranking Comparison

2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 47 47 44 46 47 47 47

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	13.30%	50
Top Marginal Corporate Income Tax Rate	8.84%	40
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$40.13	50
Property Tax Burden (per \$1,000 of personal income)	\$27.36	21
Sales Tax Burden (per \$1,000 of personal income)	\$21.21	22
Remaining Tax Burden (per \$1,000 of personal income)	\$15.69	15
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$1.43	41
Debt Service as a Share of Tax Revenue	8.3%	41
Public Employees Per 10,000 of Population (full-time equivalent)	473.4	7
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	60.2	48
State Minimum Wage (federal floor is \$7.25)	\$13.00	49
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.87	49
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

Colorado

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

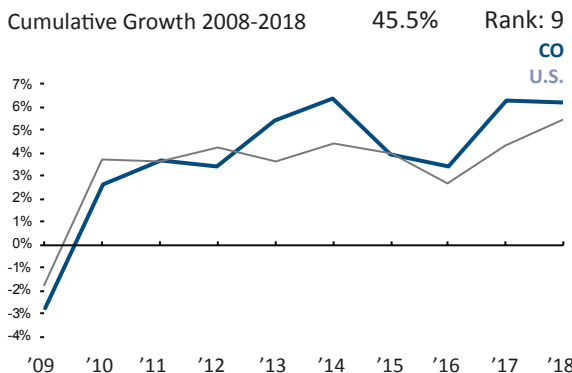
4

Economic
Performance Rank

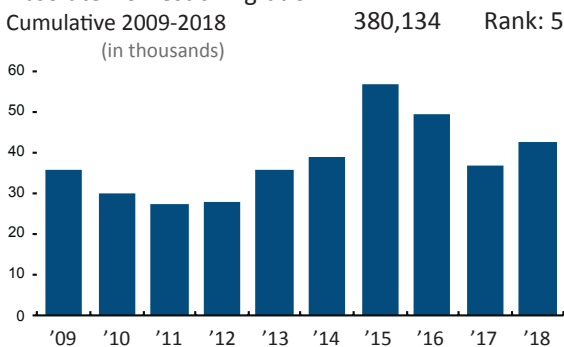
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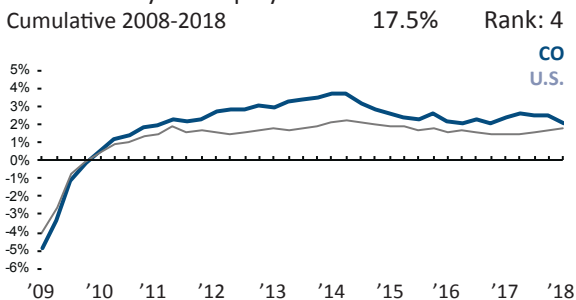
State Gross Domestic Product



Absolute Domestic Migration



Non-Farm Payroll Employment



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Economic
Outlook Rank

Economic Outlook Rank (1=best 50=worst)

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

Historical Ranking Comparison

2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 16 22 21 16 15 15 18

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.63%	14
Top Marginal Corporate Income Tax Rate	4.63%	10
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$7.65	21
Property Tax Burden (per \$1,000 of personal income)	\$28.93	25
Sales Tax Burden (per \$1,000 of personal income)	\$25.11	32
Remaining Tax Burden (per \$1,000 of personal income)	\$13.06	6
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$0.16	23
Debt Service as a Share of Tax Revenue	8.5%	42
Public Employees Per 10,000 of Population (full-time equivalent)	526.1	25
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.7	21
State Minimum Wage (federal floor is \$7.25)	\$12.00	45
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.43	16
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	3	1

Connecticut

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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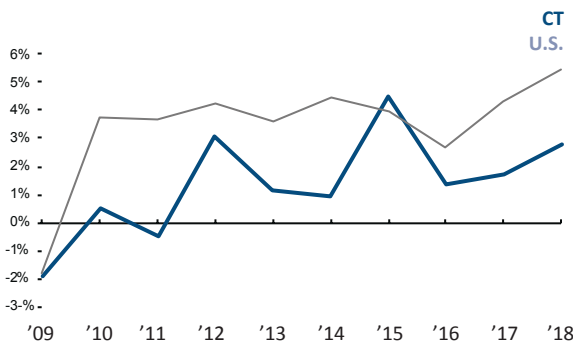
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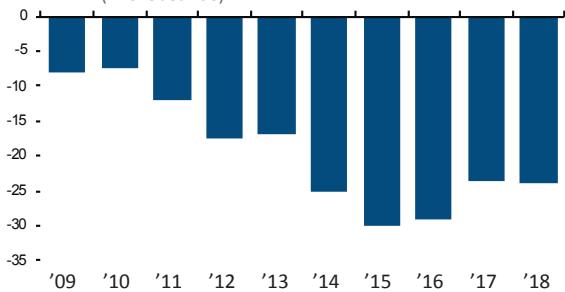
State Gross Domestic Product

Cumulative Growth 2008-2018 14.5% Rank: 48



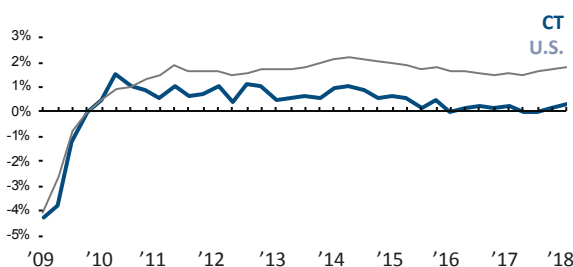
Absolute Domestic Migration

Cumulative 2009-2018 (in thousands) -193,944 Rank: 43



Non-Farm Payroll Employment

Cumulative 2008-2018 0.2% Rank: 48



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Economic
Outlook Rank

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Historical Ranking Comparison

2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 43 44 47 47 46 40 40

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.99%	36
Top Marginal Corporate Income Tax Rate	7.50%	31
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$7.67	22
Property Tax Burden (per \$1,000 of personal income)	\$42.68	44
Sales Tax Burden (per \$1,000 of personal income)	\$16.76	10
Remaining Tax Burden (per \$1,000 of personal income)	\$13.49	9
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$4.76	50
Debt Service as a Share of Tax Revenue	7.3%	34
Public Employees Per 10,000 of Population (full-time equivalent)	516.6	22
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	73.8	3
State Minimum Wage (federal floor is \$7.25)	\$11.00	40
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.20	44
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	14

Delaware

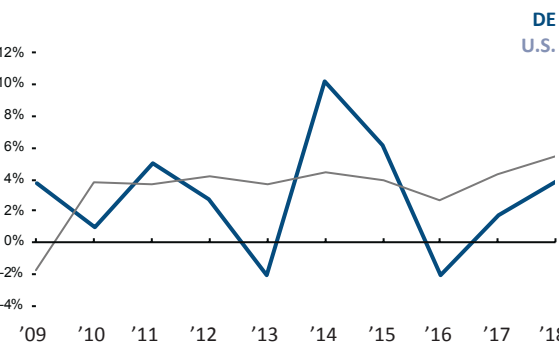
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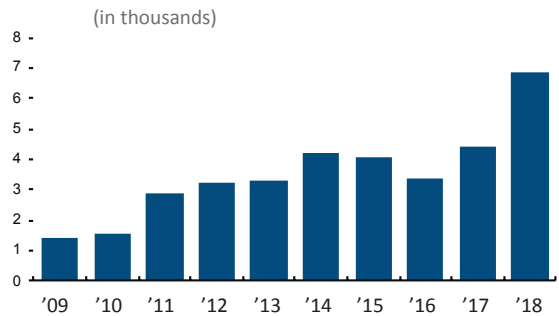
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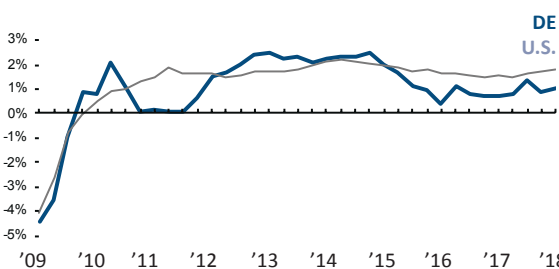
State Gross Domestic Product
Cumulative Growth 2008-2018 34.1% Rank: 30



Absolute Domestic Migration
Cumulative 2009-2018 35,284 Rank: 17



Non-Farm Payroll Employment
Cumulative 2008-2018 7.0% Rank: 24



24

Economic
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Historical Ranking Comparison 2013 2014 2015 2016 2017 2018 2019
ECONOMIC OUTLOOK RANK 30 27 38 44 37 36 36

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	7.85%	42
Top Marginal Corporate Income Tax Rate	11.80%	47
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$15.10	38
Property Tax Burden (per \$1,000 of personal income)	\$18.77	4
Sales Tax Burden (per \$1,000 of personal income)	\$0.00	1
Remaining Tax Burden (per \$1,000 of personal income)	\$48.86	50
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	-\$0.18	13
Debt Service as a Share of Tax Revenue	5.7%	21
Public Employees Per 10,000 of Population (full-time equivalent)	510.3	20
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	76.3	1
State Minimum Wage (federal floor is \$7.25)	\$9.25	29
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.50	46
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

Florida

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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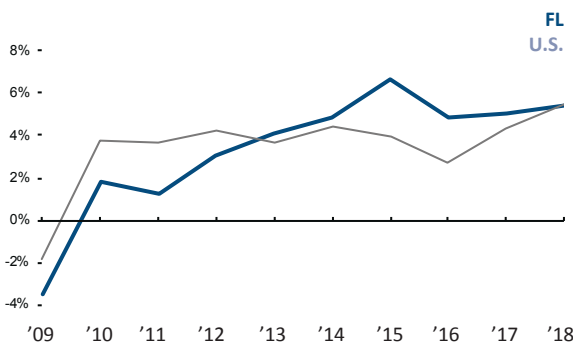
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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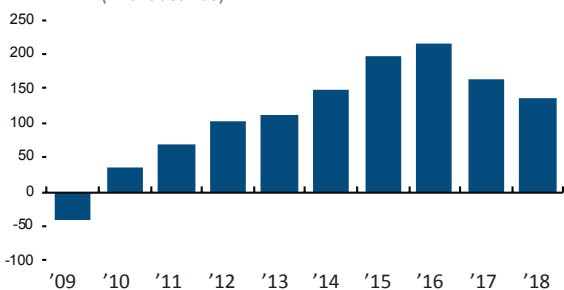
State Gross Domestic Product

Cumulative Growth 2008-2018 38.5% Rank: 21



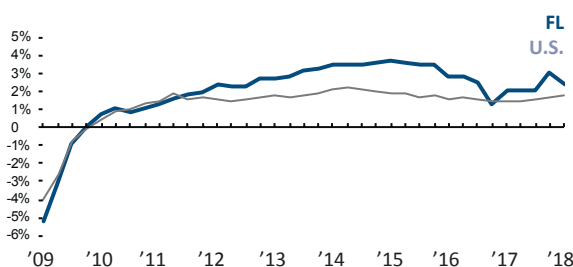
Absolute Domestic Migration

Cumulative 2009-2018 1,139,015 Rank: 2
(in thousands)



Non-Farm Payroll Employment

Cumulative 2008-2018 17.7% Rank: 3



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 2013 2014 2015 2016 2017 2018 2019
ECONOMIC OUTLOOK RANK 9 16 15 8 6 6 9

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)	\$28.71	23
Sales Tax Burden (per \$1,000 of personal income)	\$28.57	39
Remaining Tax Burden (per \$1,000 of personal income)	\$19.08	32
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	-\$0.94	5
Debt Service as a Share of Tax Revenue	6.3%	26
Public Employees Per 10,000 of Population (full-time equivalent)	422.4	3
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	62.3	46
State Minimum Wage (federal floor is \$7.25)	\$8.56	23
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.81	30
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

Georgia

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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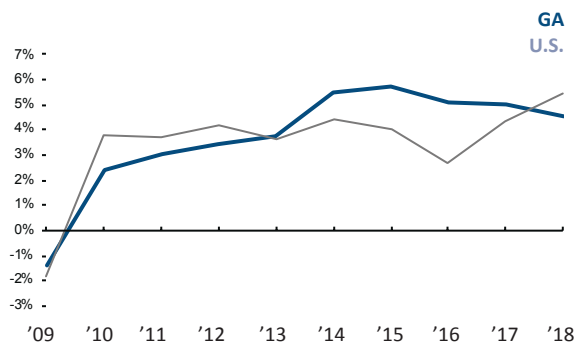
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

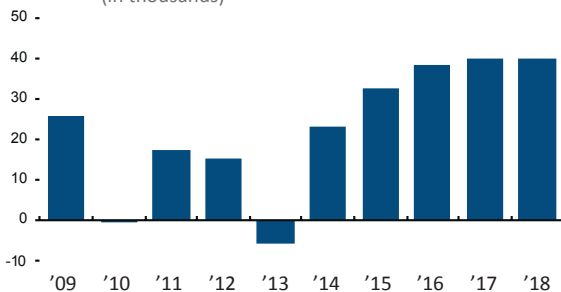
State Gross Domestic Product

Cumulative Growth 2008-2018 43.4% Rank: 13



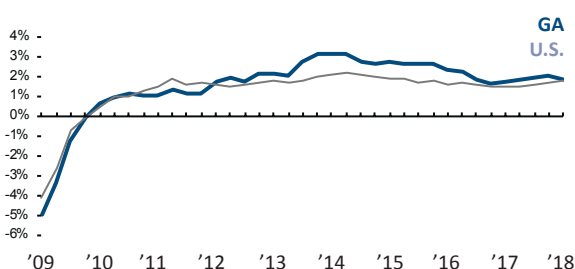
Absolute Domestic Migration

Cumulative 2009-2018 225,386 Rank: 10
(in thousands)



Non-Farm Payroll Employment

Cumulative 2008-2018 12.9% Rank: 13



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

2013 2014 2015 2016 2017 2018 2019
ECONOMIC OUTLOOK RANK 8 9 7 19 17 11 20

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.75%	25
Top Marginal Corporate Income Tax Rate	6.40%	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)	\$26.80	19
Sales Tax Burden (per \$1,000 of personal income)	\$20.59	21
Remaining Tax Burden (per \$1,000 of personal income)	\$12.44	3
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$0.74	34
Debt Service as a Share of Tax Revenue	6.0%	24
Public Employees Per 10,000 of Population (full-time equivalent)	497	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)	\$2.27	45
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Hawaii

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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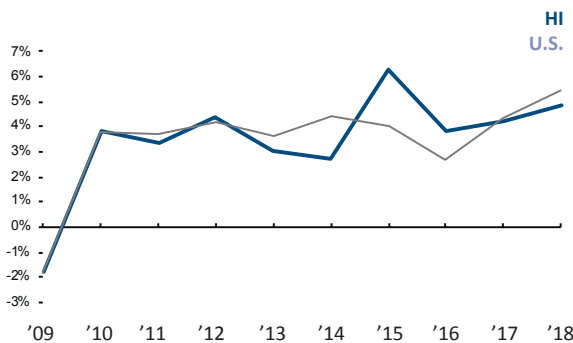
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

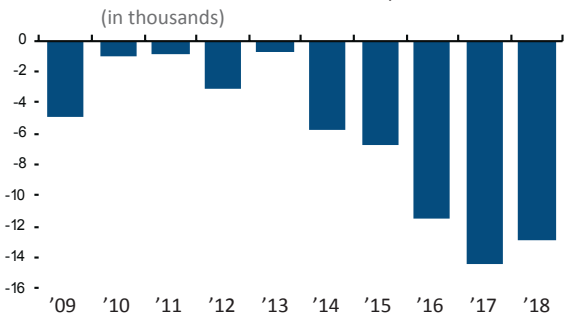
State Gross Domestic Product

Cumulative Growth 2008-2018 40.3% Rank: 15



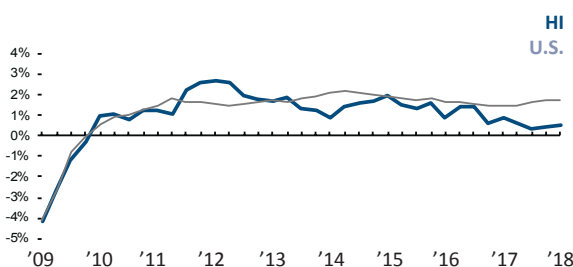
Absolute Domestic Migration

Cumulative 2009-2018 -61,895 Rank: 36



Non-Farm Payroll Employment

Cumulative 2008-2018 8.0% Rank: 19



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

2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 40 36 37 42 43 45 45

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	11.00%	47
Top Marginal Corporate Income Tax Rate	6.40%	20
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$13.54	34
Property Tax Burden (per \$1,000 of personal income)	\$23.70	13
Sales Tax Burden (per \$1,000 of personal income)	\$46.64	50
Remaining Tax Burden (per \$1,000 of personal income)	\$26.33	46
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$0.89	37
Debt Service as a Share of Tax Revenue	3.8%	4
Public Employees Per 10,000 of Population (full-time equivalent)	527.6	27
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	71.1	15
State Minimum Wage (federal floor is \$7.25)	\$10.10	36
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.01	38
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	14

Idaho

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

11

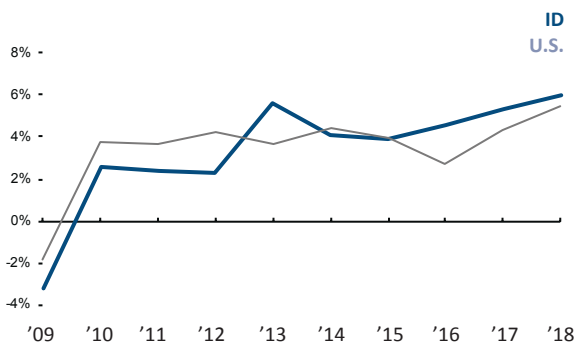
Economic
Performance Rank

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.

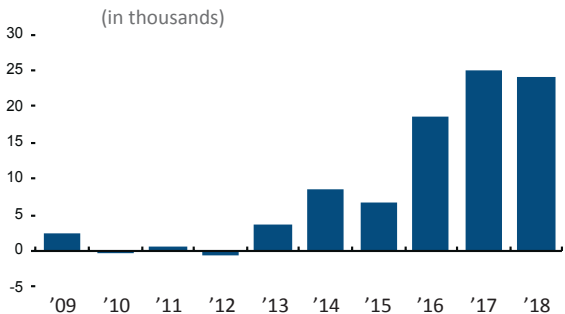
State Gross Domestic Product

Cumulative Growth 2008-2018 38.7% Rank: 19



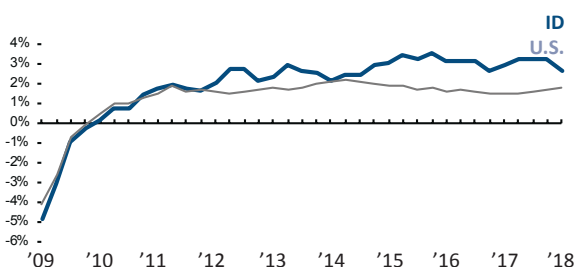
Absolute Domestic Migration

Cumulative 2009-2018 88,444 Rank: 12



Non-Farm Payroll Employment

Cumulative 2008-2018 16.3% Rank: 6



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

2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 7 5 6 15 10 2 2

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.93%	34
Top Marginal Corporate Income Tax Rate	6.93%	26
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$14.91	36
Property Tax Burden (per \$1,000 of personal income)	\$24.91	15
Sales Tax Burden (per \$1,000 of personal income)	\$23.57	26
Remaining Tax Burden (per \$1,000 of personal income)	\$15.56	13
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	-\$1.31	2
Debt Service as a Share of Tax Revenue	3.8%	3
Public Employees Per 10,000 of Population (full-time equivalent)	487.7	9
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)	\$1.81	30
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	14

Illinois

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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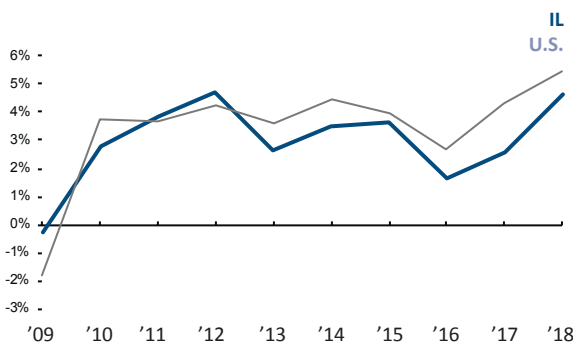
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

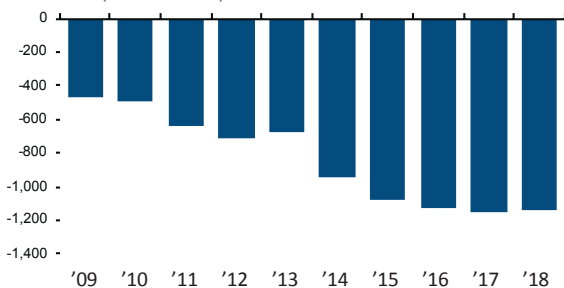
State Gross Domestic Product

Cumulative Growth 2008-2018 33.9% Rank: 31



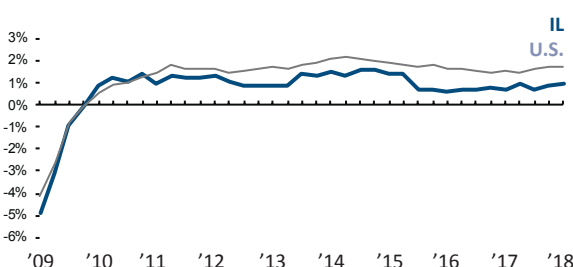
Absolute Domestic Migration

Cumulative 2009-2018 -843,799 Rank: 49



Non-Farm Payroll Employment

Cumulative 2008-2018 4.4% Rank: 37



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

2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 48 48 40 43 44 48 48

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.95%	16
Top Marginal Corporate Income Tax Rate	9.50%	43
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$1.53	14
Property Tax Burden (per \$1,000 of personal income)	\$42.21	43
Sales Tax Burden (per \$1,000 of personal income)	\$21.25	23
Remaining Tax Burden (per \$1,000 of personal income)	\$21.43	39
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$3.95	48
Debt Service as a Share of Tax Revenue	10.1%	49
Public Employees Per 10,000 of Population (full-time equivalent)	483.5	8
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	59.6	50
State Minimum Wage (federal floor is \$7.25)	\$9.25	29
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.80	29
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Indiana

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

28

Economic
Performance Rank

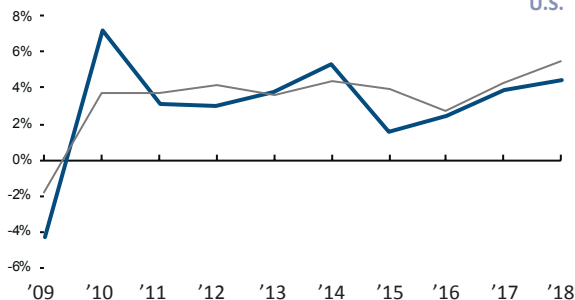
Economic Performance Rank (1=best 50=worst)

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

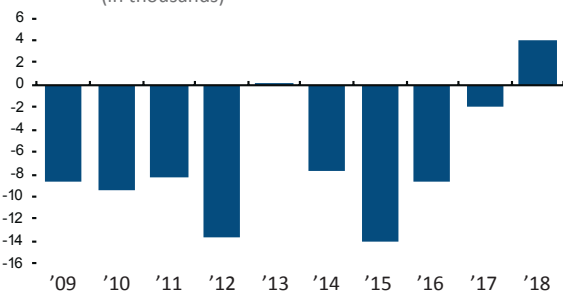
Cumulative Growth 2008-2018 34.4% Rank: 28

IN
U.S.



Absolute Domestic Migration

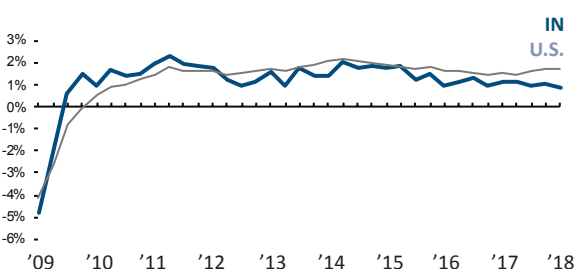
Cumulative 2009-2018 (in thousands) -67,779 Rank: 37



Non-Farm Payroll Employment

Cumulative 2008-2018 7.8% Rank: 21

IN
U.S.



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 2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 14 3 3 6 2 3 3

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.25%	22
Top Marginal Corporate Income Tax Rate	5.50%	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)	\$23.45	12
Sales Tax Burden (per \$1,000 of personal income)	\$25.55	33
Remaining Tax Burden (per \$1,000 of personal income)	\$14.73	12
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	-\$0.38	11
Debt Service as a Share of Tax Revenue	7.9%	39
Public Employees Per 10,000 of Population (full-time equivalent)	495.5	14
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)	\$0.87	2
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	14

Iowa

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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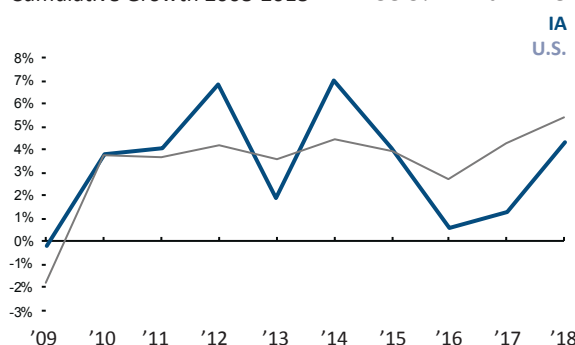
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

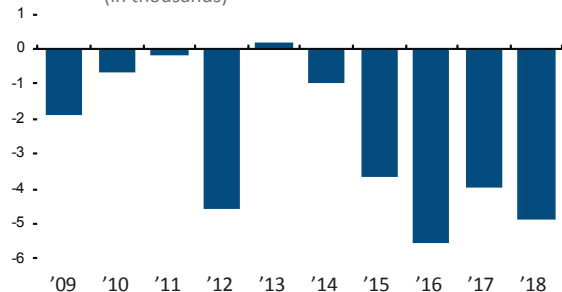
State Gross Domestic Product

Cumulative Growth 2008-2018 38.9% Rank: 18



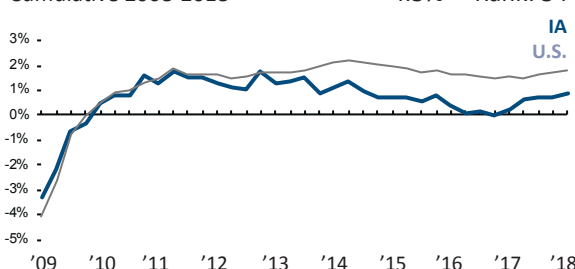
Absolute Domestic Migration

Cumulative 2009-2018 (in thousands) -26,159 Rank: 27



Non-Farm Payroll Employment

Cumulative 2008-2018 4.5% Rank: 34



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

2013 2014 2015 2016 2017 2018 2019
ECONOMIC OUTLOOK RANK 25 25 25 29 29 29 25

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.37%	23
Top Marginal Corporate Income Tax Rate	11.67%	46
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$13.11	33
Property Tax Burden (per \$1,000 of personal income)	\$34.81	36
Sales Tax Burden (per \$1,000 of personal income)	\$24.06	29
Remaining Tax Burden (per \$1,000 of personal income)	\$19.16	33
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	-\$0.44	9
Debt Service as a Share of Tax Revenue	4.1%	6
Public Employees Per 10,000 of Population (full-time equivalent)	590.4	41
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)	\$1.64	21
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	14

Kansas

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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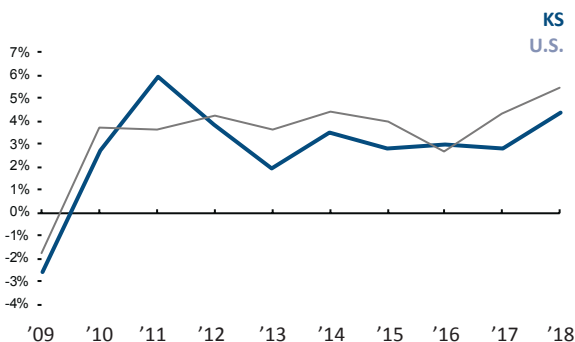
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

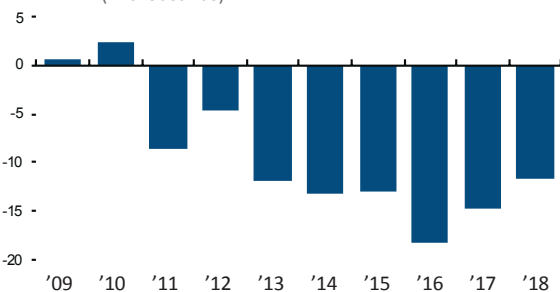
State Gross Domestic Product

Cumulative Growth 2008-2018 31.8% Rank: 33



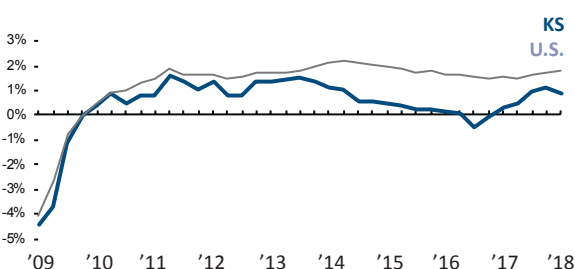
Absolute Domestic Migration

Cumulative 2009-2018 (in thousands) -92,771 Rank: 40



Non-Farm Payroll Employment

Cumulative 2008-2018 2.4% Rank: 43



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 2013 2014 2015 2016 2017 2018 2019
ECONOMIC OUTLOOK RANK 11 15 18 27 26 26 26

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.70%	24
Top Marginal Corporate Income Tax Rate	7.00%	28
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$10.09	27
Property Tax Burden (per \$1,000 of personal income)	\$32.20	33
Sales Tax Burden (per \$1,000 of personal income)	\$30.64	40
Remaining Tax Burden (per \$1,000 of personal income)	\$13.75	10
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$0.00	17
Debt Service as a Share of Tax Revenue	7.0%	31
Public Employees Per 10,000 of Population (full-time equivalent)	695.0	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)	\$1.15	6
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Kentucky

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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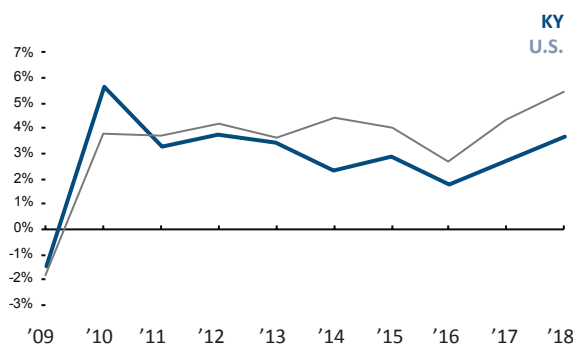
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

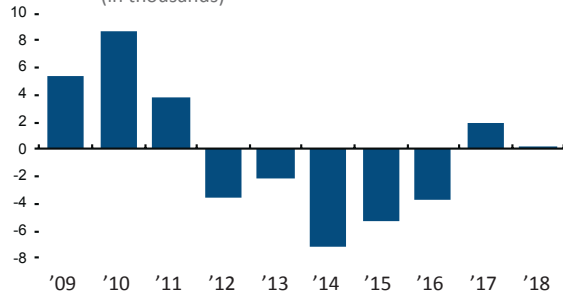
State Gross Domestic Product

Cumulative Growth 2008-2018 31.6% Rank: 34



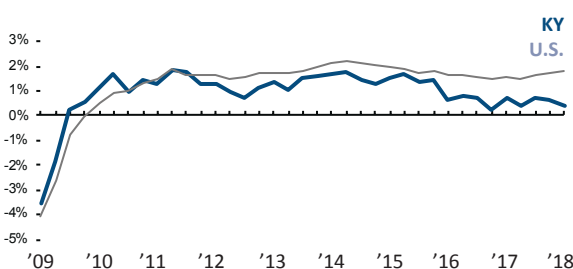
Absolute Domestic Migration

Cumulative 2009-2018 (in thousands) -1,636 Rank: 23



Non-Farm Payroll Employment

Cumulative 2008-2018 6.6% Rank: 26



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

2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 38 39 30 33 33 31 33

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	7.20%	39
Top Marginal Corporate Income Tax Rate	7.20%	30
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$1.77	15
Property Tax Burden (per \$1,000 of personal income)	\$20.65	7
Sales Tax Burden (per \$1,000 of personal income)	\$19.48	15
Remaining Tax Burden (per \$1,000 of personal income)	\$19.63	36
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$1.01	38
Debt Service as a Share of Tax Revenue	8.6%	43
Public Employees Per 10,000 of Population (full-time equivalent)	546.3	35
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)	\$1.51	18
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	14

Louisiana

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

44

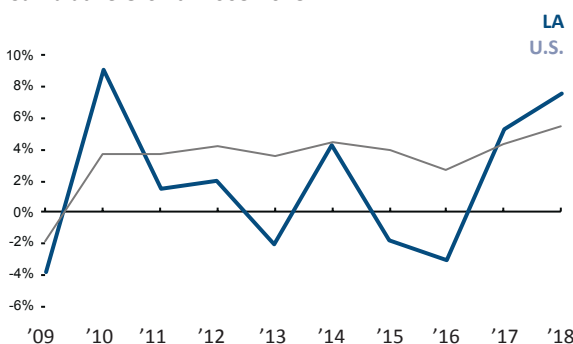
Economic
Performance Rank

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.

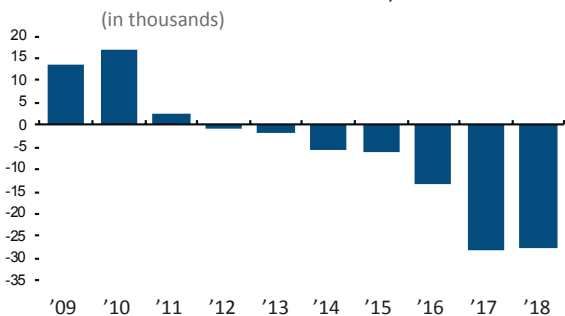
State Gross Domestic Product

Cumulative Growth 2008-2018 19.6% Rank: 46



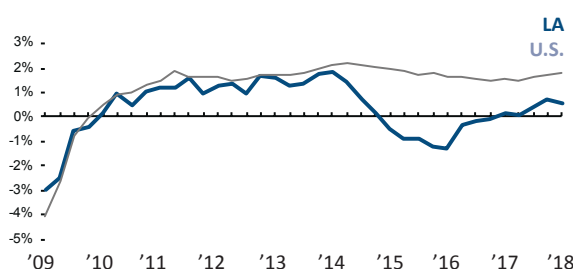
Absolute Domestic Migration

Cumulative 2009-2018 (in thousands) -50,043 Rank: 33



Non-Farm Payroll Employment

Cumulative 2008-2018 2.0% Rank: 44



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 2013 2014 2015 2016 2017 2018 2019
ECONOMIC OUTLOOK RANK 28 29 26 28 28 27 27

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	3.78%	11
Top Marginal Corporate Income Tax Rate	6.32%	19
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$11.04	28
Property Tax Burden (per \$1,000 of personal income)	\$20.78	8
Sales Tax Burden (per \$1,000 of personal income)	\$42.72	49
Remaining Tax Burden (per \$1,000 of personal income)	\$18.34	28
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	\$2.09	45
Debt Service as a Share of Tax Revenue	7.3%	35
Public Employees Per 10,000 of Population (full-time equivalent)	553.7	37
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)	\$2.05	41
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

Maine

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

35

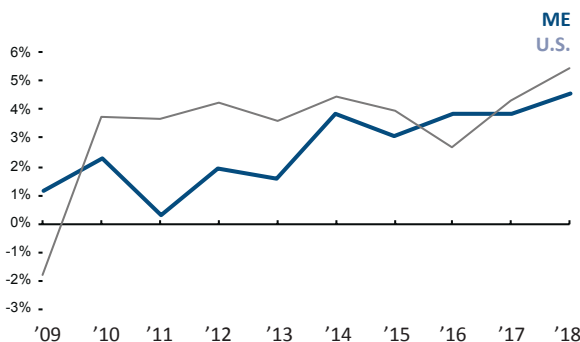
Economic
Performance Rank

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.

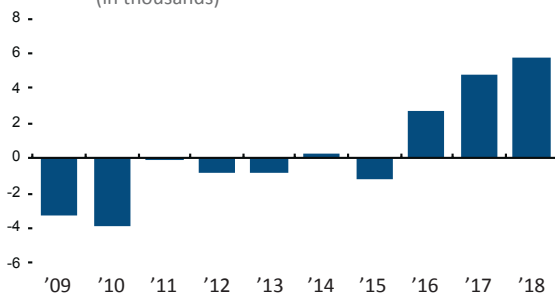
State Gross Domestic Product

Cumulative Growth 2008-2018 29.8% Rank: 36



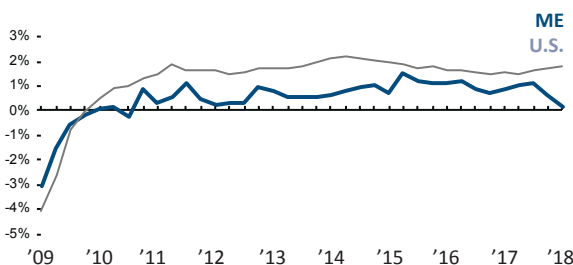
Absolute Domestic Migration

Cumulative 2009-2018 (in thousands) 3,499 Rank: 21



Non-Farm Payroll Employment

Cumulative 2008-2018 1.8% Rank: 45



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

2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 41 40 42 38 42 42 42

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	7.15%	38
Top Marginal Corporate Income Tax Rate	8.93%	41
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$25.43	48
Property Tax Burden (per \$1,000 of personal income)	\$46.96	46
Sales Tax Burden (per \$1,000 of personal income)	\$23.72	27
Remaining Tax Burden (per \$1,000 of personal income)	\$17.64	26
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	-\$0.15	14
Debt Service as a Share of Tax Revenue	4.0%	5
Public Employees Per 10,000 of Population (full-time equivalent)	520.4	24
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	73.8	2
State Minimum Wage (federal floor is \$7.25)	\$12.00	45
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.84	32
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	14

Maryland

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

30

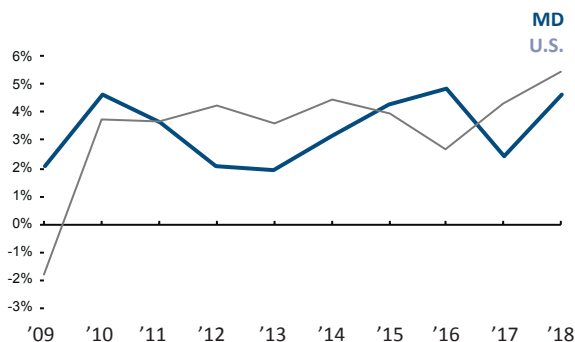
Economic
Performance Rank

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.

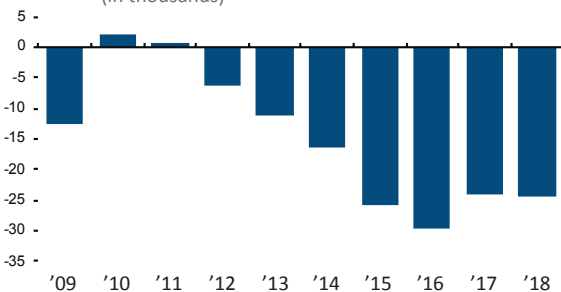
State Gross Domestic Product

Cumulative Growth 2008-2018 39.2% Rank: 17



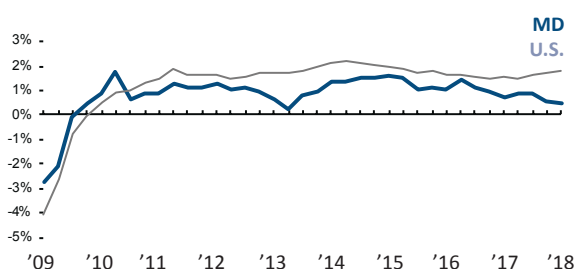
Absolute Domestic Migration

Cumulative 2009-2018 (in thousands) -147,651 Rank: 42



Non-Farm Payroll Employment

Cumulative 2008-2018 6.4% Rank: 27



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 2013 2014 2015 2016 2017 2018 2019
ECONOMIC OUTLOOK RANK 35 34 33 31 34 32 35

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	26
Property Tax Burden (per \$1,000 of personal income)	\$27.21	20
Sales Tax Burden (per \$1,000 of personal income)	\$12.83	8
Remaining Tax Burden (per \$1,000 of personal income)	\$22.74	43
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2017 & 2018, per \$1,000 of personal income)	-\$1.07	4
Debt Service as a Share of Tax Revenue	5.2%	15
Public Employees Per 10,000 of Population (full-time equivalent)	502.9	17
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	69.7	27
State Minimum Wage (federal floor is \$7.25)	\$11.00	40
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.33	12
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Massachusetts

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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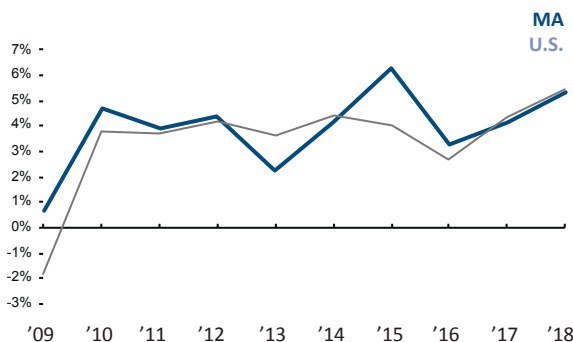
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

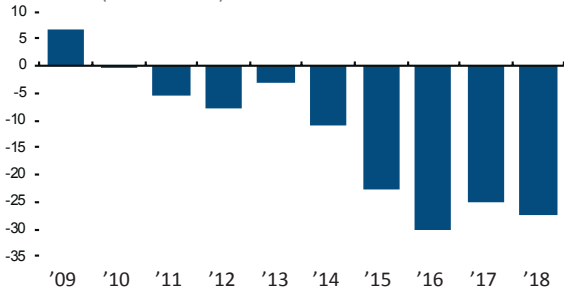
State Gross Domestic Product

Cumulative Growth 2008-2018 46.6% Rank: 6



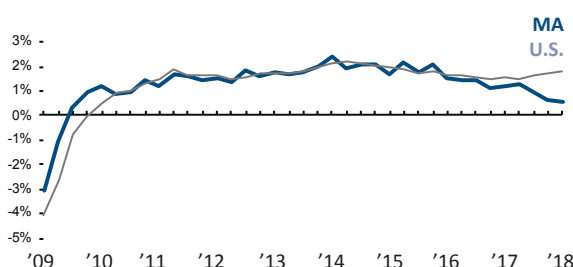
Absolute Domestic Migration

Cumulative 2009-2018 -125,348 Rank: 41



Non-Farm Payroll Employment

Cumulative 2008-2018 10.4% Rank: 16



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

2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 29 28 28 26 25 25 28

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.00%	18
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)	\$36.55	38
Sales Tax Burden (per \$1,000 of personal income)	\$13.66	9
Remaining Tax Burden (per \$1,000 of personal income)	\$11.35	2
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	\$1.72	43
Debt Service as a Share of Tax Revenue	8.7%	44
Public Employees Per 10,000 of Population (full-time equivalent)	494.3	13
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	69.6	28
State Minimum Wage (federal floor is \$7.25)	\$12.75	48
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.37	13
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	14

Michigan

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

32

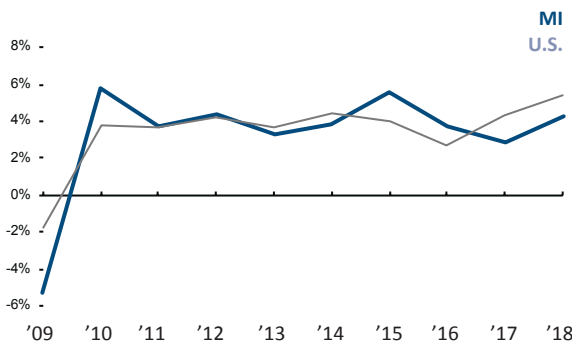
Economic
Performance Rank

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.

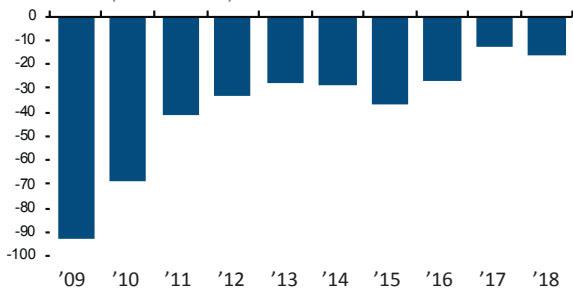
State Gross Domestic Product

Cumulative Growth 2008-2018 36.5% Rank: 23



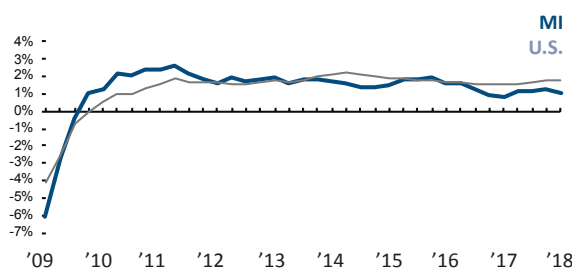
Absolute Domestic Migration

Cumulative 2009-2018 -385,458 Rank: 46



Non-Farm Payroll Employment

Cumulative 2008-2018 7.9% Rank: 20



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 2013 2014 2015 2016 2017 2018 2019
ECONOMIC OUTLOOK RANK 20 12 24 22 20 18 12

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.65%	31
Top Marginal Corporate Income Tax Rate	8.00%	36
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$2.69	16
Property Tax Burden (per \$1,000 of personal income)	\$31.11	30
Sales Tax Burden (per \$1,000 of personal income)	\$20.32	20
Remaining Tax Burden (per \$1,000 of personal income)	\$15.83	18
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	-\$0.66	8
Debt Service as a Share of Tax Revenue	7.0%	32
Public Employees Per 10,000 of Population (full-time equivalent)	436.9	4
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	68.8	33
State Minimum Wage (federal floor is \$7.25)	\$9.65	33
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.38	14
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

Minnesota

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

20

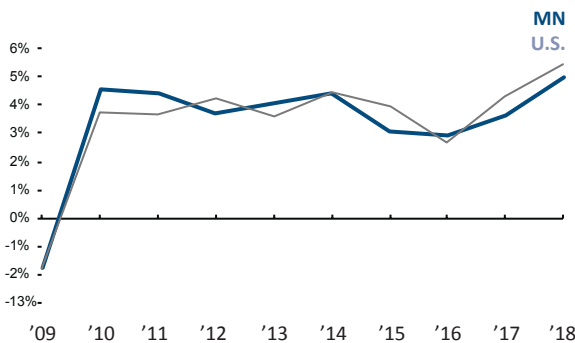
Economic
Performance Rank

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.

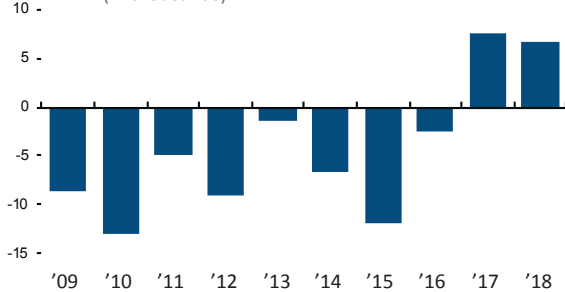
State Gross Domestic Product

Cumulative Growth 2008-2018 39.4% Rank: 16



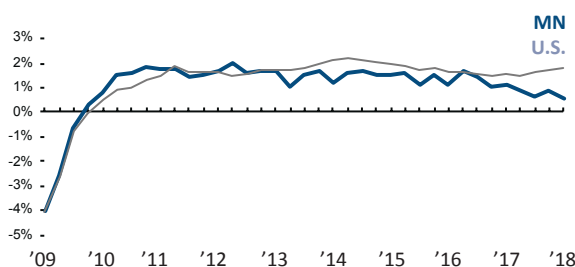
Absolute Domestic Migration

Cumulative 2009-2018 (in thousands) --43,711 Rank: 30



Non-Farm Payroll Employment

Cumulative 2008-2018 7.6% Rank: 22



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

2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 46 46 48 45 45 44 41

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	9.85%	45
Top Marginal Corporate Income Tax Rate	9.80%	44
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$19.89	46
Property Tax Burden (per \$1,000 of personal income)	\$29.62	28
Sales Tax Burden (per \$1,000 of personal income)	\$20.32	19
Remaining Tax Burden (per \$1,000 of personal income)	\$23.79	44
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	-\$0.71	7
Debt Service as a Share of Tax Revenue	5.1%	14
Public Employees Per 10,000 of Population (full-time equivalent)	539.3	33
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.7	20
State Minimum Wage (federal floor is \$7.25)	\$10.00	34
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.67	23
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Mississippi

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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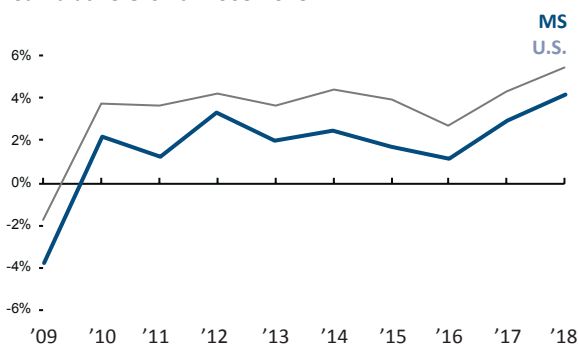
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

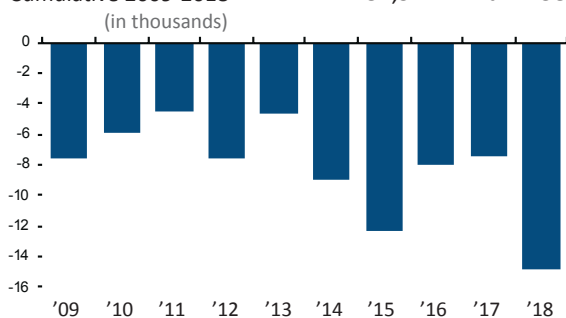
State Gross Domestic Product

Cumulative Growth 2008-2018 18.6% Rank: 47



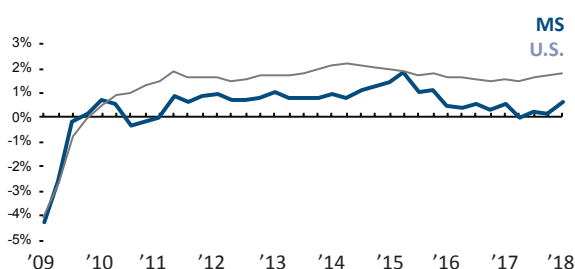
Absolute Domestic Migration

Cumulative 2009-2018 -81,914 Rank: 38



Non-Farm Payroll Employment

Cumulative 2008-2018 2.5% Rank: 42



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 2013 2014 2015 2016 2017 2018 2019
ECONOMIC OUTLOOK RANK 10 14 20 17 22 24 19

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.00%	18
Top Marginal Corporate Income Tax Rate	5.00%	13
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$7.93	24
Property Tax Burden (per \$1,000 of personal income)	\$28.30	22
Sales Tax Burden (per \$1,000 of personal income)	\$32.83	42
Remaining Tax Burden (per \$1,000 of personal income)	\$19.94	37
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	-\$0.41	10
Debt Service as a Share of Tax Revenue	5.3%	16
Public Employees Per 10,000 of Population (full-time equivalent)	626.5	45
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)	\$1.54	20
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

Missouri

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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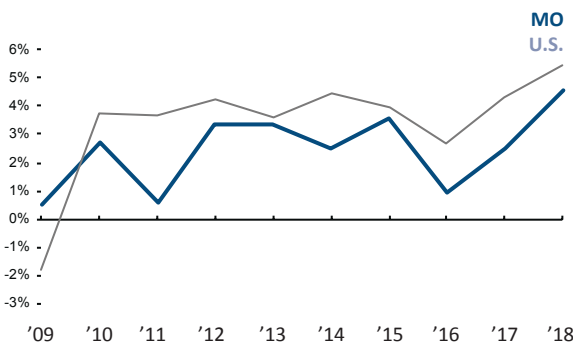
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

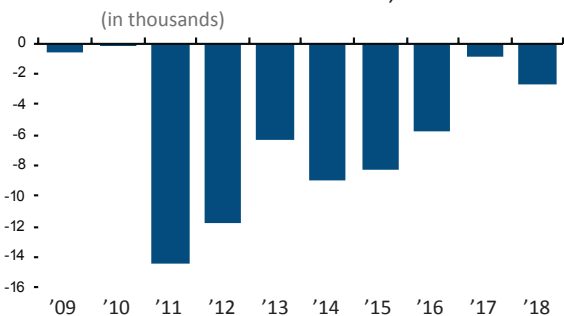
State Gross Domestic Product

Cumulative Growth 2008-2018 27.3% Rank: 41



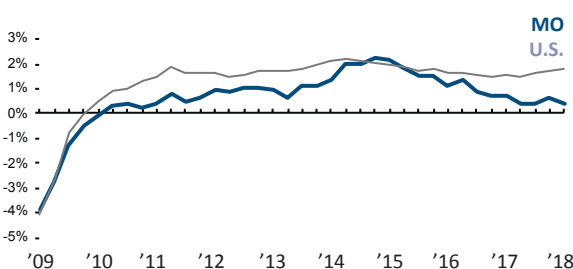
Absolute Domestic Migration

Cumulative 2009-2018 -60,137 Rank: 35



Non-Farm Payroll Employment

Cumulative 2008-2018 4.0% Rank: 39



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

2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 23 24 27 24 24 23 22

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.40%	28
Top Marginal Corporate Income Tax Rate	4.58%	9
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$12.53	31
Property Tax Burden (per \$1,000 of personal income)	\$23.13	11
Sales Tax Burden (per \$1,000 of personal income)	\$23.32	24
Remaining Tax Burden (per \$1,000 of personal income)	\$13.30	7
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	-\$0.07	15
Debt Service as a Share of Tax Revenue	7.6%	37
Public Employees Per 10,000 of Population (full-time equivalent)	520.1	23
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	64.4	44
State Minimum Wage (federal floor is \$7.25)	\$9.45	32
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.68	24
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	3	1

Montana

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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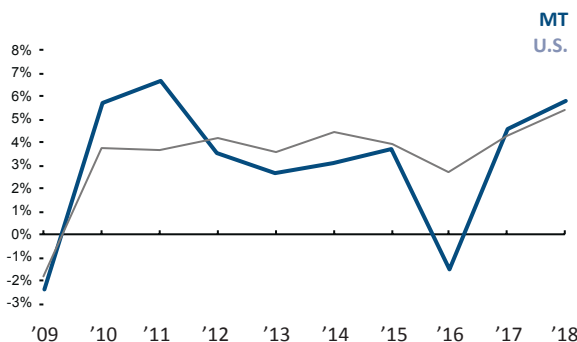
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

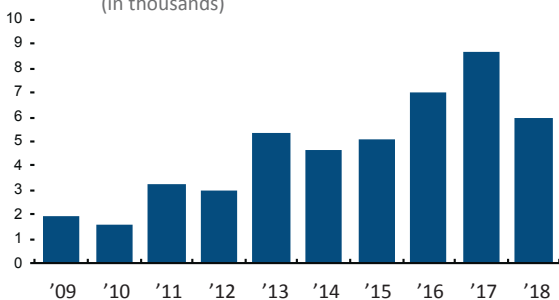
State Gross Domestic Product

Cumulative Growth 2008-2018 36.5% Rank: 24



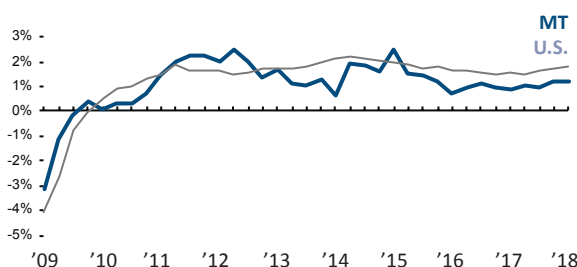
Absolute Domestic Migration

Cumulative 2009-2018 46,609 Rank: 15
(in thousands)



Non-Farm Payroll Employment

Cumulative 2008-2018 8.2% Rank: 18



33

Economic
Outlook Rank

Economic Outlook Rank (1=best 50=worst)

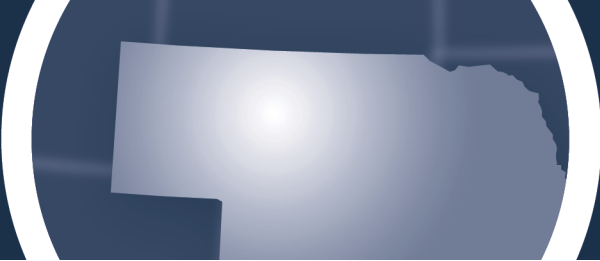
A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2013 2014 2015 2016 2017 2018 2019
ECONOMIC OUTLOOK RANK 42 43 43 40 39 43 39

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.90%	33
Top Marginal Corporate Income Tax Rate	6.75%	25
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$18.12	42
Property Tax Burden (per \$1,000 of personal income)	\$35.39	37
Sales Tax Burden (per \$1,000 of personal income)	\$0.00	1
Remaining Tax Burden (per \$1,000 of personal income)	\$20.65	38
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	\$0.20	26
Debt Service as a Share of Tax Revenue	4.6%	9
Public Employees Per 10,000 of Population (full-time equivalent)	538.3	32
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	72.5	7
State Minimum Wage (federal floor is \$7.25)	\$8.65	24
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.01	38
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Nebraska

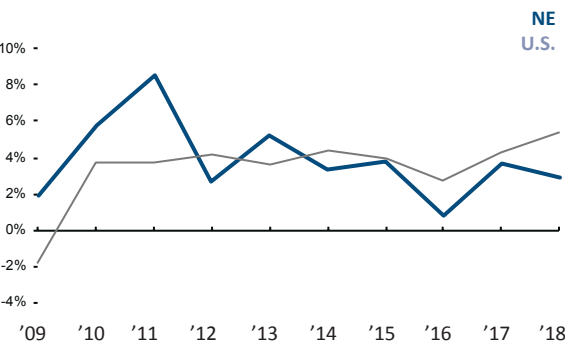
2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



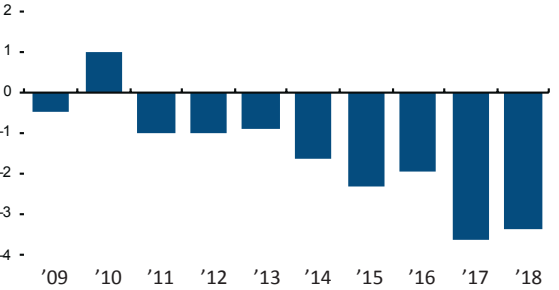
19 Economic
Performance Rank

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.

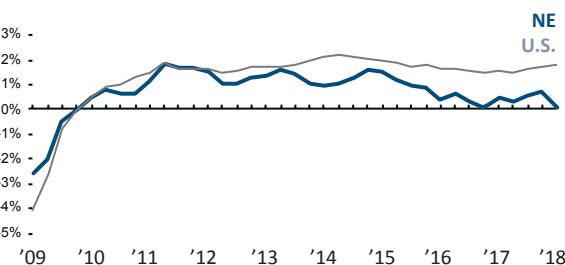
State Gross Domestic Product
Cumulative Growth 2008-2018 45.5% Rank: 8



Absolute Domestic Migration
Cumulative 2009-2018 (in thousands) -15,199 Rank: 26



Non-Farm Payroll Employment
Cumulative 2008-2018 5.5% Rank: 30



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 2013 2014 2015 2016 2017 2018 2019
ECONOMIC OUTLOOK RANK 37 35 31 32 32 28 34

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.84%	32
Top Marginal Corporate Income Tax Rate	7.81%	34
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$18.66	44
Property Tax Burden (per \$1,000 of personal income)	\$39.19	41
Sales Tax Burden (per \$1,000 of personal income)	\$23.38	25
Remaining Tax Burden (per \$1,000 of personal income)	\$13.87	11
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	-\$3.18	1
Debt Service as a Share of Tax Revenue	5.7%	22
Public Employees Per 10,000 of Population (full-time equivalent)	631.6	46
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	72.3	8
State Minimum Wage (federal floor is \$7.25)	\$9.00	27
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.70	25
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Nevada

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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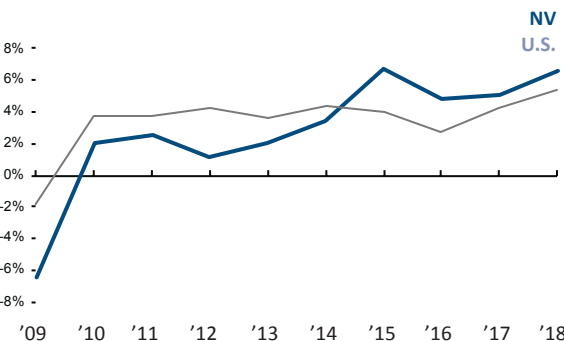
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

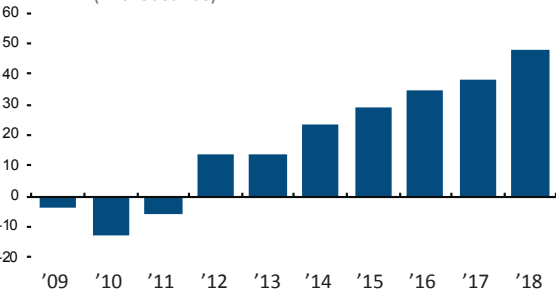
State Gross Domestic Product Cumulative Growth 2008-2018

30.9% Rank: 35



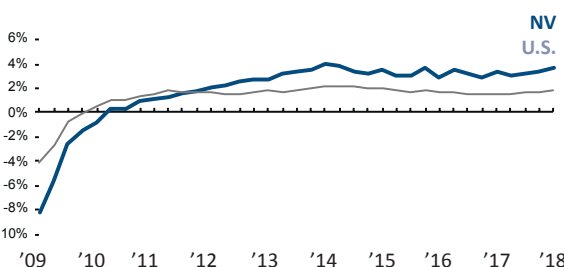
Absolute Domestic Migration

Cumulative 2009-2018 178,026 Rank: 11
(in thousands)



Non-Farm Payroll Employment

Cumulative 2008-2018 14.5% Rank: 9



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 2013 2014 2015 2016 2017 2018 2019
ECONOMIC OUTLOOK RANK 13 8 10 14 13 13 5

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	0.66%	3
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$0.00	2
Property Tax Burden (per \$1,000 of personal income)	\$22.20	9
Sales Tax Burden (per \$1,000 of personal income)	\$40.51	47
Remaining Tax Burden (per \$1,000 of personal income)	\$35.42	49
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	\$0.46	28
Debt Service as a Share of Tax Revenue	7.3%	36
Public Employees Per 10,000 of Population (full-time equivalent)	383.0	1
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	69.5	29
State Minimum Wage (federal floor is \$7.25)	\$8.25	22
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.18	8
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

New Hampshire

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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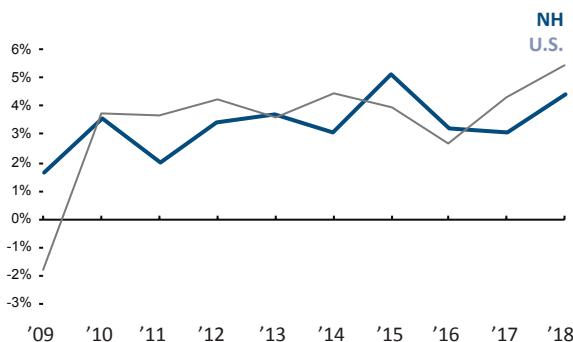
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

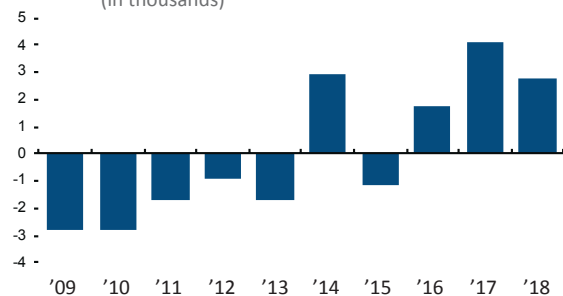
State Gross Domestic Product

Cumulative Growth 2008-2018 38.7% Rank: 20



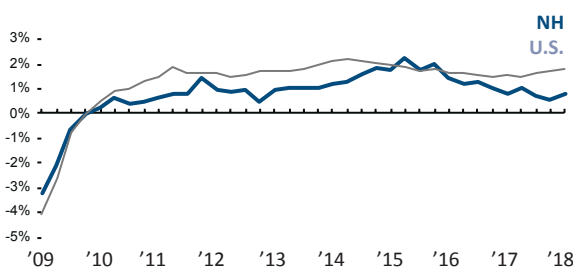
Absolute Domestic Migration

Cumulative 2009-2018 588 Rank: 22
(in thousands)



Non-Farm Payroll Employment

Cumulative 2008-2018 5.7% Rank: 29



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

2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 27 32 29 23 18 17 16

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)	\$57.90	50
Sales Tax Burden (per \$1,000 of personal income)	\$0.00	1
Remaining Tax Burden (per \$1,000 of personal income)	\$19.51	35
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	-\$0.37	12
Debt Service as a Share of Tax Revenue	6.8%	29
Public Employees Per 10,000 of Population (full-time equivalent)	515.5	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)	\$1.70	25
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

New Jersey

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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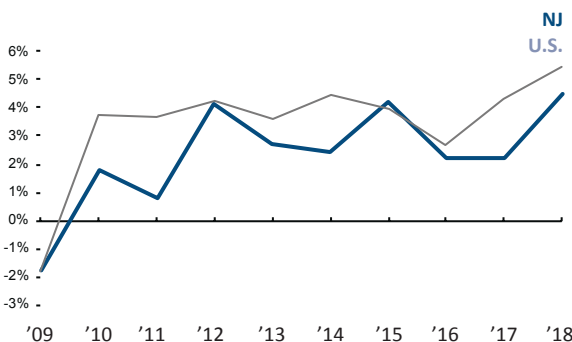
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

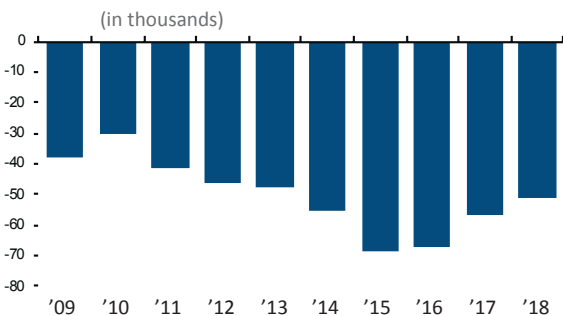
State Gross Domestic Product

Cumulative Growth 2008-2018 25.6% Rank: 43



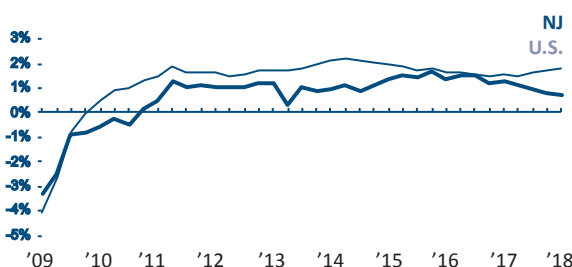
Absolute Domestic Migration

Cumulative 2009-2018 -501,674 Rank: 47



Non-Farm Payroll Employment

Cumulative 2008-2018 4.8% Rank: 33



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 2013 2014 2015 2016 2017 2018 2019
ECONOMIC OUTLOOK RANK 39 45 46 48 48 46 46

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	11.75%	48
Top Marginal Corporate Income Tax Rate	10.50%	45
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$24.81	47
Property Tax Burden (per \$1,000 of personal income)	\$51.51	48
Sales Tax Burden (per \$1,000 of personal income)	\$16.97	11
Remaining Tax Burden (per \$1,000 of personal income)	\$12.82	4
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	\$1.24	40
Debt Service as a Share of Tax Revenue	5.5%	18
Public Employees Per 10,000 of Population (full-time equivalent)	531.8	30
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	65.4	43
State Minimum Wage (federal floor is \$7.25)	\$11.00	40
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.84	48
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	14

New Mexico

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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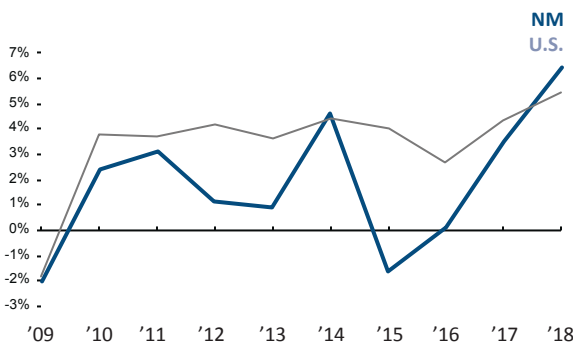
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

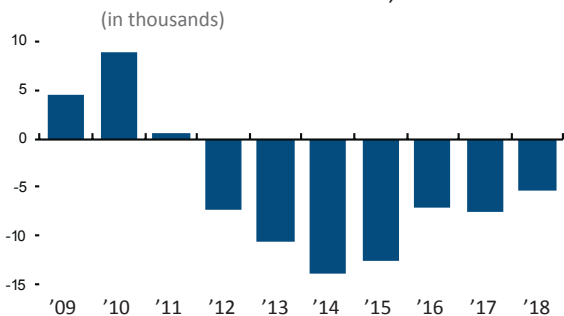
State Gross Domestic Product

Cumulative Growth 2008-2018 19.8% Rank: 45



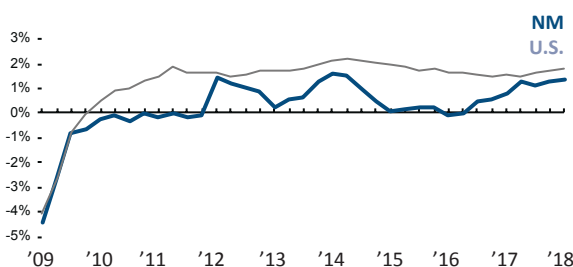
Absolute Domestic Migration

Cumulative 2009-2018 -50,189 Rank: 34



Non-Farm Payroll Employment

Cumulative 2008-2018 0.5% Rank: 47



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

2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 33 37 34 34 35 35 29

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.90%	15
Top Marginal Corporate Income Tax Rate	5.90%	16
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$11.83	30
Property Tax Burden (per \$1,000 of personal income)	\$20.25	6
Sales Tax Burden (per \$1,000 of personal income)	\$41.01	48
Remaining Tax Burden (per \$1,000 of personal income)	\$15.72	16
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	\$2.32	46
Debt Service as a Share of Tax Revenue	7.0%	30
Public Employees Per 10,000 of Population (full-time equivalent)	594.0	42
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.6	22
State Minimum Wage (federal floor is \$7.25)	\$9.00	27
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.50	17
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

New York

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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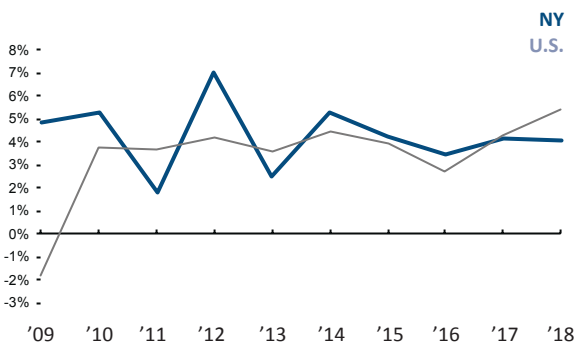
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

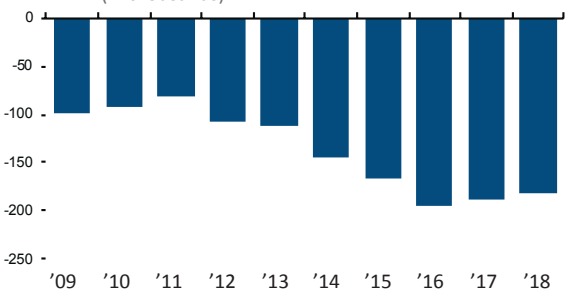
State Gross Domestic Product

Cumulative Growth 2008-2018 51.8% Rank: 4



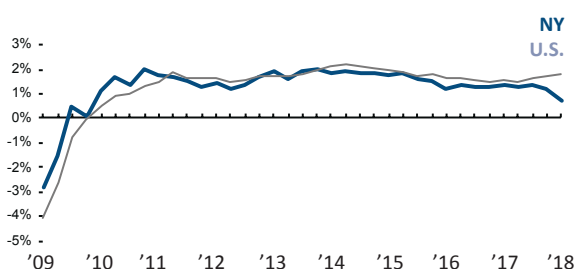
Absolute Domestic Migration

Cumulative 2009-2018 -1,366,465 Rank: 50
(in thousands)



Non-Farm Payroll Employment

Cumulative 2008-2018 10.9% Rank: 15



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 2013 2014 2015 2016 2017 2018 2019
ECONOMIC OUTLOOK RANK 49 50 50 50 50 50 50

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	12.70%	49
Top Marginal Corporate Income Tax Rate	17.26%	50
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$17.30	41
Property Tax Burden (per \$1,000 of personal income)	\$45.90	45
Sales Tax Burden (per \$1,000 of personal income)	\$24.53	30
Remaining Tax Burden (per \$1,000 of personal income)	\$19.01	30
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	\$1.84	44
Debt Service as a Share of Tax Revenue	9.6%	48
Public Employees Per 10,000 of Population (full-time equivalent)	616.7	43
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	67.7	36
State Minimum Wage (federal floor is \$7.25)	\$11.80	44
Average Workers' Compensation Costs (per \$100 of payroll)	\$3.08	50
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

North Carolina

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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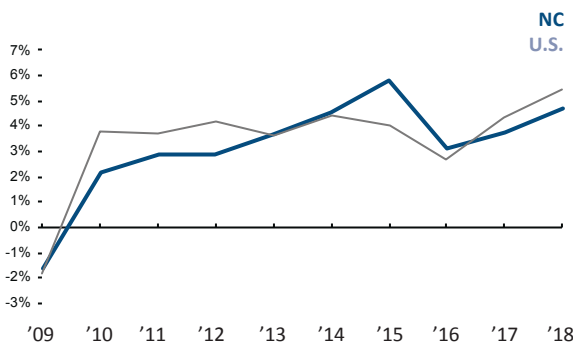
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

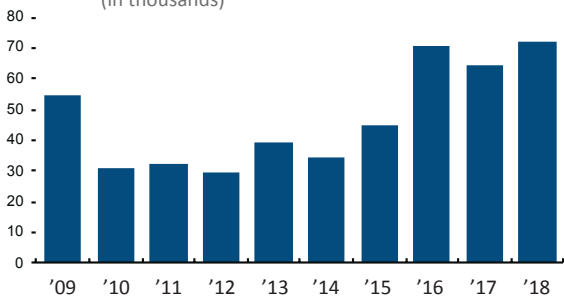
State Gross Domestic Product

Cumulative Growth 2008-2018 36.4% Rank: 25



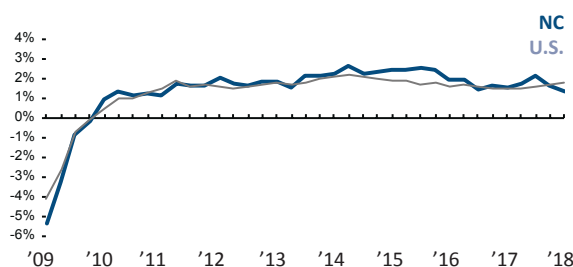
Absolute Domestic Migration

Cumulative 2009-2018 (in thousands) 472,668 Rank: 3



Non-Farm Payroll Employment

Cumulative 2008-2018 10.3% Rank: 17



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 2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 22 6 4 2 3 7 6

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.25%	21
Top Marginal Corporate Income Tax Rate	2.50%	4
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$7.53	19
Property Tax Burden (per \$1,000 of personal income)	\$22.58	10
Sales Tax Burden (per \$1,000 of personal income)	\$23.79	28
Remaining Tax Burden (per \$1,000 of personal income)	\$16.45	23
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	-\$0.84	6
Debt Service as a Share of Tax Revenue	5.0%	12
Public Employees Per 10,000 of Population (full-time equivalent)	549.9	36
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)	\$1.84	32
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	14

North Dakota

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

5

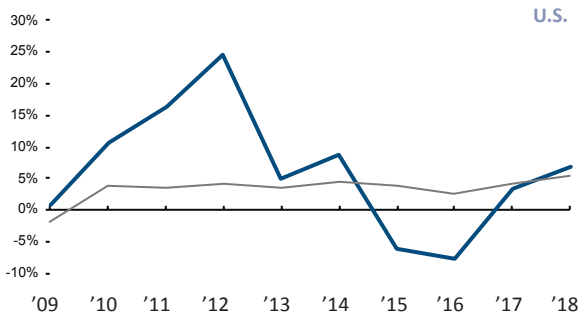
Economic
Performance Rank

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.

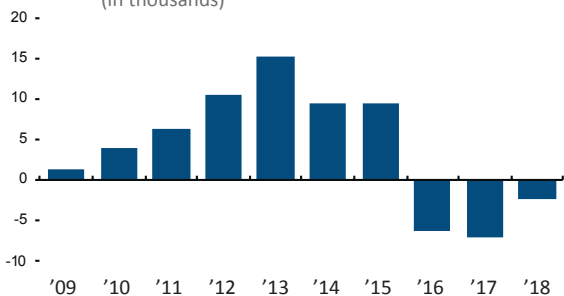
State Gross Domestic Product

Cumulative Growth 2008-2018 76.8% Rank: 1
ND
U.S.



Absolute Domestic Migration

Cumulative 2009-2018 40,353 Rank: 16
(in thousands)



Non-Farm Payroll Employment

Cumulative 2008-2018 17.4% Rank: 5
ND
U.S.



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Economic
Outlook Rank

Economic Outlook Rank (1=best 50=worst)

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

Historical Ranking Comparison 2013 2014 2015 2016 2017 2018 2019
ECONOMIC OUTLOOK RANK 2 4 2 3 4 4 4

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	2.90%	10
Top Marginal Corporate Income Tax Rate	4.31%	7
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$8.55	25
Property Tax Burden (per \$1,000 of personal income)	\$31.38	31
Sales Tax Burden (per \$1,000 of personal income)	\$28.00	37
Remaining Tax Burden (per \$1,000 of personal income)	\$18.81	29
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	-\$0.03	16
Debt Service as a Share of Tax Revenue	4.2%	7
Public Employees Per 10,000 of Population (full-time equivalent)	619.0	44
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)	\$0.82	1
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Ohio

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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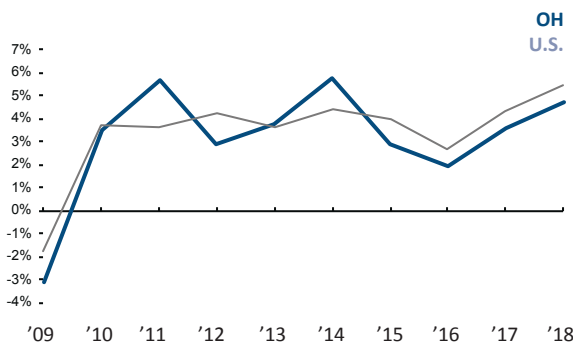
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

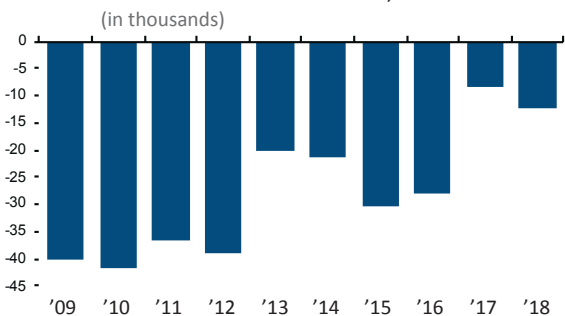
State Gross Domestic Product

Cumulative Growth 2008-2018 36.3% Rank: 26



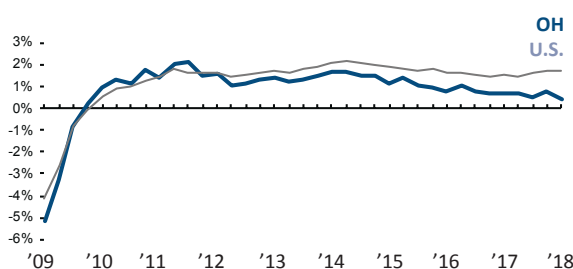
Absolute Domestic Migration

Cumulative 2009-2018 -277,941 Rank: 45



Non-Farm Payroll Employment

Cumulative 2008-2018 5.1% Rank: 31



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Economic
Outlook Rank

Economic Outlook Rank (1=best 50=worst)

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

Historical Ranking Comparison

2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 26 23 23 18 19 21 24

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	7.30%	40
Top Marginal Corporate Income Tax Rate	3.71%	6
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$15.56	40
Property Tax Burden (per \$1,000 of personal income)	\$28.78	24
Sales Tax Burden (per \$1,000 of personal income)	\$25.83	34
Remaining Tax Burden (per \$1,000 of personal income)	\$17.49	25
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	\$0.76	35
Debt Service as a Share of Tax Revenue	5.7%	20
Public Employees Per 10,000 of Population (full-time equivalent)	504.2	18
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	67.7	35
State Minimum Wage (federal floor is \$7.25)	\$8.70	25
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.40	15
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	14

Oklahoma

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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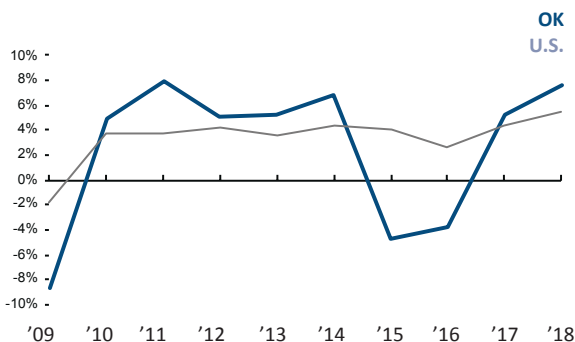
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

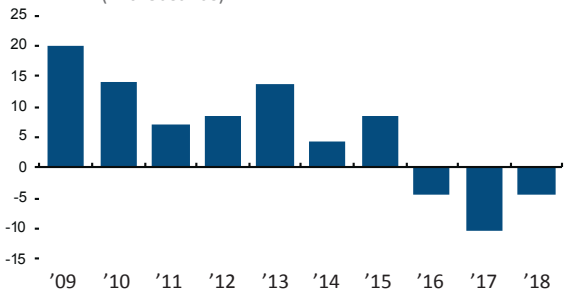
State Gross Domestic Product

Cumulative Growth 2008-2018 26.9% Rank: 42



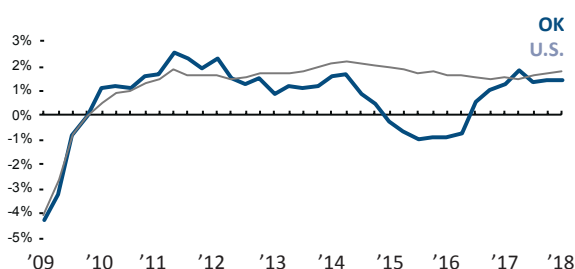
Absolute Domestic Migration

Cumulative 2009-2018 (in thousands) 56,515 Rank: 14



Non-Farm Payroll Employment

Cumulative 2008-2018 4.9% Rank: 32



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 2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 19 21 16 10 16 16 13

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.00%	18
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)	\$17.20	2
Sales Tax Burden (per \$1,000 of personal income)	\$27.92	36
Remaining Tax Burden (per \$1,000 of personal income)	\$16.04	20
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	\$4.14	49
Debt Service as a Share of Tax Revenue	4.9%	11
Public Employees Per 10,000 of Population (full-time equivalent)	529.2	28
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)	\$1.71	27
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

Oregon

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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Economic
Performance Rank

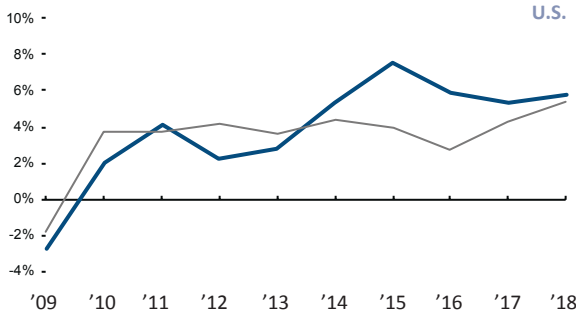
Economic Performance Rank (1=best 50=worst)

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

State Gross Domestic Product

Cumulative Growth 2008-2018 45.2% Rank: 10

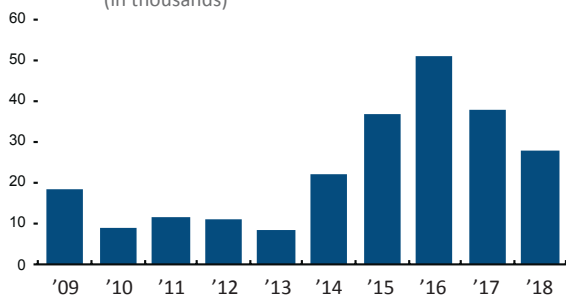
OR
U.S.



Absolute Domestic Migration

Cumulative 2009-2018 234,419 Rank: 9

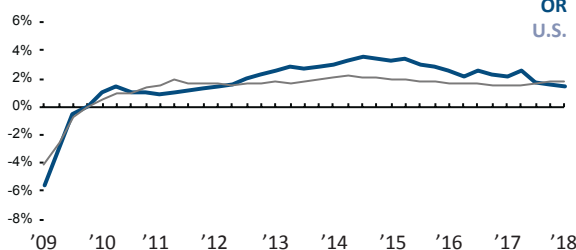
(in thousands)



Non-Farm Payroll Employment

Cumulative 2008-2018 13.2% Rank: 11

OR
U.S.



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

2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 44 42 45 41 41 41 44

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	10.67%	46
Top Marginal Corporate Income Tax Rate	14.30%	48
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$14.98	37
Property Tax Burden (per \$1,000 of personal income)	\$31.63	32
Sales Tax Burden (per \$1,000 of personal income)	\$0.00	1
Remaining Tax Burden (per \$1,000 of personal income)	\$22.26	41
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	\$3.72	47
Debt Service as a Share of Tax Revenue	6.6%	27
Public Employees Per 10,000 of Population (full-time equivalent)	493.4	12
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	69.9	25
State Minimum Wage (federal floor is \$7.25)	\$11.25	43
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.15	6
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

Pennsylvania

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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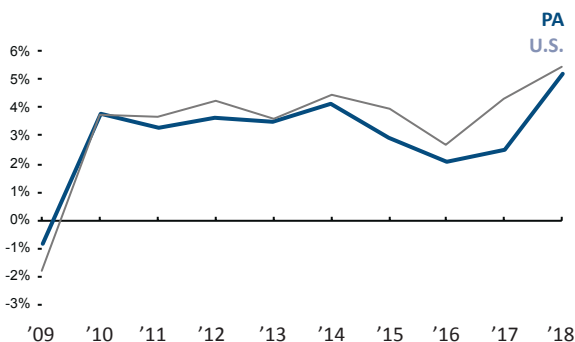
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

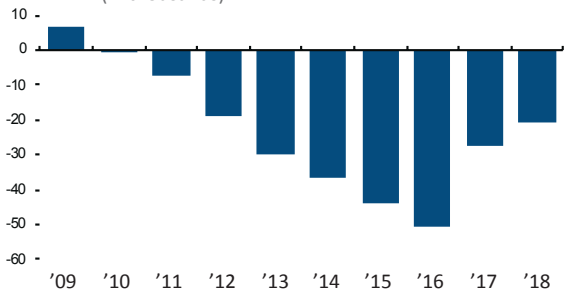
State Gross Domestic Product

Cumulative Growth 2008-2018 34.5% Rank: 27



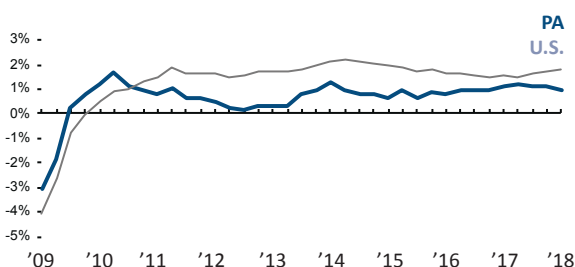
Absolute Domestic Migration

Cumulative 2009-2018 (in thousands) -228,570 Rank: 44



Non-Farm Payroll Employment

Cumulative 2008-2018 4.5% Rank: 36



38

Economic
Outlook Rank

Economic Outlook Rank (1=best 50=worst)

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

Historical Ranking Comparison

2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 34 33 41 39 38 38 38

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.94%	35
Top Marginal Corporate Income Tax Rate	16.90%	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)	\$29.24	26
Sales Tax Burden (per \$1,000 of personal income)	\$17.10	12
Remaining Tax Burden (per \$1,000 of personal income)	\$22.61	42
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	\$0.09	21
Debt Service as a Share of Tax Revenue	6.8%	28
Public Employees Per 10,000 of Population (full-time equivalent)	437.3	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)	\$1.85	34
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Rhode Island

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

38

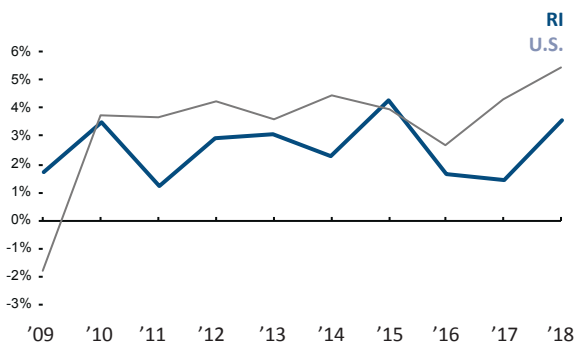
Economic
Performance Rank

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.

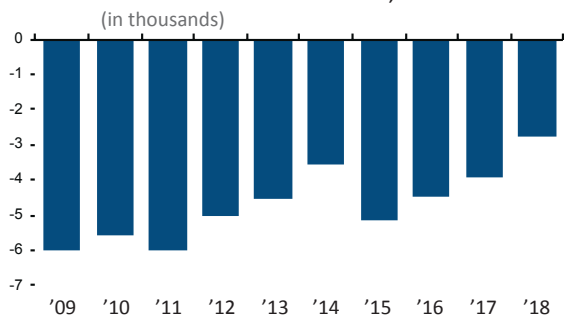
State Gross Domestic Product

Cumulative Growth 2008-2018 28.6% Rank: 39



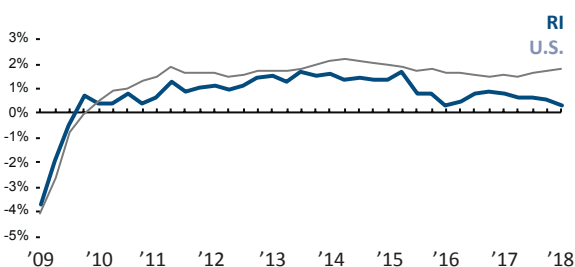
Absolute Domestic Migration

Cumulative 2009-2018 -46,978 Rank: 32



Non-Farm Payroll Employment

Cumulative 2008-2018 4.5% Rank: 35



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 2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 45 41 39 35 36 39 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)	\$11.31	29
Property Tax Burden (per \$1,000 of personal income)	\$46.97	47
Sales Tax Burden (per \$1,000 of personal income)	\$18.40	13
Remaining Tax Burden (per \$1,000 of personal income)	\$17.88	27
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	\$0.72	33
Debt Service as a Share of Tax Revenue	9.6%	47
Public Employees Per 10,000 of Population (full-time equivalent)	453.1	6
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.5	24
State Minimum Wage (federal floor is \$7.25)	\$10.50	38
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.19	43
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	14

South Carolina

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

7

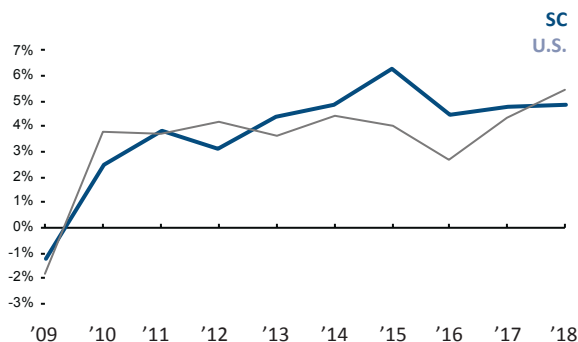
Economic
Performance Rank

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.

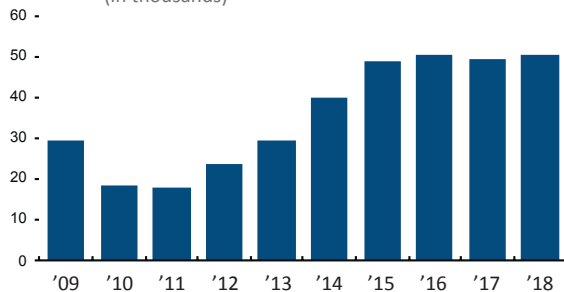
State Gross Domestic Product

Cumulative Growth 2008-2018 44.6% Rank: 12



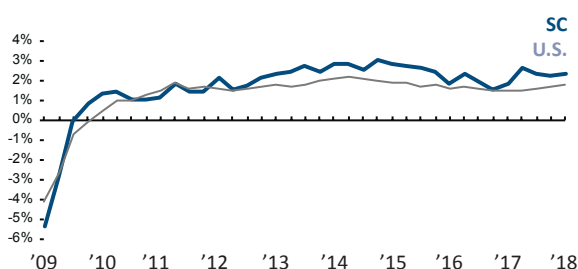
Absolute Domestic Migration

Cumulative 2009-2018 357,604 Rank: 6
(in thousands)



Non-Farm Payroll Employment

Cumulative 2008-2018 13.9% Rank: 10



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 2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 31 31 32 30 27 33 32

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	7.00%	37
Top Marginal Corporate Income Tax Rate	5.00%	13
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$18.55	43
Property Tax Burden (per \$1,000 of personal income)	\$29.29	27
Sales Tax Burden (per \$1,000 of personal income)	\$18.54	14
Remaining Tax Burden (per \$1,000 of personal income)	\$16.12	21
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	\$1.47	42
Debt Service as a Share of Tax Revenue	8.1%	40
Public Employees Per 10,000 of Population (full-time equivalent)	532.1	31
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)	\$1.95	37
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	14

South Dakota

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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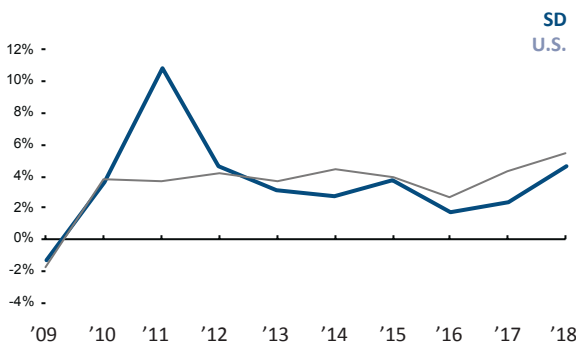
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

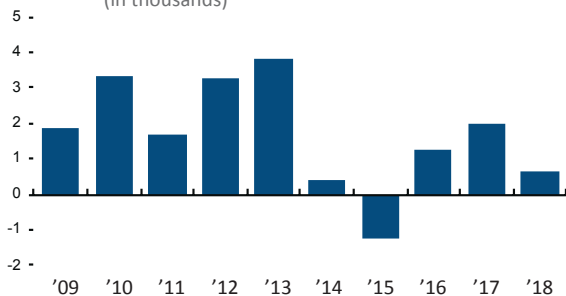
State Gross Domestic Product

Cumulative Growth 2008-2018 41.9% Rank: 14



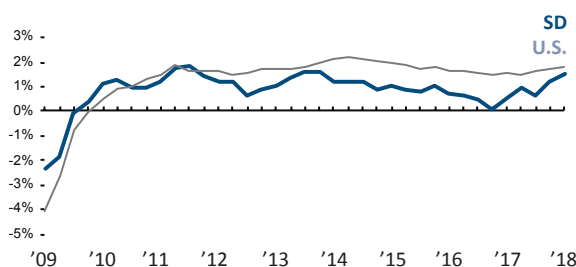
Absolute Domestic Migration

Cumulative 2009-2018 (in thousands) 16,992 Rank: 20



Non-Farm Payroll Employment

Cumulative 2008-2018 7.6% Rank: 23



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

2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 3 2 9 11 12 9 7

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)	\$33.14	34
Sales Tax Burden (per \$1,000 of personal income)	\$33.69	45
Remaining Tax Burden (per \$1,000 of personal income)	\$19.33	34
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	\$0.00	17
Debt Service as a Share of Tax Revenue	5.4%	17
Public Employees Per 10,000 of Population (full-time equivalent)	544.6	34
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	72.0	10
State Minimum Wage (federal floor is \$7.25)	\$9.30	31
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.73	28
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	14

Tennessee

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

9

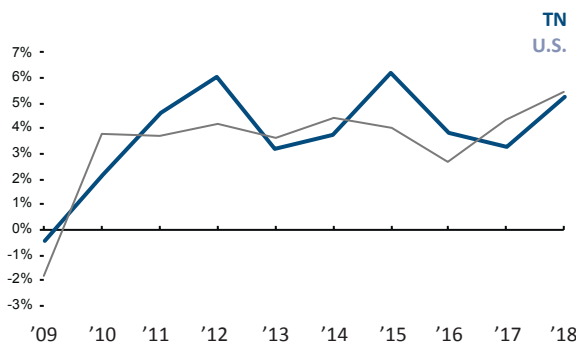
Economic
Performance Rank

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.

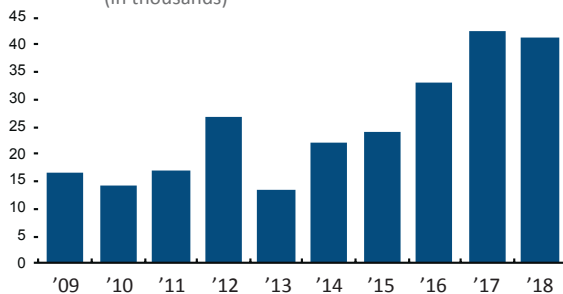
State Gross Domestic Product

Cumulative Growth 2008-2018 44.7% Rank: 11



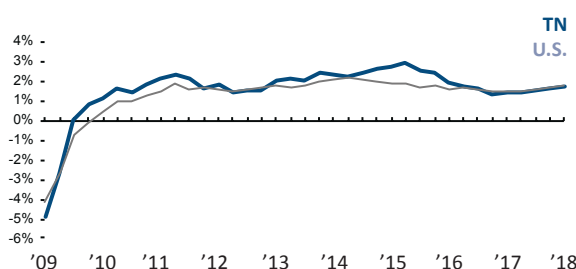
Absolute Domestic Migration

Cumulative 2009-2018 251,287 Rank: 8
(in thousands)



Non-Farm Payroll Employment

Cumulative 2008-2018 13.0% Rank: 12



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 2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 18 19 17 7 5 12 8

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	6.50%	22
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$0.00	2
Property Tax Burden (per \$1,000 of personal income)	\$19.85	5
Sales Tax Burden (per \$1,000 of personal income)	\$31.57	41
Remaining Tax Burden (per \$1,000 of personal income)	\$19.05	31
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	\$0.05	20
Debt Service as a Share of Tax Revenue	5.8%	23
Public Employees Per 10,000 of Population (full-time equivalent)	495.8	15
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)	\$1.52	19
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	14

Texas

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

1

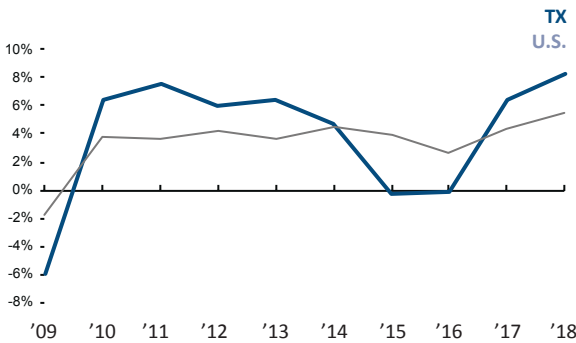
Economic
Performance Rank

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.

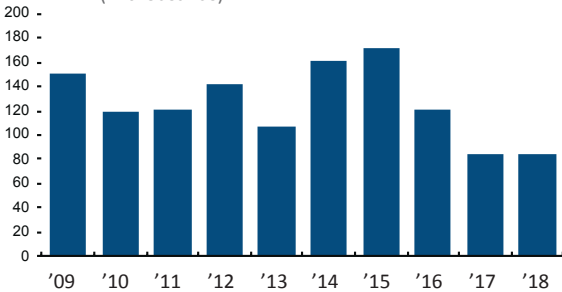
State Gross Domestic Product

Cumulative Growth 2008-2018 45.7% Rank: 7



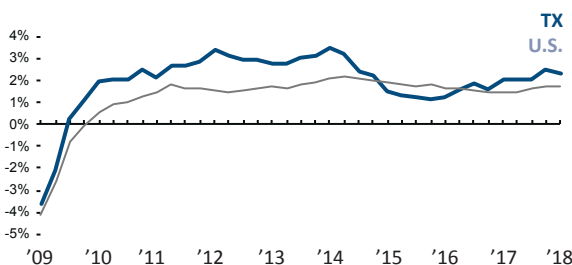
Absolute Domestic Migration

Cumulative 2009-2018 1,262,347 Rank: 1
(in thousands)



Non-Farm Payroll Employment

Cumulative 2008-2018 18.5% Rank: 2



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

2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 12 13 11 12 9 14 15

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	2.70%	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)	\$40.46	42
Sales Tax Burden (per \$1,000 of personal income)	\$28.35	38
Remaining Tax Burden (per \$1,000 of personal income)	\$16.15	22
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	\$0.17	24
Debt Service as a Share of Tax Revenue	9.3%	46
Public Employees Per 10,000 of Population (full-time equivalent)	526.2	26
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)	\$1.21	9
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	14

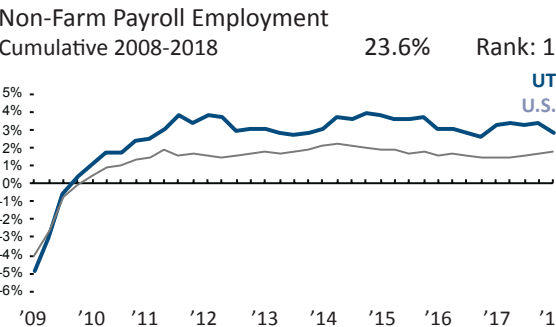
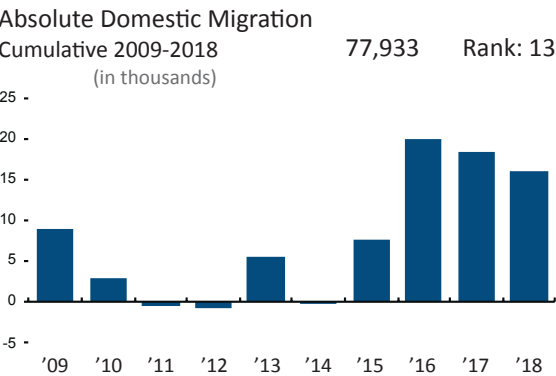
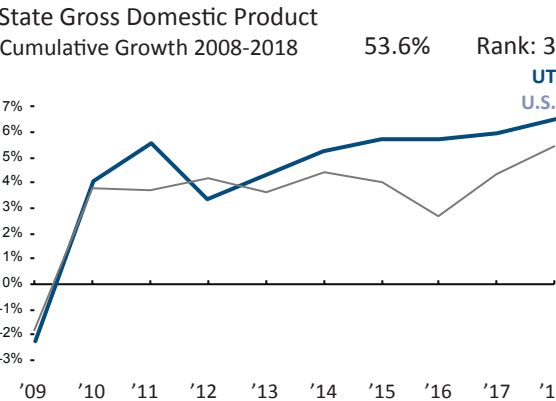
Utah

2020 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.



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 2013 2014 2015 2016 2017 2018 2019
ECONOMIC OUTLOOK RANK 1 1 1 1 1 1 1

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.95%	16
Top Marginal Corporate Income Tax Rate	4.95%	12
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$0.28	12
Property Tax Burden (per \$1,000 of personal income)	\$24.29	14
Sales Tax Burden (per \$1,000 of personal income)	\$25.06	31
Remaining Tax Burden (per \$1,000 of personal income)	\$15.74	17
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	\$0.69	32
Debt Service as a Share of Tax Revenue	5.7%	19
Public Employees Per 10,000 of Population (full-time equivalent)	491.5	11
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)	\$1.06	5
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	14

Vermont

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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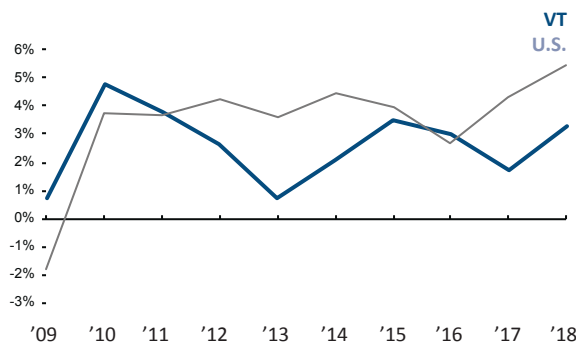
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

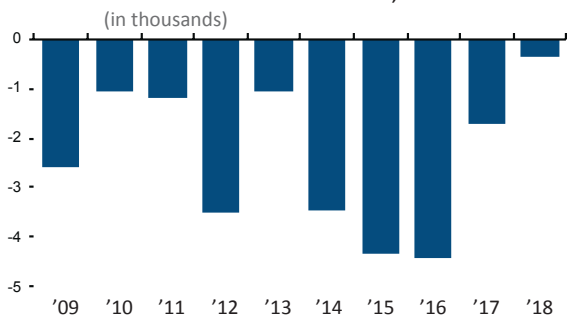
State Gross Domestic Product

Cumulative Growth 2008-2018 29.5% Rank: 38



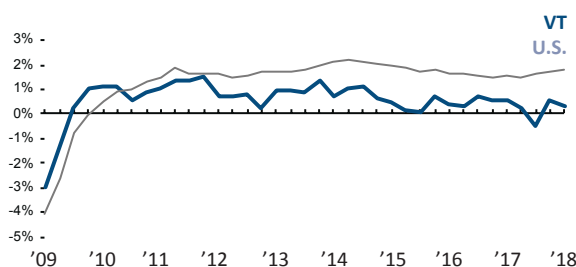
Absolute Domestic Migration

Cumulative 2009-2018 -11,834 Rank: 25



Non-Farm Payroll Employment

Cumulative 2008-2018 3.4% Rank: 41



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

2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 50 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)	\$28.94	49
Property Tax Burden (per \$1,000 of personal income)	\$52.10	49
Sales Tax Burden (per \$1,000 of personal income)	\$12.23	7
Remaining Tax Burden (per \$1,000 of personal income)	\$27.84	48
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	\$0.81	36
Debt Service as a Share of Tax Revenue	3.8%	2
Public Employees Per 10,000 of Population (full-time equivalent)	633.0	47
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	71.7	11
State Minimum Wage (federal floor is \$7.25)	\$10.96	39
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.09	42
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Virginia

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

29

Economic
Performance Rank

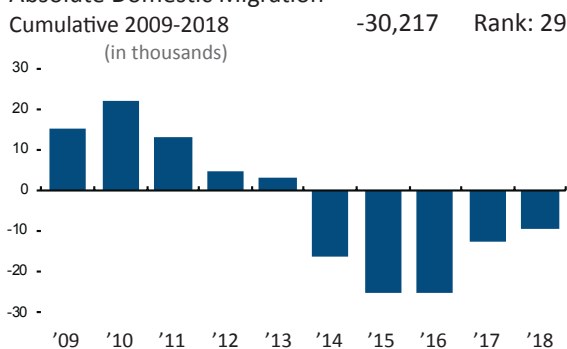
Economic Performance Rank (1=best 50=worst)

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.

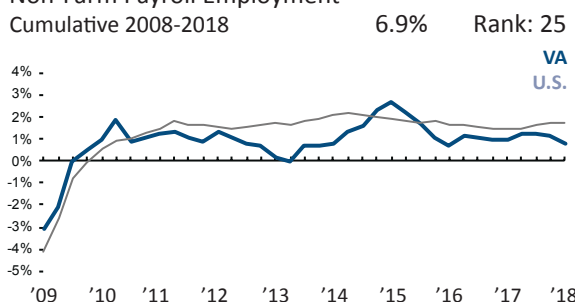
State Gross Domestic Product



Absolute Domestic Migration



Non-Farm Payroll Employment



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 2013 2014 2015 2016 2017 2018 2019
ECONOMIC OUTLOOK RANK 5 11 12 13 11 10 14

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.75%	25
Top Marginal Corporate Income Tax Rate	7.68%	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)	\$30.48	29
Sales Tax Burden (per \$1,000 of personal income)	\$11.83	6
Remaining Tax Burden (per \$1,000 of personal income)	\$15.92	19
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	\$0.49	30
Debt Service as a Share of Tax Revenue	6.1%	25
Public Employees Per 10,000 of Population (full-time equivalent)	531.5	29
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	10
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Washington

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

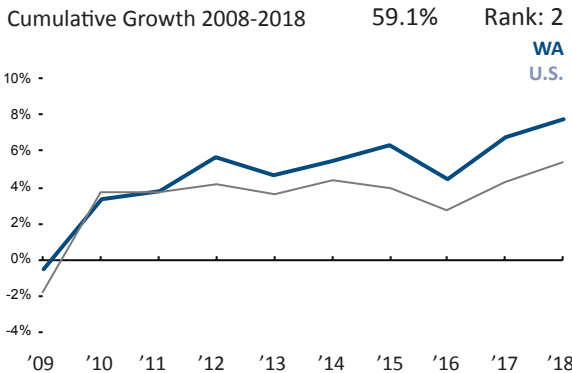
2

Economic
Performance Rank

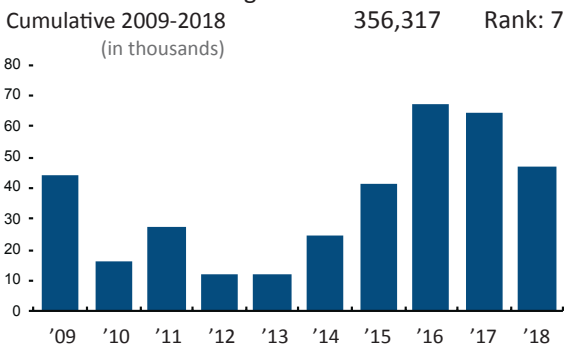
Economic Performance Rank (1=best 50=worst)

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.

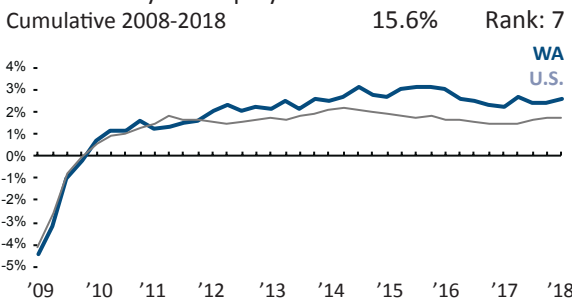
State Gross Domestic Product



Absolute Domestic Migration



Non-Farm Payroll Employment



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 2013 2014 2015 2016 2017 2018 2019
ECONOMIC OUTLOOK RANK 36 38 35 36 40 37 37

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	6.98%	27
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$0.00	2
Property Tax Burden (per \$1,000 of personal income)	\$26.43	17
Sales Tax Burden (per \$1,000 of personal income)	\$33.51	44
Remaining Tax Burden (per \$1,000 of personal income)	\$24.01	45
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	\$0.50	31
Debt Service as a Share of Tax Revenue	8.9%	45
Public Employees Per 10,000 of Population (full-time equivalent)	504.5	19
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	69.8	26
State Minimum Wage (federal floor is \$7.25)	\$13.50	50
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.87	35
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	14

West Virginia

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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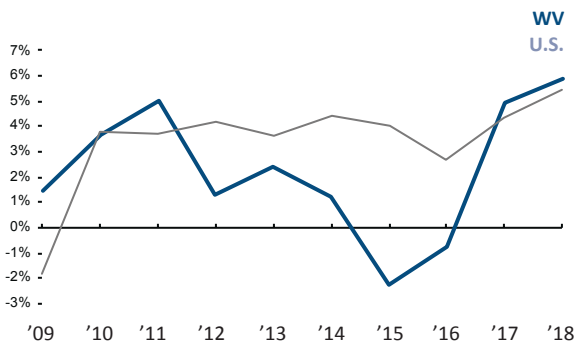
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

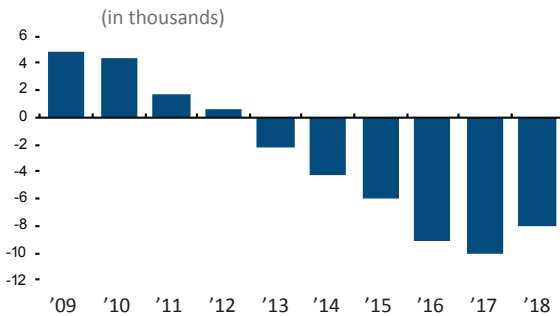
State Gross Domestic Product

Cumulative Growth 2008-2018 24.8% Rank: 44



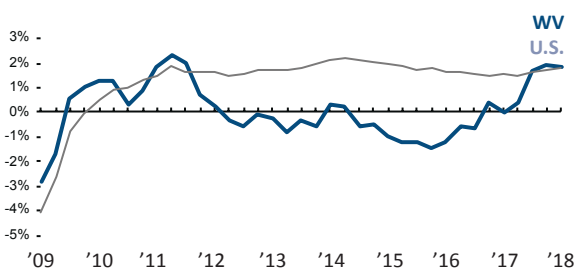
Absolute Domestic Migration

Cumulative 2009-2018 -28,000 Rank: 28



Non-Farm Payroll Employment

Cumulative 2008-2018 0.1% Rank: 49



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Economic
Outlook Rank

Economic Outlook Rank (1=best 50=worst)

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

Historical Ranking Comparison

2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 32 30 36 37 31 30 31

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.50%	29
Top Marginal Corporate Income Tax Rate	6.50%	22
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$15.53	39
Property Tax Burden (per \$1,000 of personal income)	\$25.08	16
Sales Tax Burden (per \$1,000 of personal income)	\$20.05	16
Remaining Tax Burden (per \$1,000 of personal income)	\$26.71	47
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	\$0.22	27
Debt Service as a Share of Tax Revenue	4.6%	10
Public Employees Per 10,000 of Population (full-time equivalent)	565.9	39
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	63.3	45
State Minimum Wage (federal floor is \$7.25)	\$8.75	26
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.01	4
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Wisconsin

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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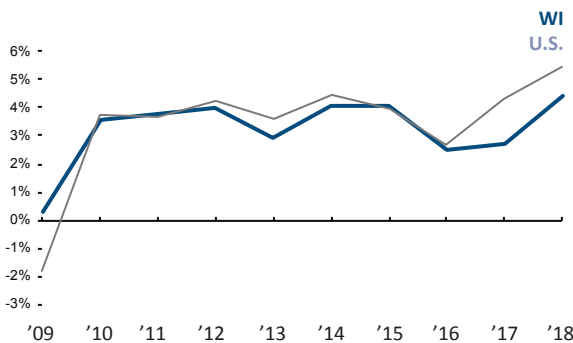
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

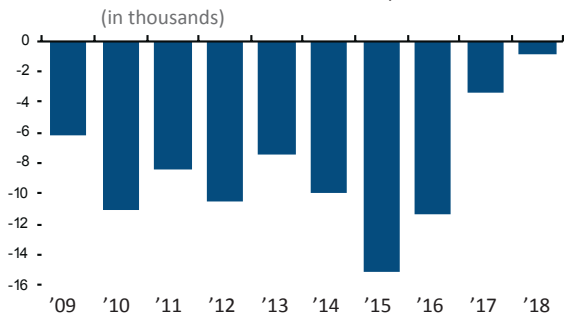
State Gross Domestic Product

Cumulative Growth 2008-2018 37.40% Rank: 22



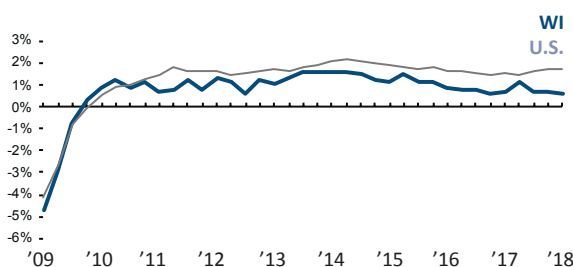
Absolute Domestic Migration

Cumulative 2009-2018 -84,435 Rank: 39



Non-Farm Payroll Employment

Cumulative 2008-2018 4.2% Rank: 38



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

2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 15 17 13 9 14 19 17

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	7.65%	41
Top Marginal Corporate Income Tax Rate	7.90%	35
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$14.63	35
Property Tax Burden (per \$1,000 of personal income)	\$34.31	35
Sales Tax Burden (per \$1,000 of personal income)	\$20.08	17
Remaining Tax Burden (per \$1,000 of personal income)	\$15.64	14
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	-\$1.18	3
Debt Service as a Share of Tax Revenue	5.0%	13
Public Employees Per 10,000 of Population (full-time equivalent)	488.8	10
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)	\$2.02	40
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

Wyoming

2020 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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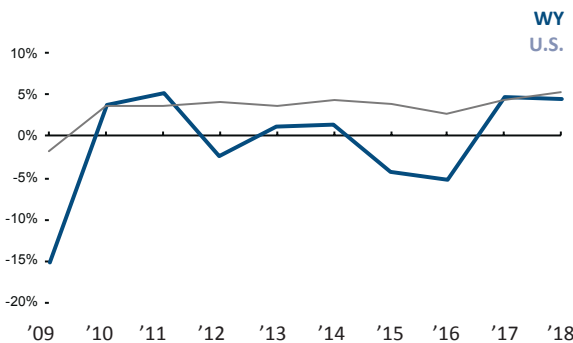
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

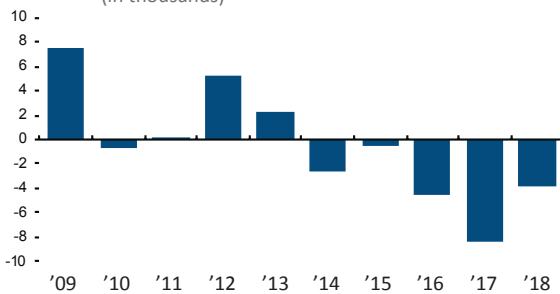
State Gross Domestic Product Cumulative Growth 2008-2018

-8.0% Rank: 50



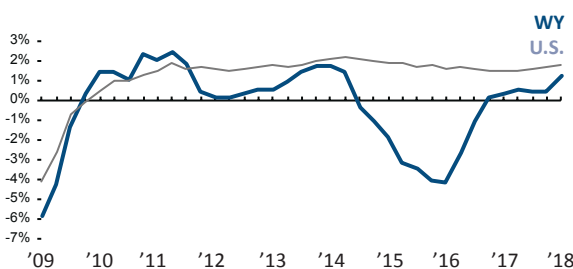
Absolute Domestic Migration Cumulative 2009-2018 (in thousands)

-5,623 Rank: 24



Non-Farm Payroll Employment Cumulative 2008-2018

-4.5% Rank: 50



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

2013 2014 2015 2016 2017 2018 2019

ECONOMIC OUTLOOK RANK 6 10 8 4 7 8 10

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)	\$37.75	40
Sales Tax Burden (per \$1,000 of personal income)	\$20.18	18
Remaining Tax Burden (per \$1,000 of personal income)	\$13.06	5
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2018 & 2019, per \$1,000 of personal income)	\$0.20	25
Debt Service as a Share of Tax Revenue	2.5%	1
Public Employees Per 10,000 of Population (full-time equivalent)	868.2	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)	\$1.87	35
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	34

Appendix

2020 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, 2020.

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 4.656% measure we would use if the tax was a gross receipts tax and the 0.75% highest rate on its margin tax, leading to our measure of 2.70%. 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, 2020.

PERSONAL INCOME TAX PROGRESSIVITY

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

at incomes 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, 2020.

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 2017. These data were released in October 2019.

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 2017. 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 2019.

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 2017. These data were released in October 2019.

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, 2020.

RECENTLY LEGISLATED TAX CHANGES

This variable calculates each state’s relative change in tax burden over a two-year period (in this case, the 2018 and 2019 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 2018. 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 2017 U.S. Census Bureau data. These data were released in October 2019.

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 2018 U.S. Census Bureau data. These data were released in June 2019.

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, 2020.

WORKERS’ COMPENSATION COSTS

This variable highlights the 2018 Workers’ Compensation Index Rate (cost per \$100 of payroll). This survey is conducted biennially by the Oregon Department of Consumer & Business Services, Information Management Division.

RIGHT-TO-WORK STATE

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, 2020.

TAX OR EXPENDITURE LIMIT

This variable measures the influence of tax and expenditure limits on state tax revenue and spending. States are ranked by the number of state tax or expenditure limits in place. We measure this by i) a state expenditure limit, ii) mandatory voter approval of tax increases and iii) a supermajority requirement for tax increases. One point is awarded for each type of tax or expenditure limitation a state has. This information comes from the National Association of State Budget Officers, American Enterprise Institute and other sources.

Appendix

2020 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 2008-2018. 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 2019.

CUMULATIVE DOMESTIC MIGRATION

This variable is a summation of net in-migration of individuals for each state over a 10-year period from 2009-2018. Data are drawn from the U.S. Census Bureau, which were last revised in December 2019.

NON-FARM EMPLOYMENT GROWTH

This variable is calculated by observing state non-farm employment growth figures over a 10-year period, from 2008-2018. 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 March 2019.