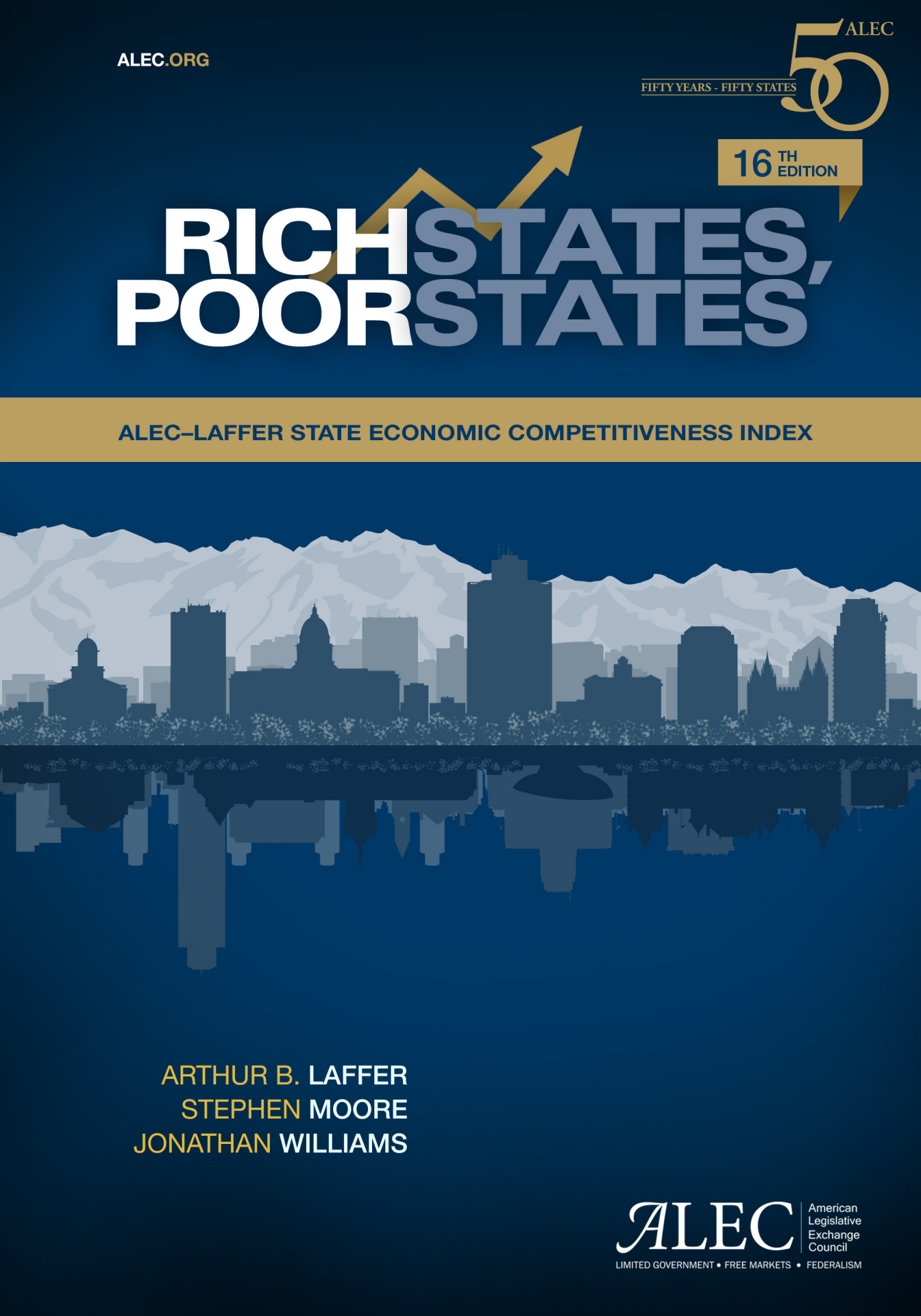


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FIFTY YEARS - FIFTY STATES

16TH
EDITION



RICH STATES, POOR STATES

ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

ARTHUR B. LAFFER
STEPHEN MOORE
JONATHAN WILLIAMS

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LIMITED GOVERNMENT • FREE MARKETS • FEDERALISM

Rich States, Poor States

ALEC-Laffer State Economic Competitiveness Index

Arthur B. Laffer

Stephen Moore

Jonathan Williams

Rich States, Poor States

ALEC-Laffer State Economic Competitiveness Index

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Dr. Arthur B. Laffer, Stephen Moore,
and Jonathan Williams, Authors

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Salt Lake City, Utah



State Rankings

State Rankings

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

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

ALEC-Laffer State Economic Outlook Rankings, 2023

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

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

ALEC-Laffer State Economic Performance Rankings, 2011-2021

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

Alabama

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

20

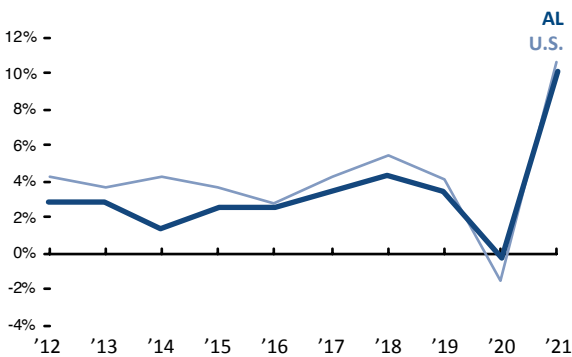
Economic
Performance Rank

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 2011-2021

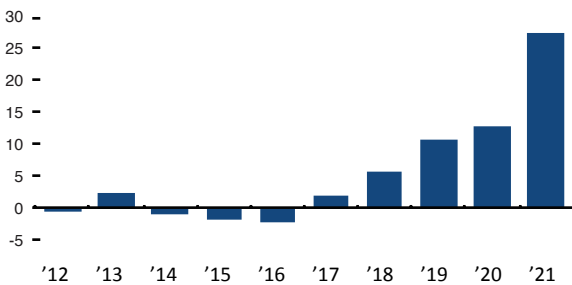
38.17% Rank: 33



Absolute Domestic Migration

Cumulative 2012-2021
(in thousands)

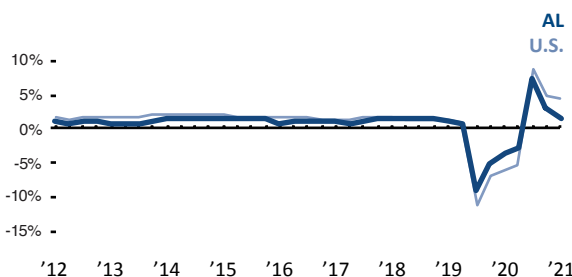
57,081 Rank: 17



Non-Farm Payroll Employment

Cumulative 2011-2021

8.65% Rank: 19



24

Economic
Outlook Rank

Economic Outlook Rank (1=best 50=worst)

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

Historical Ranking Comparison

2016 2017 2018 2019 2020 2021 2022

ECONOMIC OUTLOOK RANK 21 21 20 21 23 25 23

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.15%	12
Top Marginal Corporate Income Tax Rate	6.02%	21
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	-\$1.04	1
Property Tax Burden (per \$1,000 of personal income)	\$14.08	1
Sales Tax Burden (per \$1,000 of personal income)	\$25.73	35
Remaining Tax Burden (per \$1,000 of personal income)	\$20.79	39
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$0.12	24
Debt Service as a Share of Tax Revenue	7.06%	35
Public Employees Per 10,000 of Population (full-time equivalent)	562.5	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)	\$1.38	31
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	32

Alaska

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

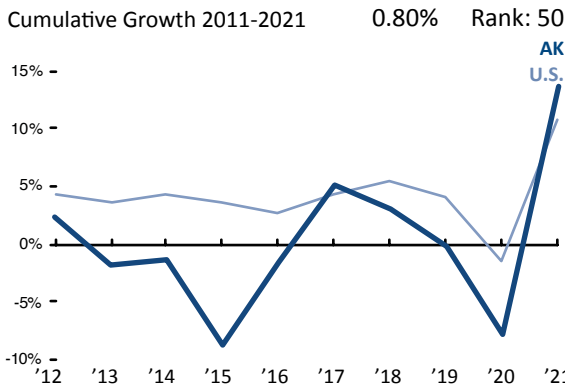
49

Economic
Performance Rank

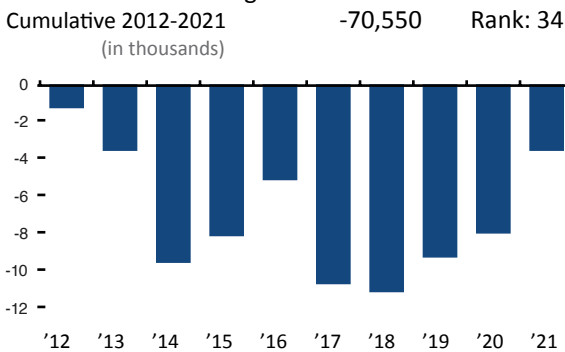
Economic Performance Rank (1=best 50=worst)

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

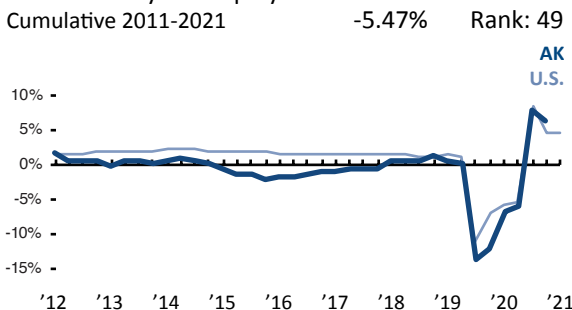
State Gross Domestic Product



Absolute Domestic Migration



Non-Farm Payroll Employment



23

Economic
Outlook Rank

Economic Outlook Rank (1=best 50=worst)

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

Historical Ranking Comparison 2016 2017 2018 2019 2020 2021 2022
ECONOMIC OUTLOOK RANK 25 30 34 30 26 18 21

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	9.40%	43
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$0.00	2
Property Tax Burden (per \$1,000 of personal income)	\$36.38	40
Sales Tax Burden (per \$1,000 of personal income)	\$5.35	5
Remaining Tax Burden (per \$1,000 of personal income)	\$13.68	12
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	\$0.00	29
Debt Service as a Share of Tax Revenue	11.16%	50
Public Employees Per 10,000 of Population (full-time equivalent)	687.3	49
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	73.1	5
State Minimum Wage (federal floor is \$7.25)	\$10.85	29
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.37	30
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

Arizona

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

3

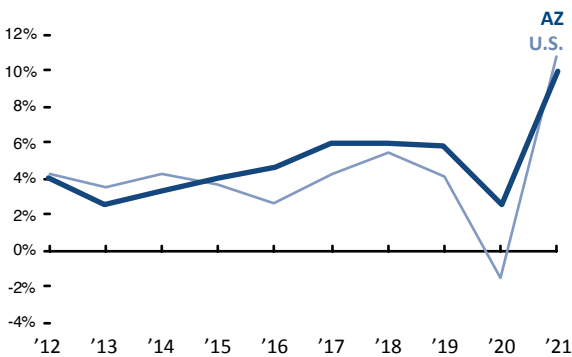
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

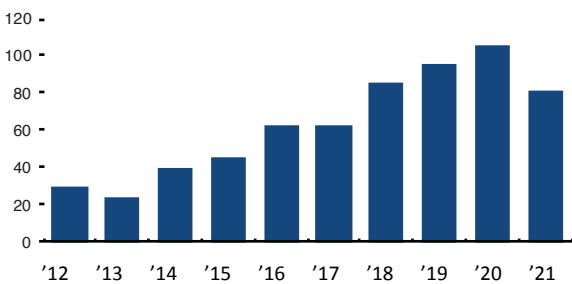
State Gross Domestic Product

Cumulative Growth 2011-2021 60.98% Rank: 7



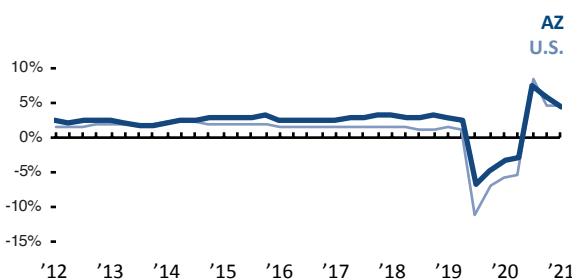
Absolute Domestic Migration

Cumulative 2012-2021 (in thousands) 633,321 Rank: 3



Non-Farm Payroll Employment

Cumulative 2011-2021 23.82% Rank: 5



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

2016 2017 2018 2019 2020 2021 2022

ECONOMIC OUTLOOK RANK 5 8 5 11 10 13 3

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	2.50%	10
Top Marginal Corporate Income Tax Rate	4.90%	12
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$4.62	18
Property Tax Burden (per \$1,000 of personal income)	\$24.13	16
Sales Tax Burden (per \$1,000 of personal income)	\$34.85	45
Remaining Tax Burden (per \$1,000 of personal income)	\$9.65	1
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$2.13	10
Debt Service as a Share of Tax Revenue	6.11%	28
Public Employees Per 10,000 of Population (full-time equivalent)	383.7	2
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.8	17
State Minimum Wage (federal floor is \$7.25)	\$13.85	44
Average Workers' Compensation Costs (per \$100 of payroll)	\$0.87	8
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

Arkansas

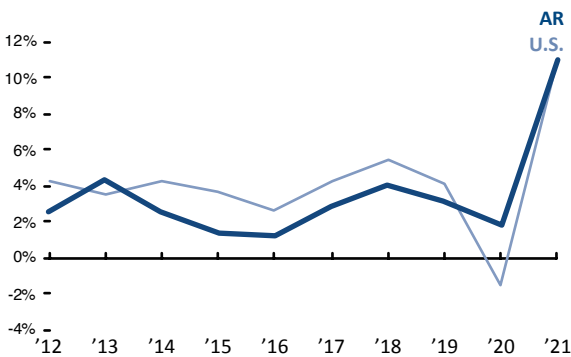
2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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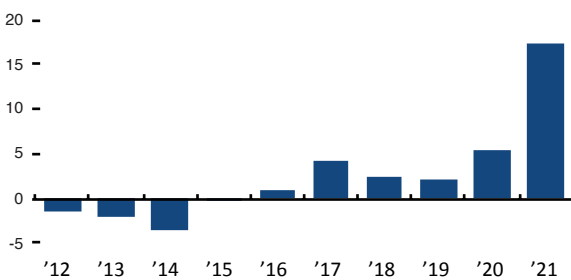
Economic
Performance Rank

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.

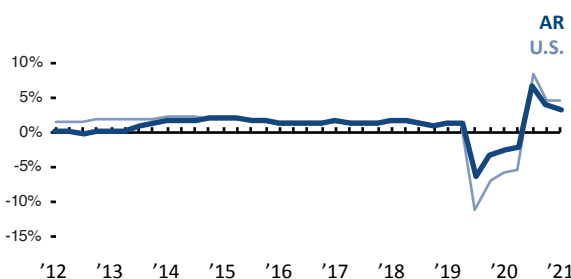
State Gross Domestic Product
Cumulative Growth 2011-2021 40.57% Rank: 28



Absolute Domestic Migration
Cumulative 2012-2021 25,636 Rank: 19
(in thousands)



Non-Farm Payroll Employment
Cumulative 2011-2021 10.56% Rank: 16



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 2016 2017 2018 2019 2020 2021 2022
ECONOMIC OUTLOOK RANK 20 23 22 23 22 23 16

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.90%	18
Top Marginal Corporate Income Tax Rate	5.30%	16
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$13.01	36
Property Tax Burden (per \$1,000 of personal income)	\$17.36	3
Sales Tax Burden (per \$1,000 of personal income)	\$36.28	47
Remaining Tax Burden (per \$1,000 of personal income)	\$16.03	24
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$4.15	3
Debt Service as a Share of Tax Revenue	4.46%	9
Public Employees Per 10,000 of Population (full-time equivalent)	546.7	37
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	69.5	30
State Minimum Wage (federal floor is \$7.25)	\$11.00	30
Average Workers' Compensation Costs (per \$100 of payroll)	\$0.65	3
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

California

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

18

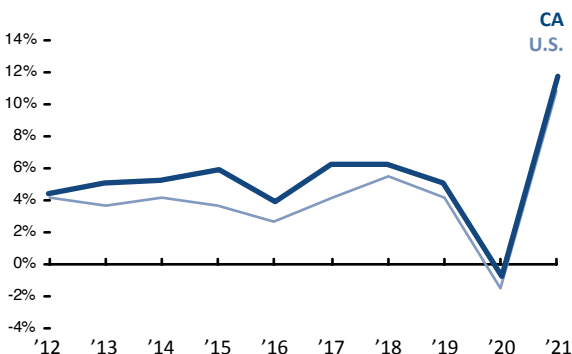
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

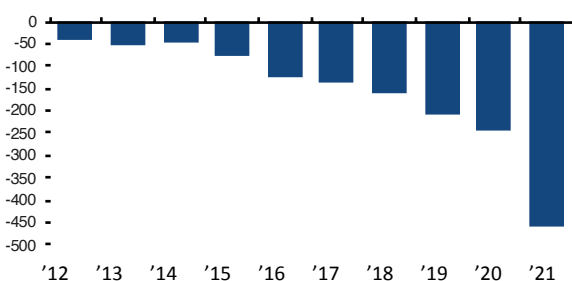
State Gross Domestic Product

Cumulative Growth 2011-2021 66.70% Rank: 4



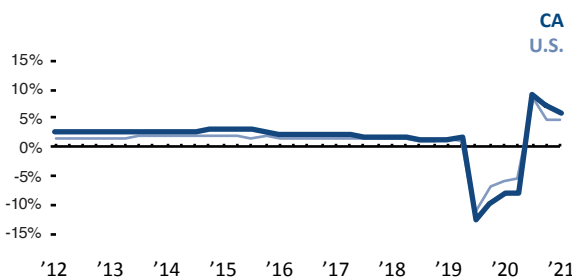
Absolute Domestic Migration

Cumulative 2012-2021 -1,551,510 Rank: 49
(in thousands)



Non-Farm Payroll Employment

Cumulative 2011-2021 17.85% Rank: 12



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

2016 2017 2018 2019 2020 2021 2022

ECONOMIC OUTLOOK RANK 46 47 47 47 46 45 48

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	13.30%	48
Top Marginal Corporate Income Tax Rate	8.84%	41
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$41.17	50
Property Tax Burden (per \$1,000 of personal income)	\$28.98	28
Sales Tax Burden (per \$1,000 of personal income)	\$22.21	23
Remaining Tax Burden (per \$1,000 of personal income)	\$17.20	29
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	\$0.00	29
Debt Service as a Share of Tax Revenue	7.36%	39
Public Employees Per 10,000 of Population (full-time equivalent)	467.3	8
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	60.2	48
State Minimum Wage (federal floor is \$7.25)	\$15.50	49
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.26	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)	2	3

Colorado

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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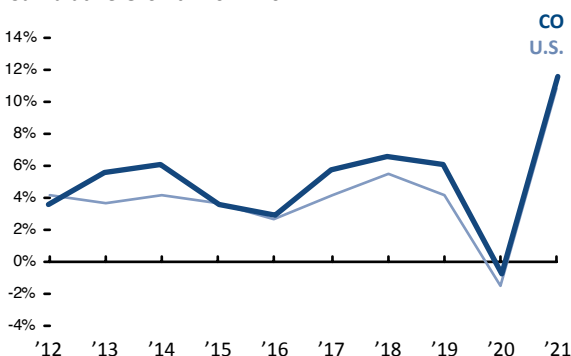
Economic
Performance Rank

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.

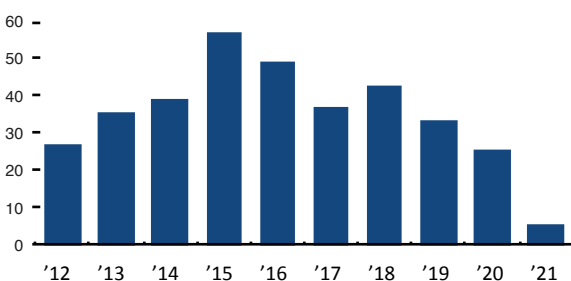
State Gross Domestic Product

Cumulative Growth 2011-2021 63.12% Rank: 6



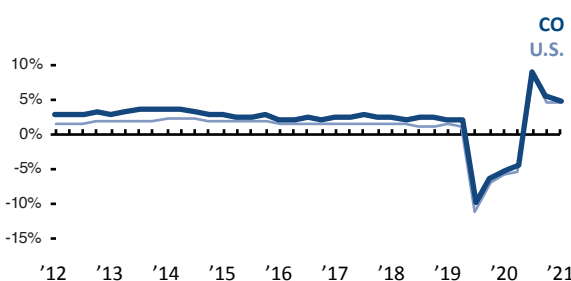
Absolute Domestic Migration

Cumulative 2012-2021 352,458 Rank: 6
(in thousands)



Non-Farm Payroll Employment

Cumulative 2011-2021 22.53% Rank: 6



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 2016 2017 2018 2019 2020 2021 2022

ECONOMIC OUTLOOK RANK 16 15 15 18 18 20 22

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.40%	14
Top Marginal Corporate Income Tax Rate	4.55%	9
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$8.13	23
Property Tax Burden (per \$1,000 of personal income)	\$30.64	31
Sales Tax Burden (per \$1,000 of personal income)	\$23.66	29
Remaining Tax Burden (per \$1,000 of personal income)	\$11.78	5
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	\$0.09	47
Debt Service as a Share of Tax Revenue	9.54%	48
Public Employees Per 10,000 of Population (full-time equivalent)	534.2	35
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.7	21
State Minimum Wage (federal floor is \$7.25)	\$13.65	42
Average Workers' Compensation Costs (per \$100 of payroll)	\$0.93	10
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

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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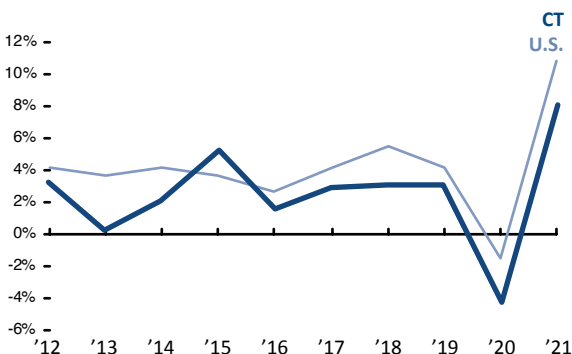
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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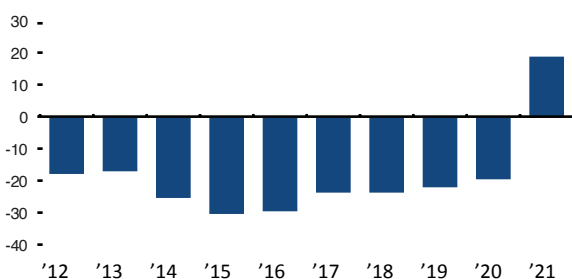
State Gross Domestic Product

Cumulative Growth 2011-2021 27.98% Rank: 45



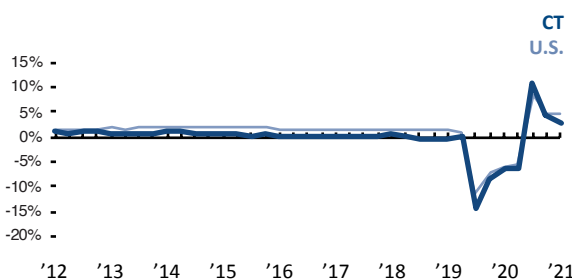
Absolute Domestic Migration

Cumulative 2012-2021 (in thousands) -188,418 Rank: 41



Non-Farm Payroll Employment

Cumulative 2011-2021 -0.25% Rank: 44



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

2016 2017 2018 2019 2020 2021 2022

ECONOMIC OUTLOOK RANK 47 46 40 40 40 39 35

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.99%	38
Top Marginal Corporate Income Tax Rate	7.50%	32
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$7.67	21
Property Tax Burden (per \$1,000 of personal income)	\$42.80	45
Sales Tax Burden (per \$1,000 of personal income)	\$16.53	11
Remaining Tax Burden (per \$1,000 of personal income)	\$13.46	11
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	\$0.00	29
Debt Service as a Share of Tax Revenue	7.13%	38
Public Employees Per 10,000 of Population (full-time equivalent)	491.7	19
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	73.8	3
State Minimum Wage (federal floor is \$7.25)	\$14.00	45
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.64	41
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Delaware

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

23

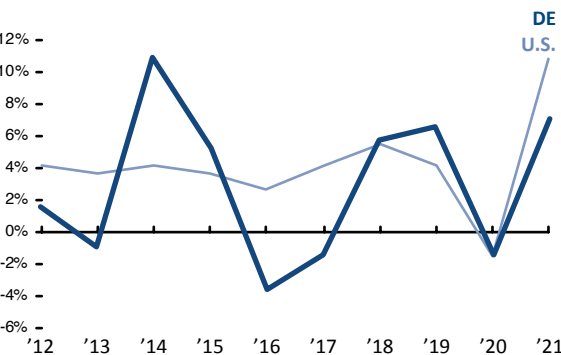
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

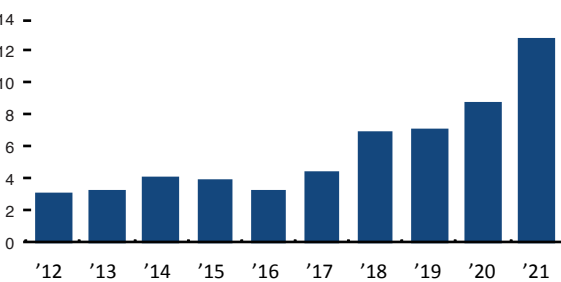
State Gross Domestic Product

Cumulative Growth 2011-2021 32.24% Rank: 41



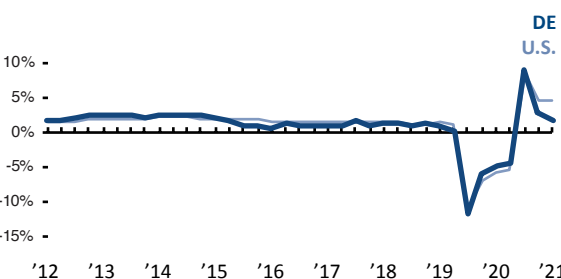
Absolute Domestic Migration

Cumulative 2012-2021 58,420 Rank: 16
(in thousands)



Non-Farm Payroll Employment

Cumulative 2011-2021 8.53% Rank: 20



29

Economic
Outlook Rank

Economic Outlook Rank (1=best 50=worst)

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

Historical Ranking Comparison 2016 2017 2018 2019 2020 2021 2022

ECONOMIC OUTLOOK RANK 44 37 36 36 24 31 30

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	7.85%	41
Top Marginal Corporate Income Tax Rate	11.72%	47
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$15.10	39
Property Tax Burden (per \$1,000 of personal income)	\$19.01	6
Sales Tax Burden (per \$1,000 of personal income)	\$0.00	1
Remaining Tax Burden (per \$1,000 of personal income)	\$50.65	50
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	\$0.00	29
Debt Service as a Share of Tax Revenue	5.50%	21
Public Employees Per 10,000 of Population (full-time equivalent)	499.8	22
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	76.3	1
State Minimum Wage (federal floor is \$7.25)	\$11.75	32
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.34	28
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Florida

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



1

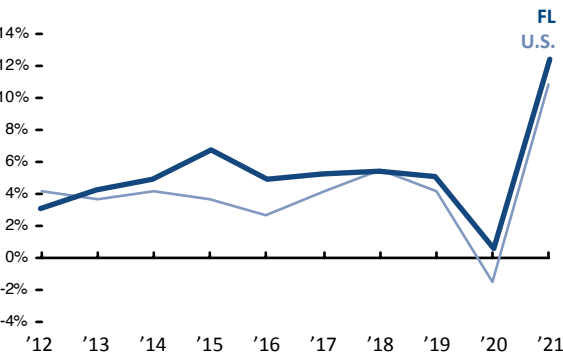
Economic
Performance Rank

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.

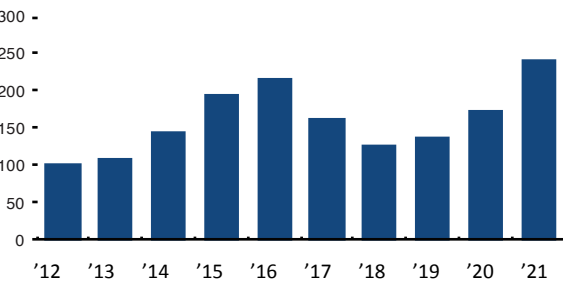
State Gross Domestic Product
Cumulative Growth 2011-2021

66.25% Rank: 5



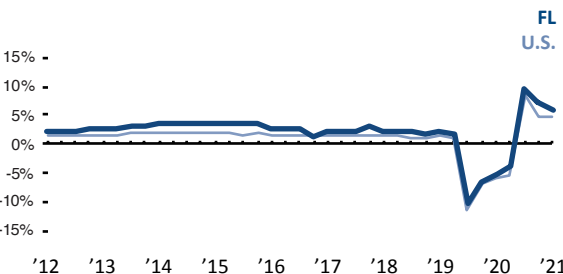
Absolute Domestic Migration
Cumulative 2012-2021
(in thousands)

1,627,395 Rank: 1



Non-Farm Payroll Employment
Cumulative 2011-2021

25.04% Rank: 4



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 2016 2017 2018 2019 2020 2021 2022
ECONOMIC OUTLOOK RANK 8 6 6 9 7 2 8

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	5.50%	17
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$0.00	2
Property Tax Burden (per \$1,000 of personal income)	\$27.59	23
Sales Tax Burden (per \$1,000 of personal income)	\$25.52	34
Remaining Tax Burden (per \$1,000 of personal income)	\$17.27	30
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$0.17	23
Debt Service as a Share of Tax Revenue	5.38%	18
Public Employees Per 10,000 of Population (full-time equivalent)	408.9	3
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	62.3	46
State Minimum Wage (federal floor is \$7.25)	\$11.00	30
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.26	23
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

Georgia

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

8

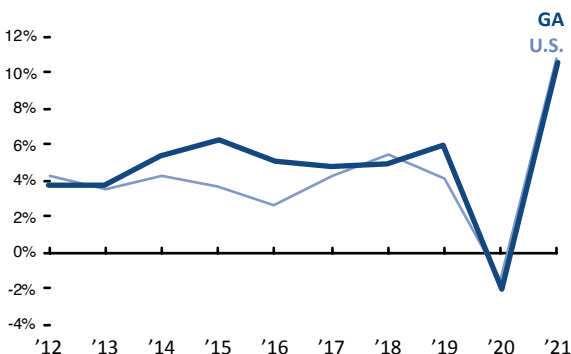
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

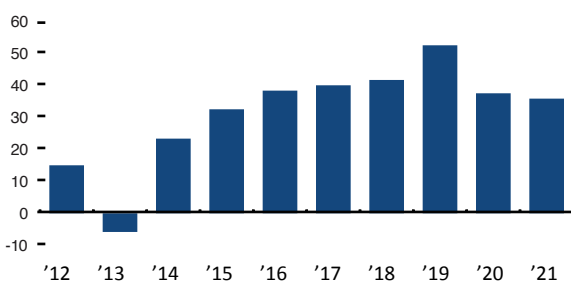
State Gross Domestic Product

Cumulative Growth 2011-2021 60.23% Rank: 8



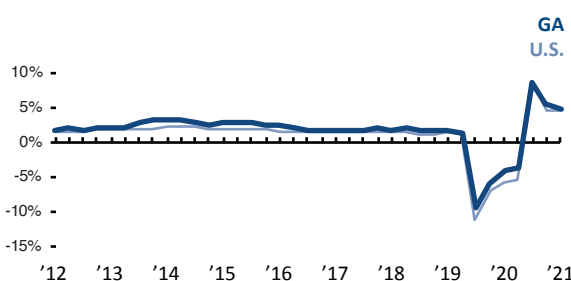
Absolute Domestic Migration

Cumulative 2012-2021 309,787 Rank: 9
(in thousands)



Non-Farm Payroll Employment

Cumulative 2011-2021 19.11% Rank: 8



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 2016 2017 2018 2019 2020 2021 2022
ECONOMIC OUTLOOK RANK 19 17 11 20 21 14 15

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.75%	23
Top Marginal Corporate Income Tax Rate	6.37%	22
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$9.34	26
Property Tax Burden (per \$1,000 of personal income)	\$26.45	19
Sales Tax Burden (per \$1,000 of personal income)	\$19.37	18
Remaining Tax Burden (per \$1,000 of personal income)	\$11.42	3
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$2.00	12
Debt Service as a Share of Tax Revenue	5.55%	22
Public Employees Per 10,000 of Population (full-time equivalent)	472.9	11
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	66.1	41
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.15	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)	0	32

Hawaii

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

45

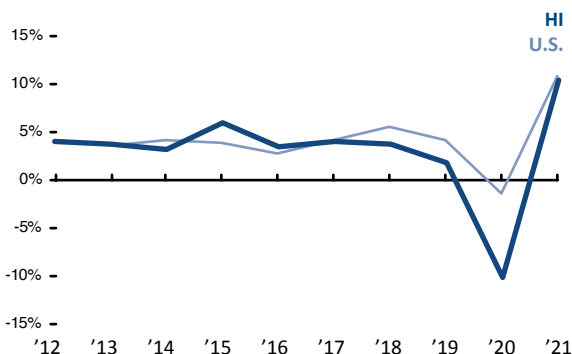
Economic
Performance Rank

Economic Performance Rank (1=best 50=worst)

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

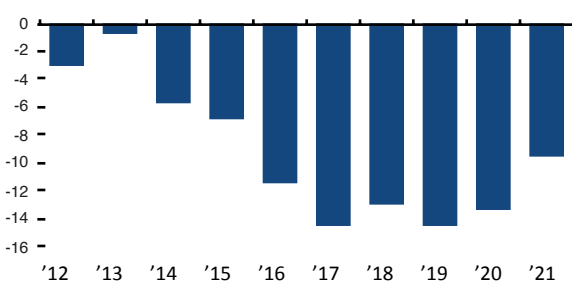
State Gross Domestic Product

Cumulative Growth 2011-2021 31.86% Rank: 42



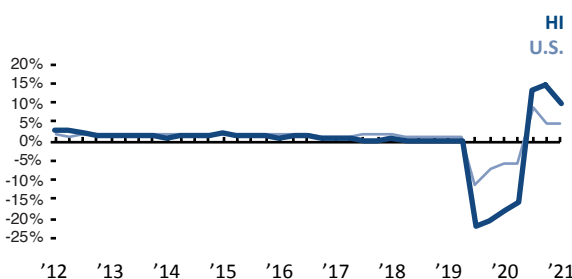
Absolute Domestic Migration

Cumulative 2012-2021 (in thousands) -92,442 Rank: 37



Non-Farm Payroll Employment

Cumulative 2011-2021 -0.78% Rank: 45



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

2016 2017 2018 2019 2020 2021 2022

ECONOMIC OUTLOOK RANK 42 43 45 45 44 42 43

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	11.00%	46
Top Marginal Corporate Income Tax Rate	6.40%	23
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$13.54	37
Property Tax Burden (per \$1,000 of personal income)	\$27.48	22
Sales Tax Burden (per \$1,000 of personal income)	\$48.84	50
Remaining Tax Burden (per \$1,000 of personal income)	\$26.58	48
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$3.50	5
Debt Service as a Share of Tax Revenue	3.79%	5
Public Employees Per 10,000 of Population (full-time equivalent)	509.1	25
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	71.1	15
State Minimum Wage (federal floor is \$7.25)	\$12.00	33
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.27	49
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Idaho

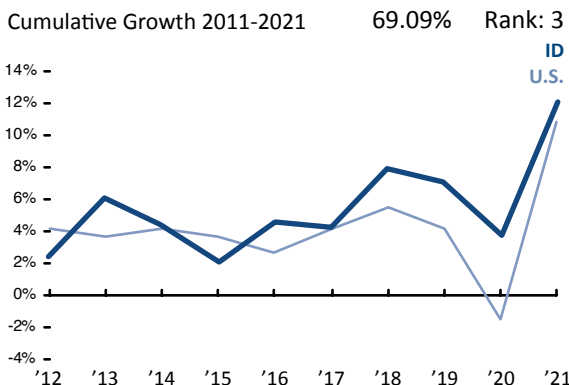
2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

4

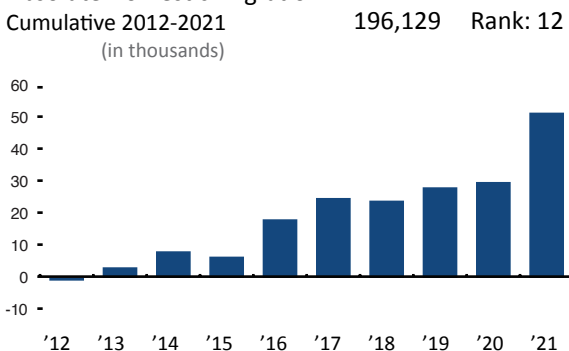
Economic
Performance Rank

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

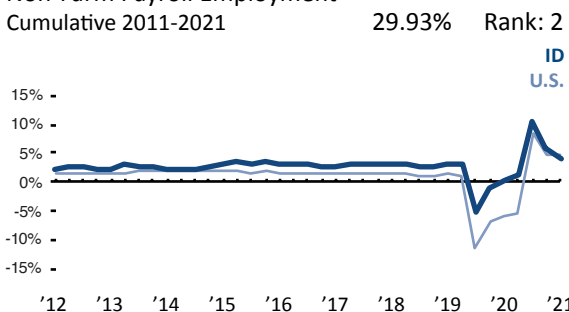
State Gross Domestic Product



Absolute Domestic Migration



Non-Farm Payroll Employment



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 2016 2017 2018 2019 2020 2021 2022
ECONOMIC OUTLOOK RANK 15 10 2 2 3 11 5

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.80%	25
Top Marginal Corporate Income Tax Rate	5.80%	18
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$10.71	30
Property Tax Burden (per \$1,000 of personal income)	\$23.84	14
Sales Tax Burden (per \$1,000 of personal income)	\$24.20	33
Remaining Tax Burden (per \$1,000 of personal income)	\$13.16	10
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$13.02	1
Debt Service as a Share of Tax Revenue	3.74%	4
Public Employees Per 10,000 of Population (full-time equivalent)	454.4	7
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)	\$1.43	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)	1	15

Illinois

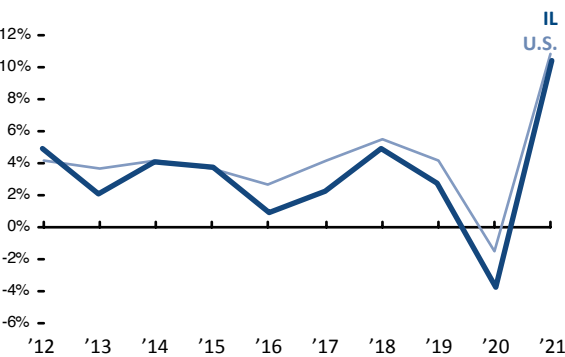
2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

44

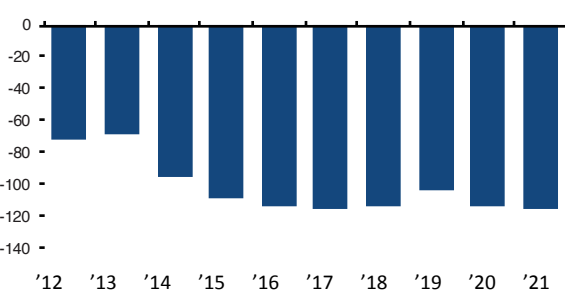
Economic
Performance Rank

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.

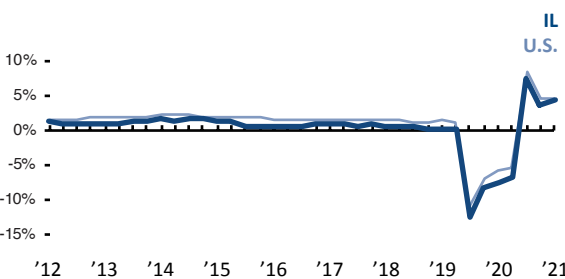
State Gross Domestic Product
Cumulative Growth 2011-2021 36.48% Rank: 36



Absolute Domestic Migration -1,016,236 Rank: 48
Cumulative 2012-2021
(in thousands)



Non-Farm Payroll Employment
Cumulative 2011-2021 3.81% Rank: 39



46

Economic
Outlook Rank

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

Historical Ranking Comparison 2016 2017 2018 2019 2020 2021 2022
ECONOMIC OUTLOOK RANK 43 44 48 48 47 47 45

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.95%	19
Top Marginal Corporate Income Tax Rate	9.50%	44
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$1.60	14
Property Tax Burden (per \$1,000 of personal income)	\$37.52	42
Sales Tax Burden (per \$1,000 of personal income)	\$19.24	17
Remaining Tax Burden (per \$1,000 of personal income)	\$21.35	41
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	\$0.00	29
Debt Service as a Share of Tax Revenue	9.61%	49
Public Employees Per 10,000 of Population (full-time equivalent)	473.1	12
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	59.6	50
State Minimum Wage (federal floor is \$7.25)	\$13.00	37
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.39	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)	0	32

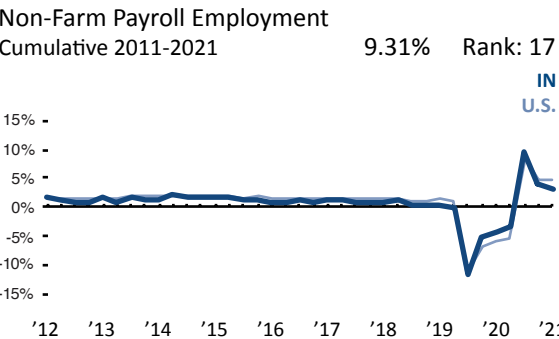
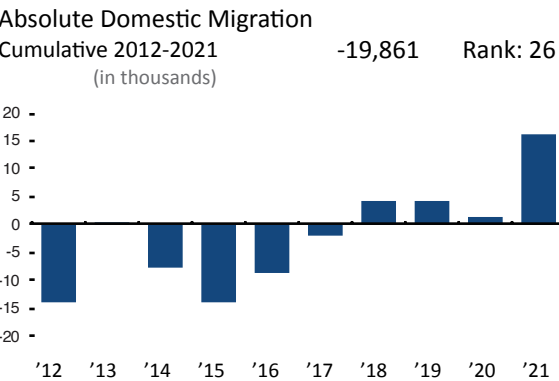
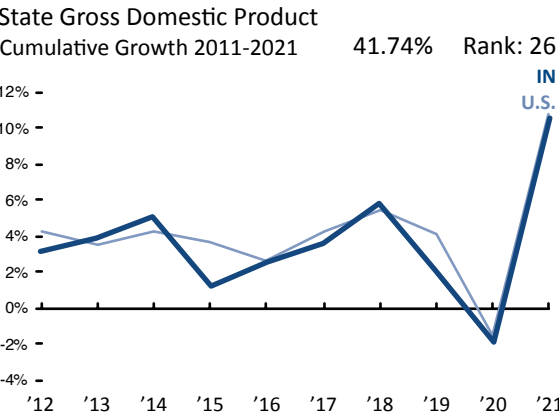
Indiana

2023 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.



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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	2016	2017	2018	2019	2020	2021	2022
ECONOMIC OUTLOOK RANK	6	2	3	3	4	6	7

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.17%	21
Top Marginal Corporate Income Tax Rate	4.90%	12
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$0.69	13
Property Tax Burden (per \$1,000 of personal income)	\$22.71	13
Sales Tax Burden (per \$1,000 of personal income)	\$24.04	31
Remaining Tax Burden (per \$1,000 of personal income)	\$16.29	25
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$0.82	19
Debt Service as a Share of Tax Revenue	6.40%	31
Public Employees Per 10,000 of Population (full-time equivalent)	475.3	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)	\$0.86	6
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Iowa

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

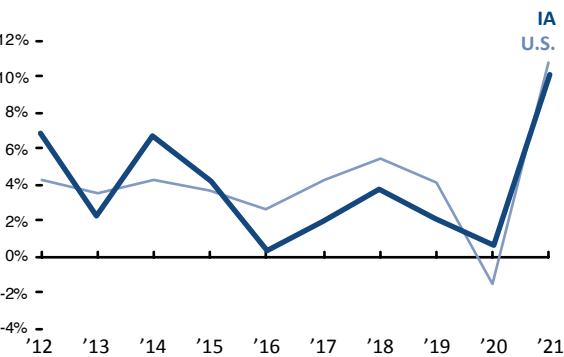


30

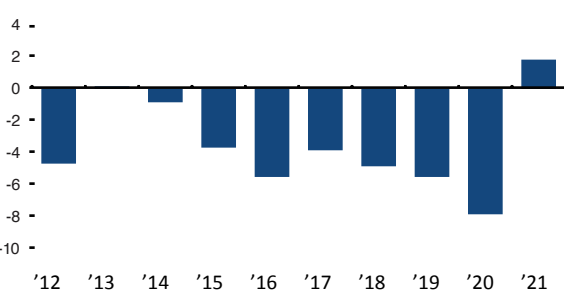
Economic
Performance Rank

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.

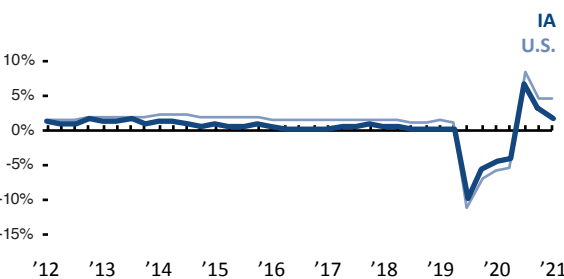
State Gross Domestic Product
Cumulative Growth 2011-2021 46.06% Rank: 22



Absolute Domestic Migration
Cumulative 2012-2021 -34,760 Rank: 30
(in thousands)



Non-Farm Payroll Employment
Cumulative 2011-2021 3.19% Rank: 40



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 2016 2017 2018 2019 2020 2021 2022
ECONOMIC OUTLOOK RANK 29 29 29 25 27 33 32

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.00%	29
Top Marginal Corporate Income Tax Rate	8.41%	39
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$5.89	19
Property Tax Burden (per \$1,000 of personal income)	\$34.67	38
Sales Tax Burden (per \$1,000 of personal income)	\$23.88	30
Remaining Tax Burden (per \$1,000 of personal income)	\$17.49	32
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$2.97	7
Debt Service as a Share of Tax Revenue	3.82%	6
Public Employees Per 10,000 of Population (full-time equivalent)	586.9	43
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)	\$1.52	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)	0	32

Kansas

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

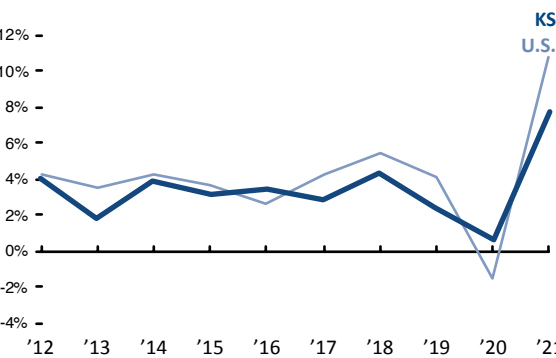


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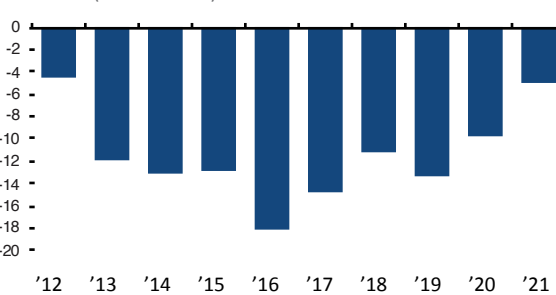
Economic
Performance Rank

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.

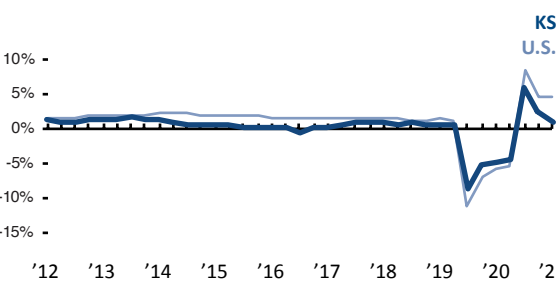
State Gross Domestic Product
Cumulative Growth 2011-2021 40.35% Rank: 29



Absolute Domestic Migration
Cumulative 2012-2021 -114,603 Rank: 39
(in thousands)



Non-Farm Payroll Employment
Cumulative 2011-2021 2.15% Rank: 42



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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 2016 2017 2018 2019 2020 2021 2022
ECONOMIC OUTLOOK RANK 27 26 26 26 25 26 28

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.70%	22
Top Marginal Corporate Income Tax Rate	7.00%	28
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$10.47	29
Property Tax Burden (per \$1,000 of personal income)	\$31.35	33
Sales Tax Burden (per \$1,000 of personal income)	\$27.63	38
Remaining Tax Burden (per \$1,000 of personal income)	\$12.40	6
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	\$0.95	49
Debt Service as a Share of Tax Revenue	5.07%	13
Public Employees Per 10,000 of Population (full-time equivalent)	678.2	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)	\$1.02	16
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	32

Kentucky

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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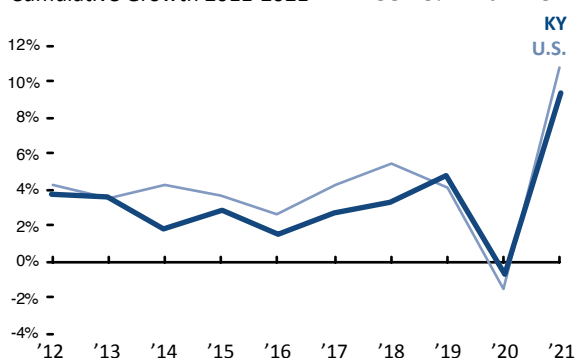
Economic
Performance Rank

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.

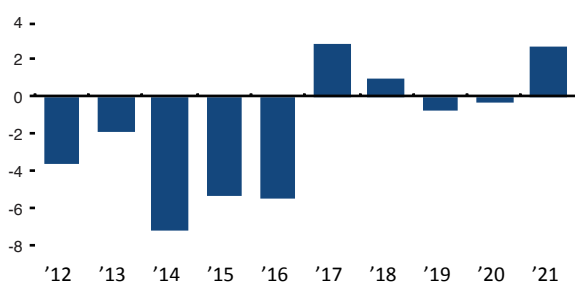
State Gross Domestic Product

Cumulative Growth 2011-2021 38.23% Rank: 32



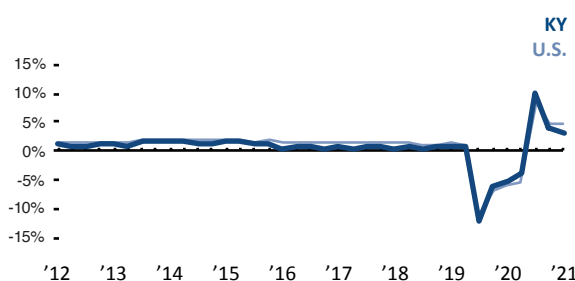
Absolute Domestic Migration

Cumulative 2012-2021 (in thousands) -17,607 Rank: 25



Non-Farm Payroll Employment

Cumulative 2011-2021 6.77% Rank: 24



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 2016 2017 2018 2019 2020 2021 2022

ECONOMIC OUTLOOK RANK 33 33 31 33 31 29 34

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.70%	35
Top Marginal Corporate Income Tax Rate	7.20%	30
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$1.66	15
Property Tax Burden (per \$1,000 of personal income)	\$19.76	7
Sales Tax Burden (per \$1,000 of personal income)	\$20.25	21
Remaining Tax Burden (per \$1,000 of personal income)	\$18.68	37
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$2.00	11
Debt Service as a Share of Tax Revenue	7.10%	37
Public Employees Per 10,000 of Population (full-time equivalent)	520.7	31
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)	\$0.83	5
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	32

Louisiana

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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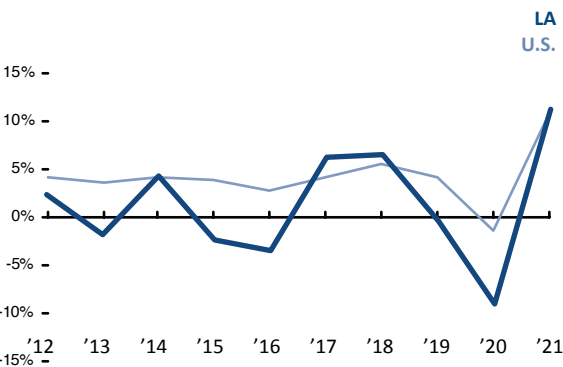
Economic
Performance Rank

26

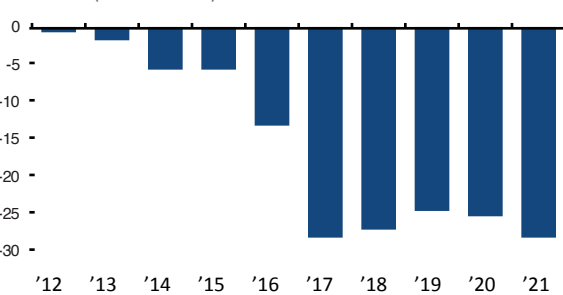
Economic
Outlook Rank

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

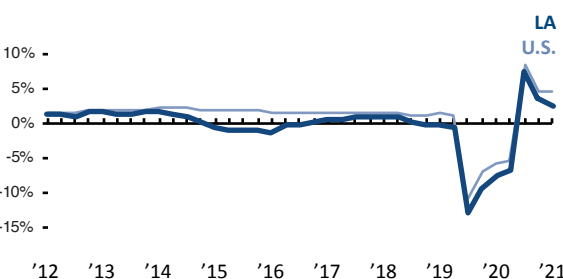
State Gross Domestic Product
Cumulative Growth 2011-2021 12.45% Rank: 48



Absolute Domestic Migration
Cumulative 2012-2021 -160,671 Rank: 40
(in thousands)



Non-Farm Payroll Employment
Cumulative 2011-2021 -1.24% Rank: 46



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 2016 2017 2018 2019 2020 2021 2022
ECONOMIC OUTLOOK RANK 28 28 27 27 30 22 20

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.25%	13
Top Marginal Corporate Income Tax Rate	5.93%	20
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$9.63	27
Property Tax Burden (per \$1,000 of personal income)	\$18.44	5
Sales Tax Burden (per \$1,000 of personal income)	\$34.85	46
Remaining Tax Burden (per \$1,000 of personal income)	\$14.73	19
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$0.01	28
Debt Service as a Share of Tax Revenue	6.18%	30
Public Employees Per 10,000 of Population (full-time equivalent)	561.2	39
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)	\$2.13	46
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

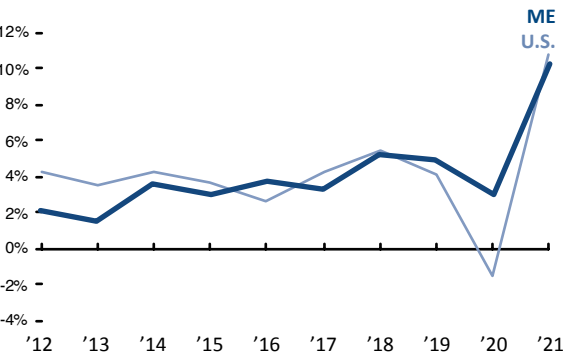
2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

21

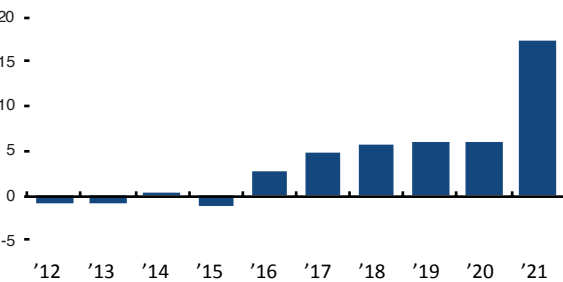
Economic
Performance Rank

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

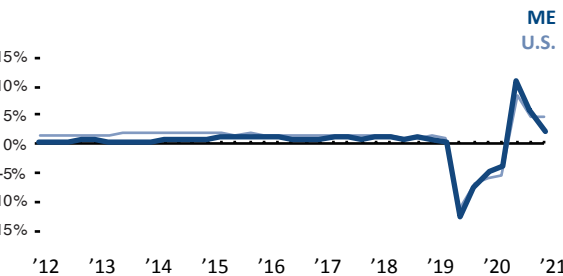
State Gross Domestic Product
Cumulative Growth 2011-2021 48.29% Rank: 19



Absolute Domestic Migration
Cumulative 2012-2021 39,893 Rank: 18
(in thousands)



Non-Farm Payroll Employment
Cumulative 2011-2021 3.83% Rank: 38



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 2016 2017 2018 2019 2020 2021 2022
ECONOMIC OUTLOOK RANK 38 42 42 42 41 43 44

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	7.15%	39
Top Marginal Corporate Income Tax Rate	8.93%	42
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$23.21	46
Property Tax Burden (per \$1,000 of personal income)	\$53.94	50
Sales Tax Burden (per \$1,000 of personal income)	\$23.06	27
Remaining Tax Burden (per \$1,000 of personal income)	\$15.50	21
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	\$0.00	29
Debt Service as a Share of Tax Revenue	3.58%	3
Public Employees Per 10,000 of Population (full-time equivalent)	511.3	26
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	73.8	2
State Minimum Wage (federal floor is \$7.25)	\$13.80	43
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.67	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)	1	15

Maryland

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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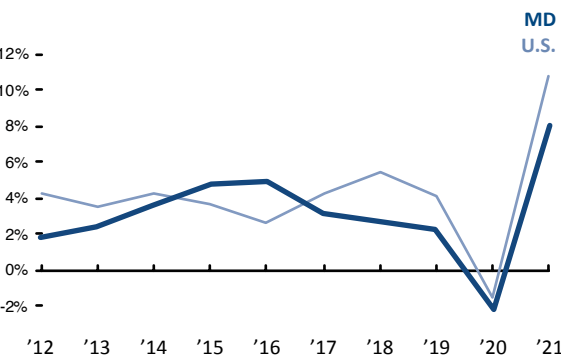
Economic
Performance Rank

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 2011-2021

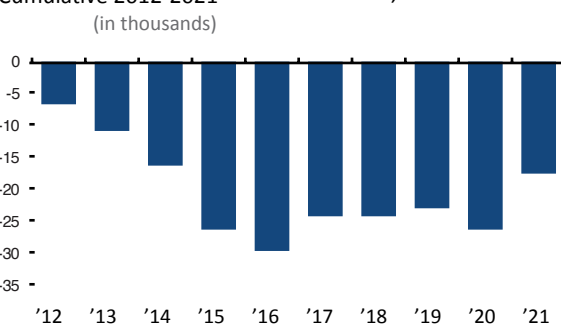
36.06% Rank: 37



Absolute Domestic Migration

Cumulative 2012-2021
(in thousands)

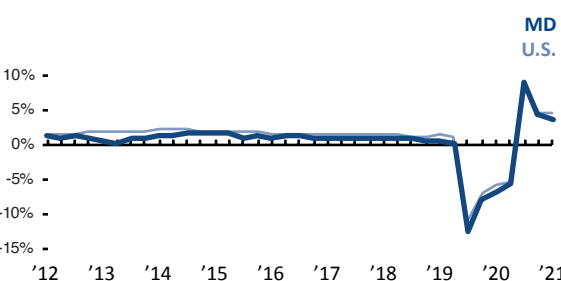
-205,062 Rank: 42



Non-Farm Payroll Employment

Cumulative 2011-2021

5.02% Rank: 32



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 2016 2017 2018 2019 2020 2021 2022
ECONOMIC OUTLOOK RANK 31 34 32 35 37 40 42

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	8.95%	43
Top Marginal Corporate Income Tax Rate	8.25%	38
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$8.95	25
Property Tax Burden (per \$1,000 of personal income)	\$27.25	20
Sales Tax Burden (per \$1,000 of personal income)	\$12.49	7
Remaining Tax Burden (per \$1,000 of personal income)	\$20.17	38
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$0.06	26
Debt Service as a Share of Tax Revenue	5.79%	26
Public Employees Per 10,000 of Population (full-time equivalent)	500.6	24
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	69.7	27
State Minimum Wage (federal floor is \$7.25)	\$13.25	40
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.04	18
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	32

Massachusetts

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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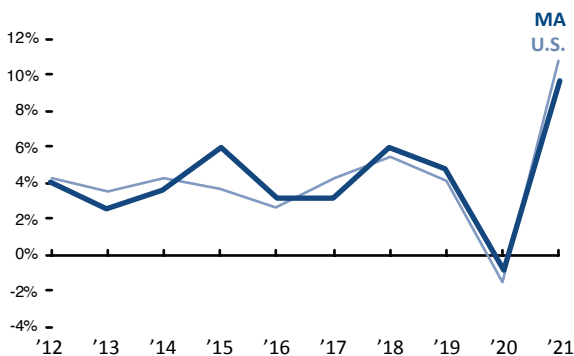
Economic
Performance Rank

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 2011-2021

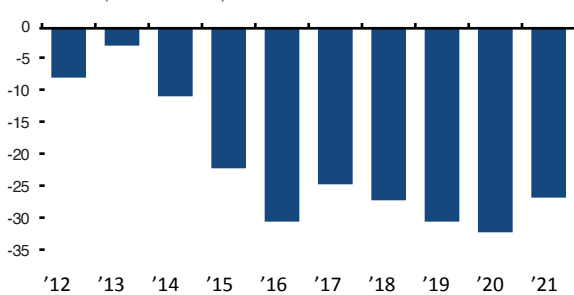
50.72% Rank: 17



Absolute Domestic Migration
Cumulative 2012-2021

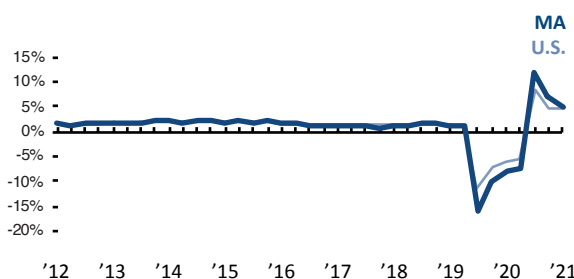
-215,004 Rank: 43

(in thousands)



Non-Farm Payroll Employment
Cumulative 2011-2021

9.08% Rank: 18



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

2016 2017 2018 2019 2020 2021 2022

ECONOMIC OUTLOOK RANK 26 25 25 28 35 30 33

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	9.00%	44
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)	\$34.80	39
Sales Tax Burden (per \$1,000 of personal income)	\$12.80	8
Remaining Tax Burden (per \$1,000 of personal income)	\$10.76	2
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	\$0.00	29
Debt Service as a Share of Tax Revenue	7.10%	36
Public Employees Per 10,000 of Population (full-time equivalent)	471.9	10
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	69.6	28
State Minimum Wage (federal floor is \$7.25)	\$15.00	48
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.05	19
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Michigan

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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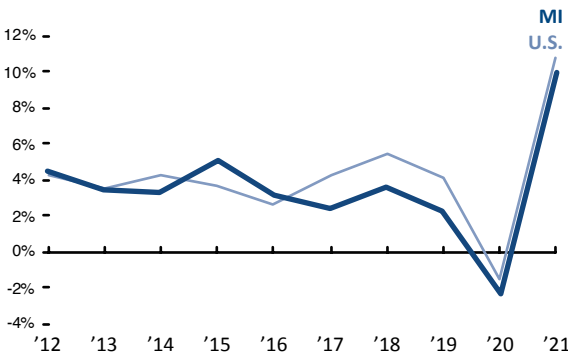
Economic
Performance Rank

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.

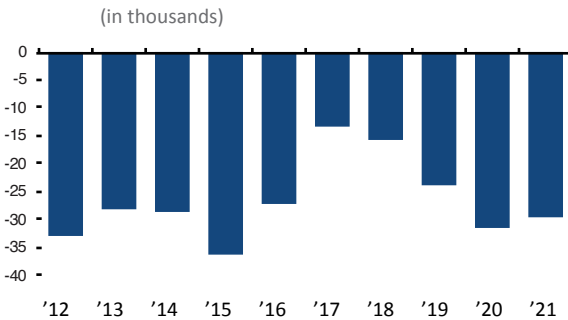
State Gross Domestic Product

Cumulative Growth 2011-2021 41.44% Rank: 27



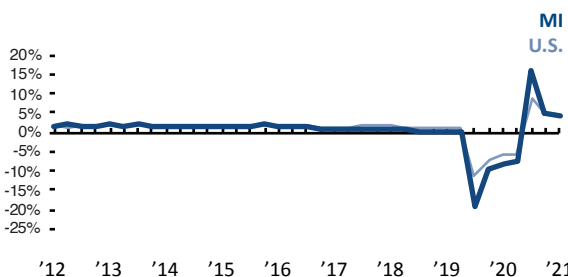
Absolute Domestic Migration

Cumulative 2012-2021 -266,902 Rank: 46



Non-Farm Payroll Employment

Cumulative 2011-2021 6.55% Rank: 25



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

2016 2017 2018 2019 2020 2021 2022

ECONOMIC OUTLOOK RANK 22 20 18 12 14 16 17

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.65%	34
Top Marginal Corporate Income Tax Rate	8.00%	36
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$2.83	16
Property Tax Burden (per \$1,000 of personal income)	\$30.92	32
Sales Tax Burden (per \$1,000 of personal income)	\$17.77	13
Remaining Tax Burden (per \$1,000 of personal income)	\$13.92	14
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	\$0.00	29
Debt Service as a Share of Tax Revenue	7.41%	40
Public Employees Per 10,000 of Population (full-time equivalent)	417.8	4
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	68.8	33
State Minimum Wage (federal floor is \$7.25)	\$10.10	23
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.00	13
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

Minnesota

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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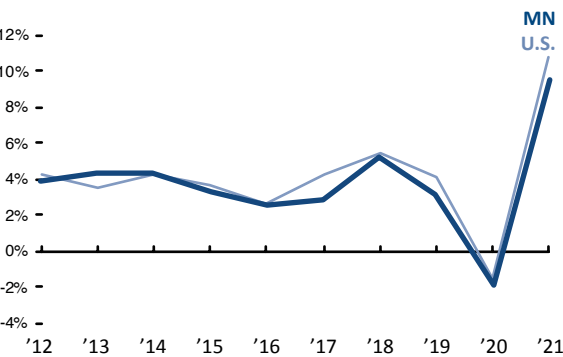
Economic
Performance Rank

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.

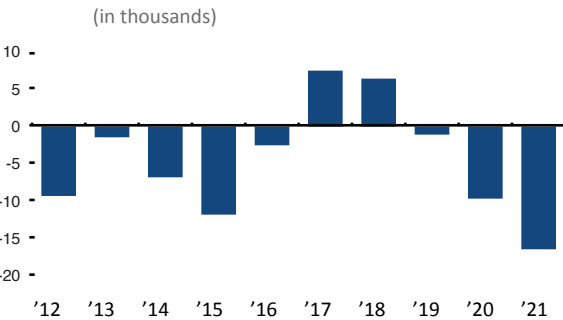
State Gross Domestic Product Cumulative Growth 2011-2021

43.69% Rank: 23



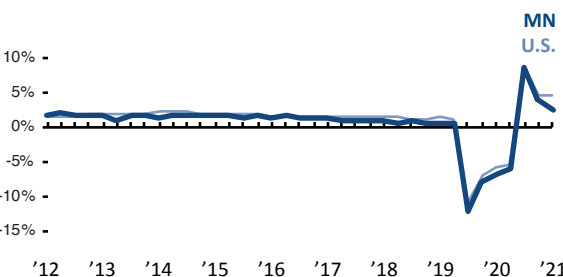
Absolute Domestic Migration Cumulative 2012-2021 (in thousands)

-44,722 Rank: 31



Non-Farm Payroll Employment Cumulative 2011-2021

5.55% Rank: 30



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 2016 2017 2018 2019 2020 2021 2022

ECONOMIC OUTLOOK RANK 45 45 44 41 45 46 46

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	9.85%	45
Top Marginal Corporate Income Tax Rate	9.80%	45
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$21.04	45
Property Tax Burden (per \$1,000 of personal income)	\$29.28	29
Sales Tax Burden (per \$1,000 of personal income)	\$19.58	19
Remaining Tax Burden (per \$1,000 of personal income)	\$22.06	44
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	\$0.00	29
Debt Service as a Share of Tax Revenue	5.20%	16
Public Employees Per 10,000 of Population (full-time equivalent)	523.4	32
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.7	20
State Minimum Wage (federal floor is \$7.25)	\$10.59	27
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.55	39
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	32

Mississippi

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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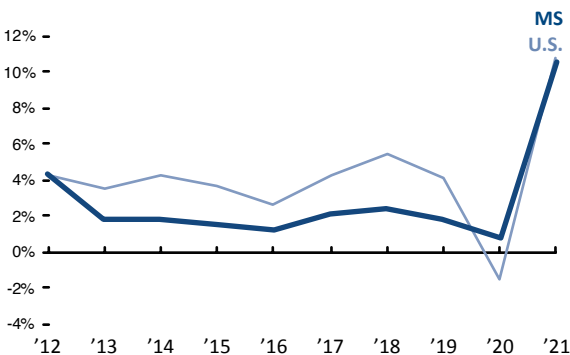
Economic
Performance Rank

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.

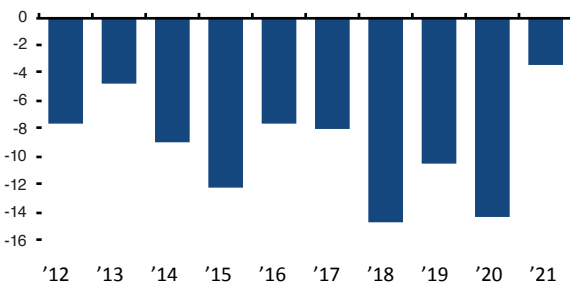
State Gross Domestic Product

Cumulative Growth 2011-2021 32.31% Rank: 40



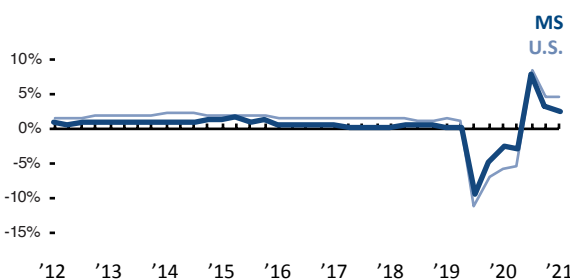
Absolute Domestic Migration

Cumulative 2012-2021 -91,808 Rank: 36
(in thousands)



Non-Farm Payroll Employment

Cumulative 2011-2021 5.64% Rank: 28



22

Economic
Outlook Rank

Economic Outlook Rank (1=best 50=worst)

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

Historical Ranking Comparison 2016 2017 2018 2019 2020 2021 2022

ECONOMIC OUTLOOK RANK 17 22 24 19 20 27 27

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.00%	20
Top Marginal Corporate Income Tax Rate	5.00%	14
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$12.20	34
Property Tax Burden (per \$1,000 of personal income)	\$28.11	27
Sales Tax Burden (per \$1,000 of personal income)	\$31.01	42
Remaining Tax Burden (per \$1,000 of personal income)	\$17.58	33
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$3.69	4
Debt Service as a Share of Tax Revenue	4.78%	12
Public Employees Per 10,000 of Population (full-time equivalent)	606.9	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)	\$0.98	12
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Missouri

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

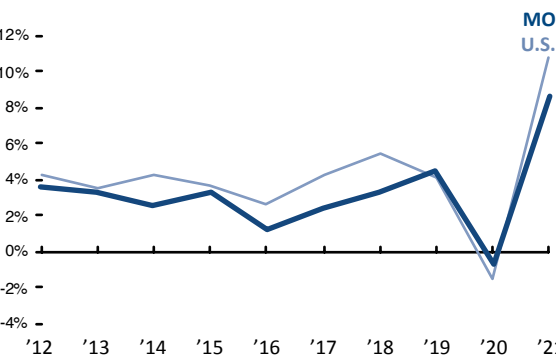


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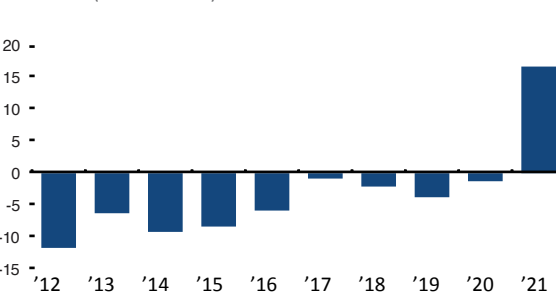
Economic
Performance Rank

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.

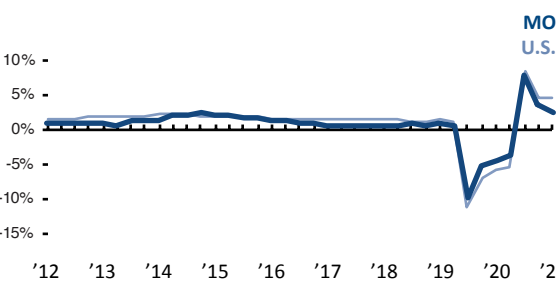
State Gross Domestic Product
Cumulative Growth 2011-2021 36.82% Rank: 35



Absolute Domestic Migration
Cumulative 2012-2021 -32,793 Rank: 28
(in thousands)



Non-Farm Payroll Employment
Cumulative 2011-2021 6.86% Rank: 23



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 2016 2017 2018 2019 2020 2021 2022
ECONOMIC OUTLOOK RANK 24 24 23 22 19 21 29

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.95%	27
Top Marginal Corporate Income Tax Rate	4.58%	10
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$11.41	31
Property Tax Burden (per \$1,000 of personal income)	\$21.91	11
Sales Tax Burden (per \$1,000 of personal income)	\$22.88	26
Remaining Tax Burden (per \$1,000 of personal income)	\$11.58	4
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	\$0.59	48
Debt Service as a Share of Tax Revenue	8.58%	45
Public Employees Per 10,000 of Population (full-time equivalent)	500.0	23
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	64.4	44
State Minimum Wage (federal floor is \$7.25)	\$12.00	33
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.54	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)	3	1

Montana

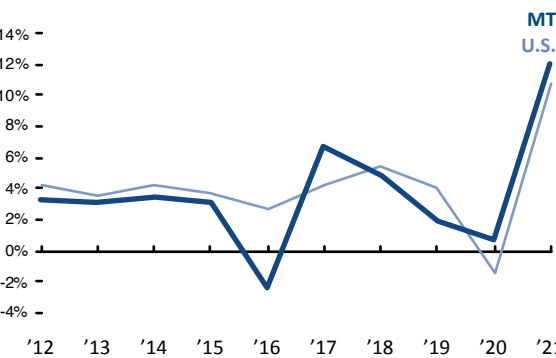
2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



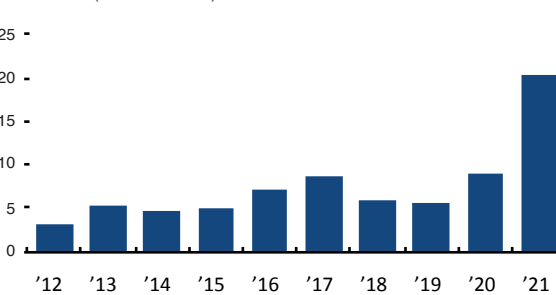
14 Economic
Performance Rank

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

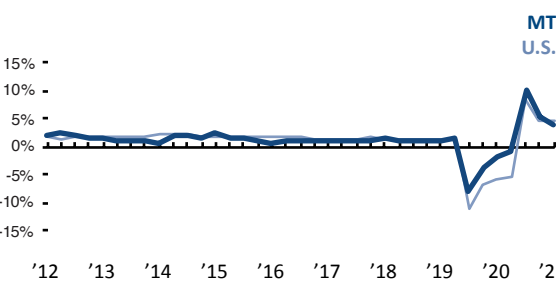
State Gross Domestic Product
Cumulative Growth 2011-2021 43.19% Rank: 25



Absolute Domestic Migration
Cumulative 2012-2021 74,490 Rank: 14
(in thousands)



Non-Farm Payroll Employment
Cumulative 2011-2021 14.63% Rank: 15



33 Economic
Outlook Rank

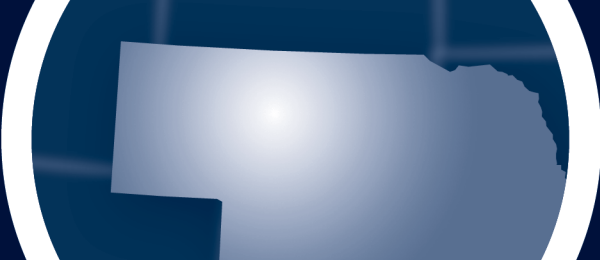
Economic Outlook Rank (1=best 50=worst)
A forward-looking forecast based on the state's standing (equal-weighted average) in the 15 important state policy variables shown below. Data reflect state and local rates and revenues and any effect of federal deductibility.

Historical Ranking Comparison 2016 2017 2018 2019 2020 2021 2022
ECONOMIC OUTLOOK RANK 40 39 43 39 33 34 31

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.75%	36
Top Marginal Corporate Income Tax Rate	6.75%	27
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$16.40	42
Property Tax Burden (per \$1,000 of personal income)	\$34.57	37
Sales Tax Burden (per \$1,000 of personal income)	\$0.00	1
Remaining Tax Burden (per \$1,000 of personal income)	\$21.07	40
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$0.09	25
Debt Service as a Share of Tax Revenue	4.50%	10
Public Employees Per 10,000 of Population (full-time equivalent)	539.0	36
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	72.5	7
State Minimum Wage (federal floor is \$7.25)	\$9.95	22
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.46	36
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	32

Nebraska

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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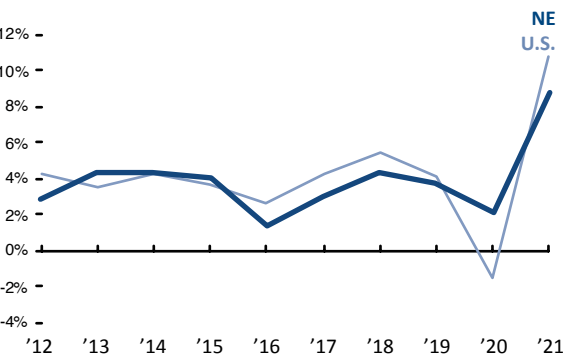
Economic
Performance Rank

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.

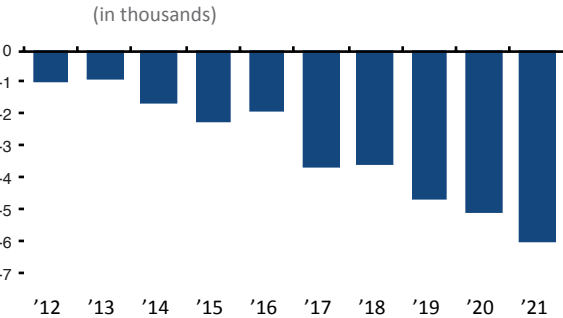
State Gross Domestic Product
Cumulative Growth 2011-2021

46.40% Rank: 21



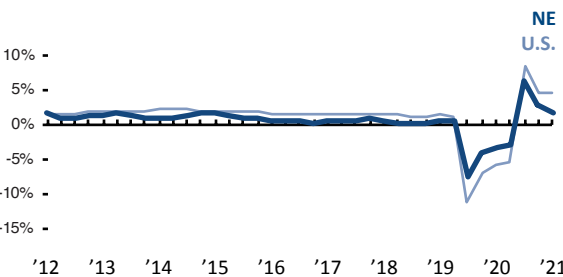
Absolute Domestic Migration
Cumulative 2012-2021
(in thousands)

-30,782 Rank: 27



Non-Farm Payroll Employment
Cumulative 2011-2021

5.37% Rank: 31



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 2016 2017 2018 2019 2020 2021 2022
ECONOMIC OUTLOOK RANK 32 32 28 34 36 35 36

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.64%	33
Top Marginal Corporate Income Tax Rate	7.25%	31
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$19.85	43
Property Tax Burden (per \$1,000 of personal income)	\$37.23	41
Sales Tax Burden (per \$1,000 of personal income)	\$23.58	28
Remaining Tax Burden (per \$1,000 of personal income)	\$14.17	15
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$0.98	18
Debt Service as a Share of Tax Revenue	4.75%	11
Public Employees Per 10,000 of Population (full-time equivalent)	636.0	47
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	72.3	8
State Minimum Wage (federal floor is \$7.25)	\$10.50	25
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.25	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	32

Nevada

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

11

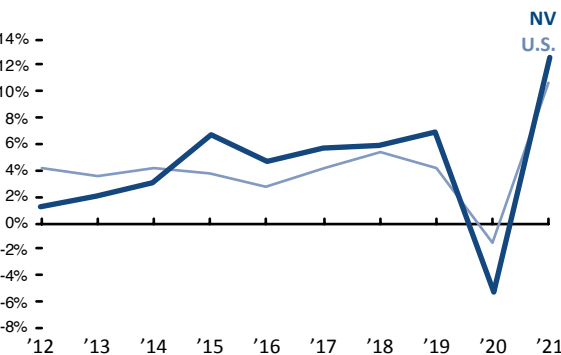
Economic
Performance Rank

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.

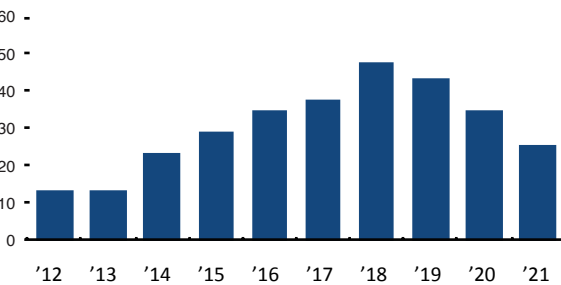
State Gross Domestic Product

Cumulative Growth 2011-2021 52.33% Rank: 16



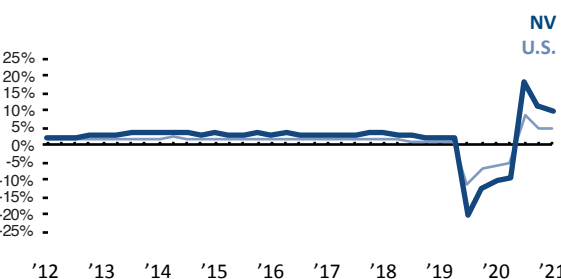
Absolute Domestic Migration

Cumulative 2012-2021 305,477 Rank: 10
(in thousands)



Non-Farm Payroll Employment

Cumulative 2011-2021 25.63% Rank: 3



10

Economic
Outlook Rank

Economic Outlook Rank (1=best 50=worst)

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

Historical Ranking Comparison 2016 2017 2018 2019 2020 2021 2022

ECONOMIC OUTLOOK RANK 14 13 13 5 6 7 6

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	0.63%	3
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$0.00	2
Property Tax Burden (per \$1,000 of personal income)	\$21.30	9
Sales Tax Burden (per \$1,000 of personal income)	\$37.37	48
Remaining Tax Burden (per \$1,000 of personal income)	\$29.31	49
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	\$0.00	29
Debt Service as a Share of Tax Revenue	8.03%	43
Public Employees Per 10,000 of Population (full-time equivalent)	362.3	1
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	69.5	29
State Minimum Wage (federal floor is \$7.25)	\$10.50	25
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.00	13
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

New Hampshire

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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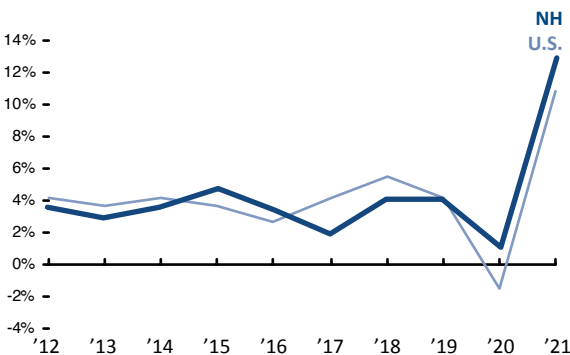
Economic
Performance Rank

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.

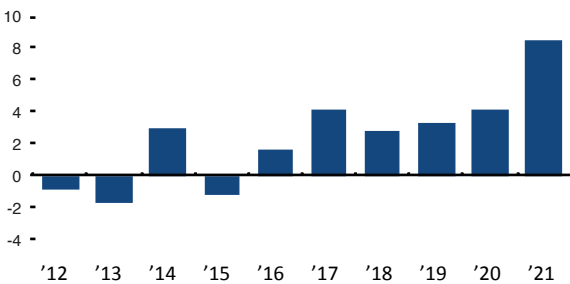
State Gross Domestic Product
Cumulative Growth 2011-2021

50.67% Rank: 18



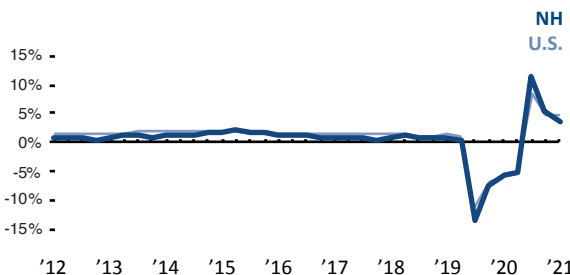
Absolute Domestic Migration
Cumulative 2012-2021
(in thousands)

24,040 Rank: 20



Non-Farm Payroll Employment
Cumulative 2011-2021

6.53% Rank: 26



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 2016 2017 2018 2019 2020 2021 2022
ECONOMIC OUTLOOK RANK 23 18 17 16 17 19 18

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	7.50%	32
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$0.00	2
Property Tax Burden (per \$1,000 of personal income)	\$49.41	48
Sales Tax Burden (per \$1,000 of personal income)	\$0.00	1
Remaining Tax Burden (per \$1,000 of personal income)	\$17.92	35
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$1.23	16
Debt Service as a Share of Tax Revenue	6.18%	29
Public Employees Per 10,000 of Population (full-time equivalent)	487.2	16
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)	\$1.39	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)	0	32

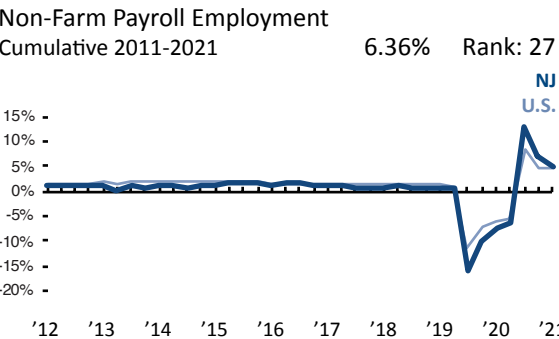
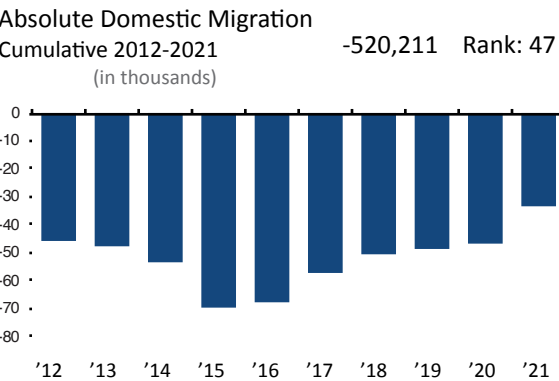
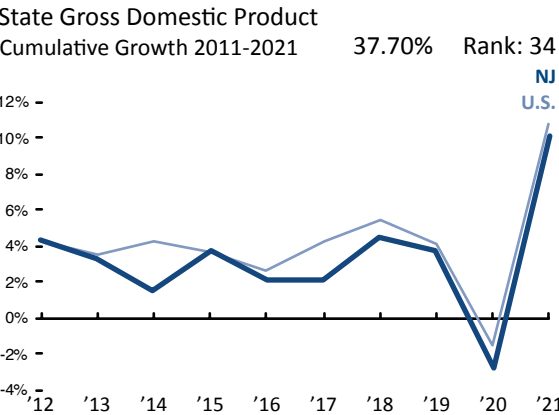
New Jersey

2023 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.



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 2016 2017 2018 2019 2020 2021 2022
ECONOMIC OUTLOOK RANK 48 48 46 46 48 48 49

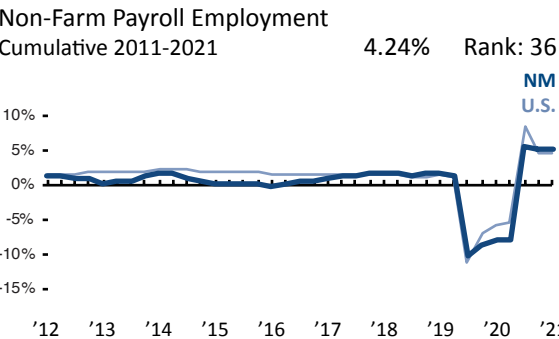
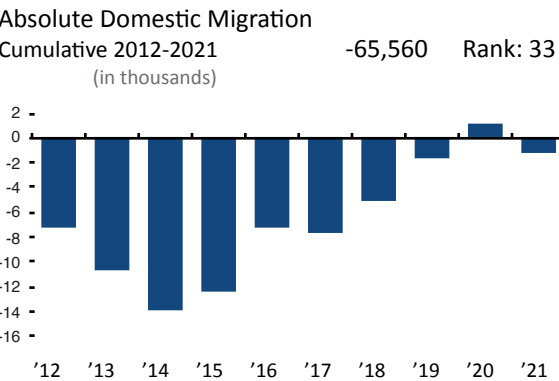
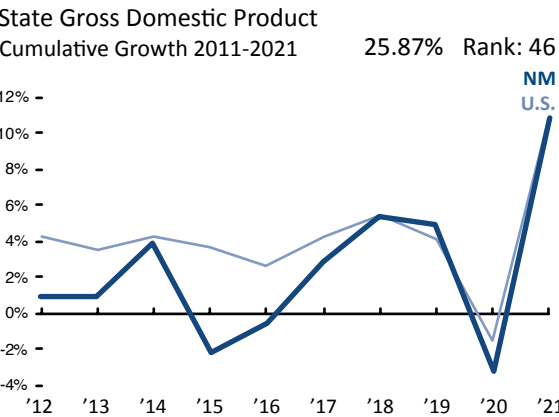
Variable	Data	Rank
Top Marginal Personal Income Tax Rate	11.75%	47
Top Marginal Corporate Income Tax Rate	11.50%	46
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$24.81	47
Property Tax Burden (per \$1,000 of personal income)	\$49.05	47
Sales Tax Burden (per \$1,000 of personal income)	\$17.05	12
Remaining Tax Burden (per \$1,000 of personal income)	\$12.99	9
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$0.19	22
Debt Service as a Share of Tax Revenue	5.12%	14
Public Employees Per 10,000 of Population (full-time equivalent)	497.7	20
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	65.4	43
State Minimum Wage (federal floor is \$7.25)	\$14.13	46
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.44	50
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

New Mexico

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

42 Economic
Performance Rank

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



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 2016 2017 2018 2019 2020 2021 2022
ECONOMIC OUTLOOK RANK 34 35 35 29 34 38 38

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.90%	26
Top Marginal Corporate Income Tax Rate	5.90%	19
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$12.78	35
Property Tax Burden (per \$1,000 of personal income)	\$19.79	8
Sales Tax Burden (per \$1,000 of personal income)	\$47.25	49
Remaining Tax Burden (per \$1,000 of personal income)	\$14.48	17
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	\$0.00	29
Debt Service as a Share of Tax Revenue	6.00%	27
Public Employees Per 10,000 of Population (full-time equivalent)	567.3	41
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.6	22
State Minimum Wage (federal floor is \$7.25)	\$12.00	33
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.27	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)	0	32

New York

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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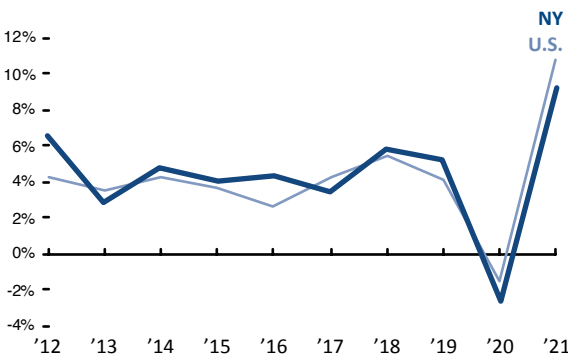
Economic
Performance Rank

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 2011-2021

52.40% Rank: 15

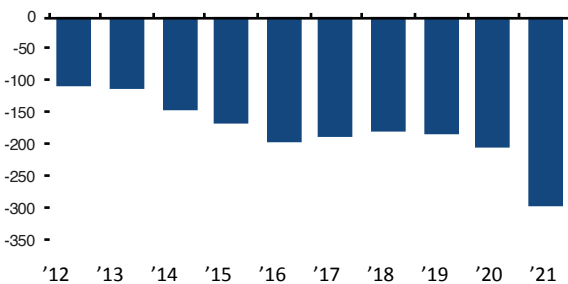


Absolute Domestic Migration

Cumulative 2012-2021

-1,778,252 Rank: 50

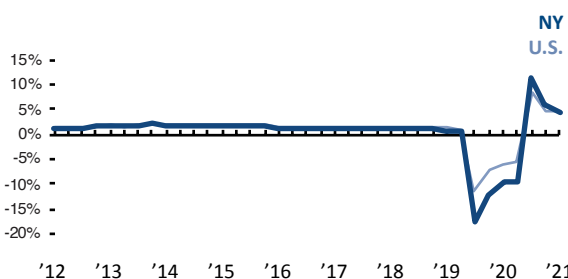
(in thousands)



Non-Farm Payroll Employment

Cumulative 2011-2021

5.59% Rank: 29



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

2016 2017 2018 2019 2020 2021 2022

ECONOMIC OUTLOOK RANK 50 50 50 50 50 50 50

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	14.78%	50
Top Marginal Corporate Income Tax Rate	18.28%	50
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$11.72	32
Property Tax Burden (per \$1,000 of personal income)	\$44.71	46
Sales Tax Burden (per \$1,000 of personal income)	\$24.12	32
Remaining Tax Burden (per \$1,000 of personal income)	\$17.38	31
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	\$2.17	50
Debt Service as a Share of Tax Revenue	8.92%	47
Public Employees Per 10,000 of Population (full-time equivalent)	593.8	44
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	67.7	36
State Minimum Wage (federal floor is \$7.25)	\$14.20	47
Average Workers' Compensation Costs (per \$100 of payroll)	\$2.15	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)	0	32

North Carolina

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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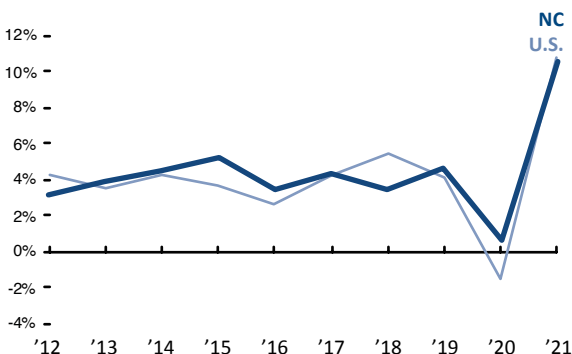
Economic
Performance Rank

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.

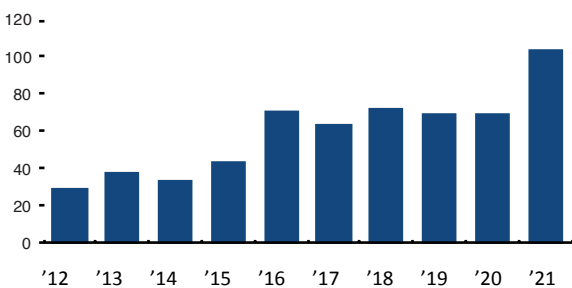
State Gross Domestic Product

Cumulative Growth 2011-2021 53.37% Rank: 12



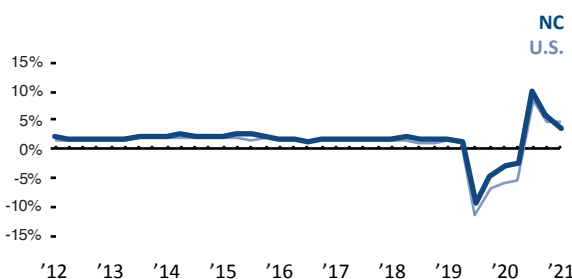
Absolute Domestic Migration

Cumulative 2012-2021 (in thousands) 600,579 Rank: 4



Non-Farm Payroll Employment

Cumulative 2011-2021 18.00% Rank: 11



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 2016 2017 2018 2019 2020 2021 2022

ECONOMIC OUTLOOK RANK 2 3 7 6 5 5 2

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.75%	15
Top Marginal Corporate Income Tax Rate	2.50%	4
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$8.08	22
Property Tax Burden (per \$1,000 of personal income)	\$21.48	10
Sales Tax Burden (per \$1,000 of personal income)	\$22.53	25
Remaining Tax Burden (per \$1,000 of personal income)	\$14.56	18
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$2.54	8
Debt Service as a Share of Tax Revenue	5.19%	15
Public Employees Per 10,000 of Population (full-time equivalent)	518.4	29
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.9	16
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.16	21
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

North Dakota

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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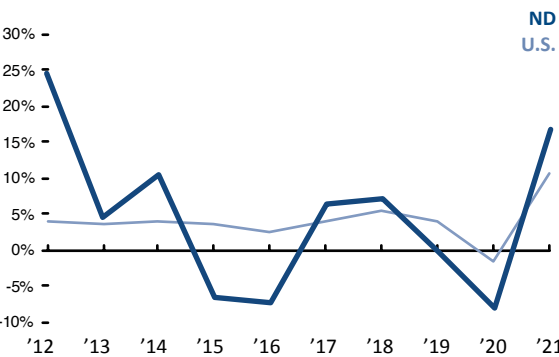
Economic
Performance Rank

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.

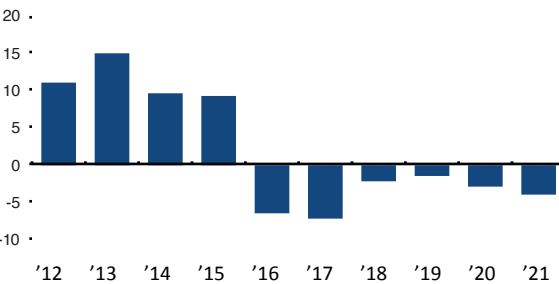
State Gross Domestic Product

Cumulative Growth 2011-2021 52.83% Rank: 14



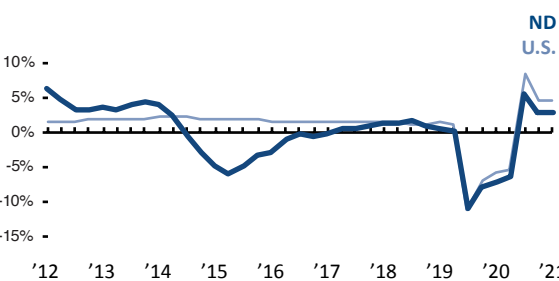
Absolute Domestic Migration

Cumulative 2012-2021 21,423 Rank: 21
(in thousands)



Non-Farm Payroll Employment

Cumulative 2011-2021 2.68% Rank: 41



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Economic
Outlook Rank

Economic Outlook Rank (1=best 50=worst)

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

Historical Ranking Comparison 2016 2017 2018 2019 2020 2021 2022
ECONOMIC OUTLOOK RANK 3 4 4 4 11 8 9

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	2.90%	11
Top Marginal Corporate Income Tax Rate	4.31%	8
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$8.48	24
Property Tax Burden (per \$1,000 of personal income)	\$25.95	17
Sales Tax Burden (per \$1,000 of personal income)	\$29.21	40
Remaining Tax Burden (per \$1,000 of personal income)	\$17.01	27
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$5.62	2
Debt Service as a Share of Tax Revenue	5.39%	19
Public Employees Per 10,000 of Population (full-time equivalent)	624.6	46
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)	\$0.58	1
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	32

Ohio

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

35

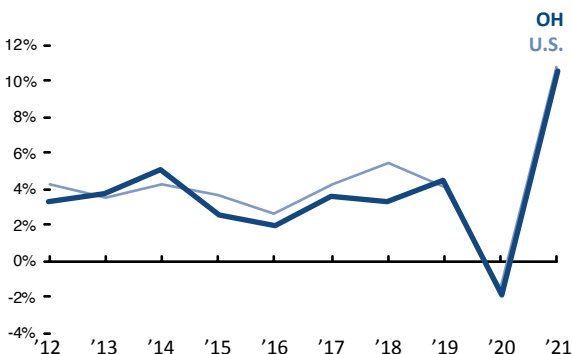
Economic
Performance Rank

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.

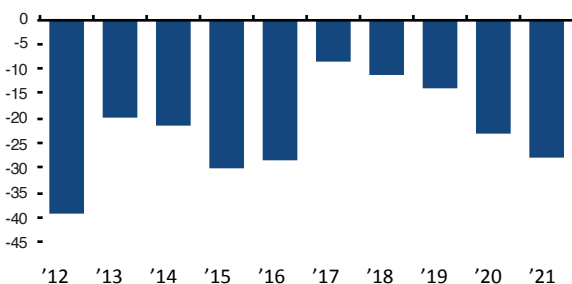
State Gross Domestic Product

Cumulative Growth 2011-2021 43.25% Rank: 24



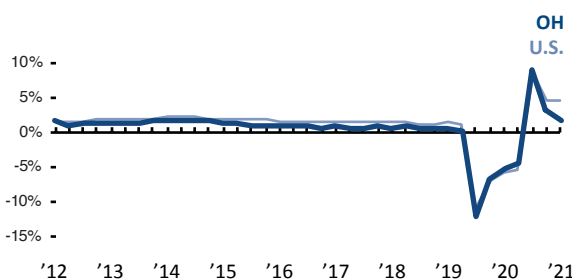
Absolute Domestic Migration

Cumulative 2012-2021 -223,460 Rank: 44
(in thousands)



Non-Farm Payroll Employment

Cumulative 2011-2021 4.87% Rank: 33



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

2016 2017 2018 2019 2020 2021 2022

ECONOMIC OUTLOOK RANK 18 19 21 24 29 28 19

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.49%	30
Top Marginal Corporate Income Tax Rate	3.65%	6
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$15.80	41
Property Tax Burden (per \$1,000 of personal income)	\$28.06	26
Sales Tax Burden (per \$1,000 of personal income)	\$21.70	22
Remaining Tax Burden (per \$1,000 of personal income)	\$16.63	26
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$1.19	17
Debt Service as a Share of Tax Revenue	5.75%	25
Public Employees Per 10,000 of Population (full-time equivalent)	476.6	15
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	67.7	35
State Minimum Wage (federal floor is \$7.25)	\$10.10	23
Average Workers' Compensation Costs (per \$100 of payroll)	\$0.77	4
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Oklahoma

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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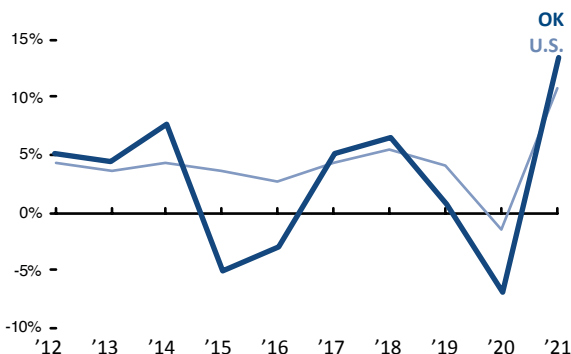
Economic
Performance Rank

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.

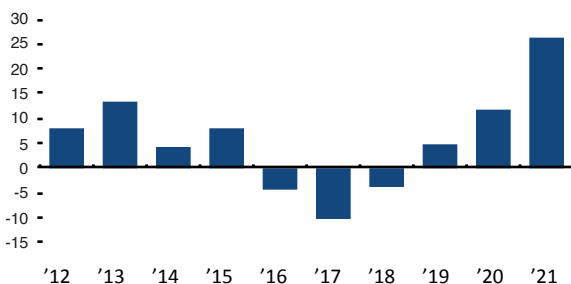
State Gross Domestic Product

Cumulative Growth 2011-2021 29.54% Rank: 44



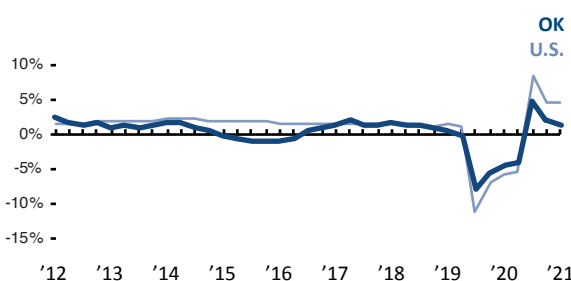
Absolute Domestic Migration

Cumulative 2012-2021 59,034 Rank: 15
(in thousands)



Non-Farm Payroll Employment

Cumulative 2011-2021 4.05% Rank: 37



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 2016 2017 2018 2019 2020 2021 2022

ECONOMIC OUTLOOK RANK 10 16 16 13 9 3 4

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.75%	15
Top Marginal Corporate Income Tax Rate	4.00%	7
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$7.17	20
Property Tax Burden (per \$1,000 of personal income)	\$17.73	4
Sales Tax Burden (per \$1,000 of personal income)	\$27.78	39
Remaining Tax Burden (per \$1,000 of personal income)	\$15.33	20
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$1.42	15
Debt Service as a Share of Tax Revenue	3.86%	7
Public Employees Per 10,000 of Population (full-time equivalent)	514.3	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)	\$1.41	34
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Oregon

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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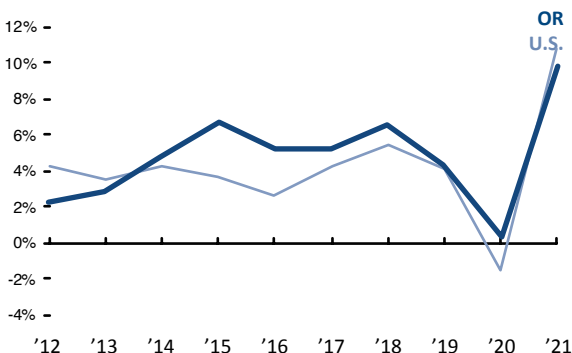
Economic
Performance Rank

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.

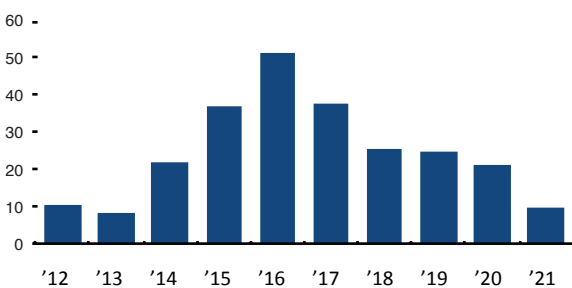
State Gross Domestic Product

Cumulative Growth 2011-2021 59.52% Rank: 9



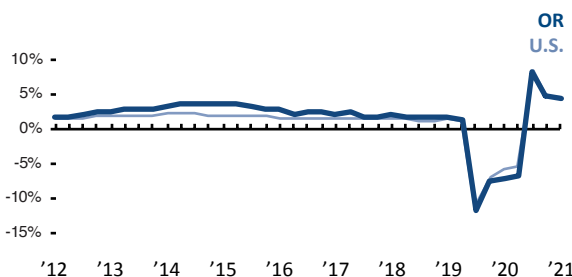
Absolute Domestic Migration

Cumulative 2012-2021 249,928 Rank: 11
(in thousands)



Non-Farm Payroll Employment

Cumulative 2011-2021 16.70% Rank: 14



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

2016 2017 2018 2019 2020 2021 2022

ECONOMIC OUTLOOK RANK 41 41 41 44 42 44 41

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	14.69%	49
Top Marginal Corporate Income Tax Rate	15.73%	48
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$38.28	49
Property Tax Burden (per \$1,000 of personal income)	\$31.57	35
Sales Tax Burden (per \$1,000 of personal income)	\$0.00	1
Remaining Tax Burden (per \$1,000 of personal income)	\$21.85	42
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	\$0.00	29
Debt Service as a Share of Tax Revenue	6.40%	32
Public Employees Per 10,000 of Population (full-time equivalent)	489.1	17
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	69.9	25
State Minimum Wage (federal floor is \$7.25)	\$13.50	41
Average Workers' Compensation Costs (per \$100 of payroll)	\$0.93	10
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

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

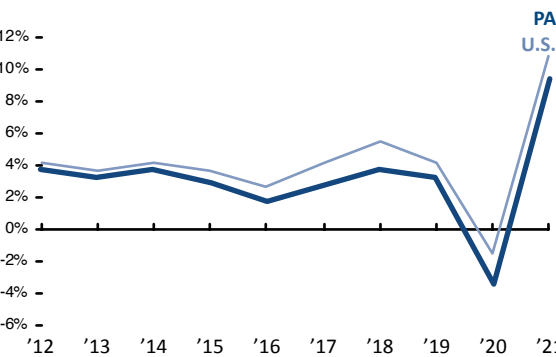


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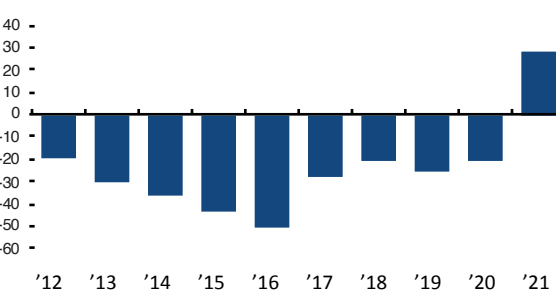
Economic
Performance Rank

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.

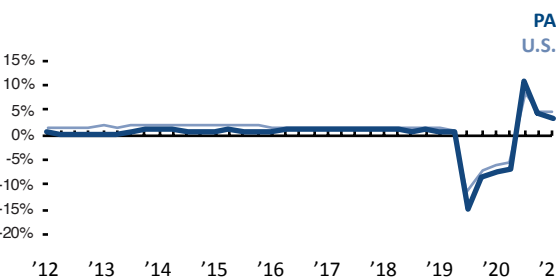
State Gross Domestic Product
Cumulative Growth 2011-2021 35.16% Rank: 38



Absolute Domestic Migration
Cumulative 2012-2021 -246,499 Rank: 45
(in thousands)



Non-Farm Payroll Employment
Cumulative 2011-2021 2.07% Rank: 43



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 2016 2017 2018 2019 2020 2021 2022
ECONOMIC OUTLOOK RANK 39 38 38 38 38 36 37

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.86%	37
Top Marginal Corporate Income Tax Rate	15.82%	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)	\$27.95	25
Sales Tax Burden (per \$1,000 of personal income)	\$16.51	10
Remaining Tax Burden (per \$1,000 of personal income)	\$21.94	43
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$0.24	20
Debt Service as a Share of Tax Revenue	6.55%	33
Public Employees Per 10,000 of Population (full-time equivalent)	418.2	5
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	66.6	39
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.27	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)	0	32

Rhode Island

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX



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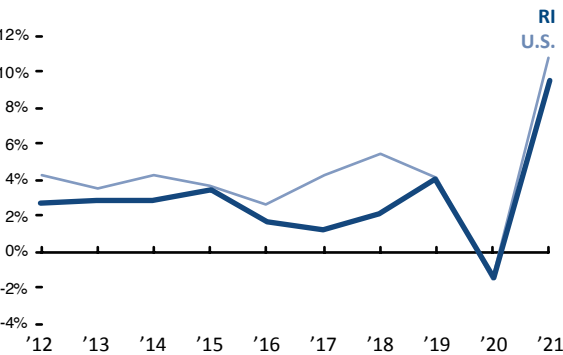
Economic
Performance Rank

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.

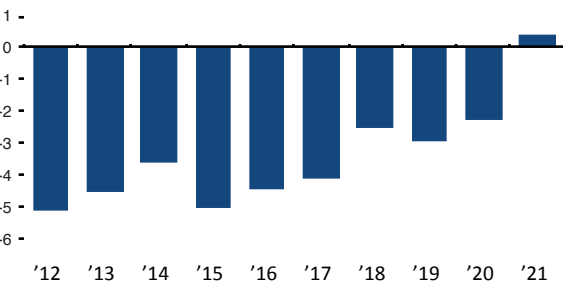
State Gross Domestic Product

Cumulative Growth 2011-2021 32.60% Rank: 39



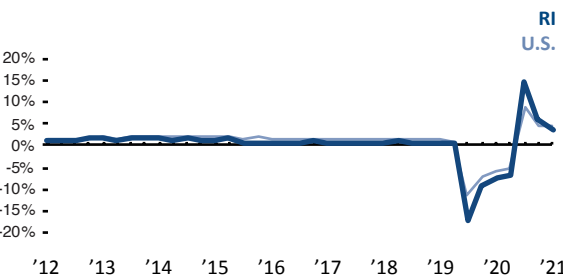
Absolute Domestic Migration

Cumulative 2012-2021 -33,963 Rank: 29
(in thousands)



Non-Farm Payroll Employment

Cumulative 2011-2021 4.32% Rank: 35



40

Economic
Outlook Rank

Economic Outlook Rank (1=best 50=worst)

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

Historical Ranking Comparison 2016 2017 2018 2019 2020 2021 2022

ECONOMIC OUTLOOK RANK 35 36 39 43 43 41 40

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.99%	28
Top Marginal Corporate Income Tax Rate	7.00%	28
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$11.82	33
Property Tax Burden (per \$1,000 of personal income)	\$42.24	44
Sales Tax Burden (per \$1,000 of personal income)	\$18.21	15
Remaining Tax Burden (per \$1,000 of personal income)	\$15.52	22
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	\$0.00	29
Debt Service as a Share of Tax Revenue	8.35%	44
Public Employees Per 10,000 of Population (full-time equivalent)	426.2	6
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.5	24
State Minimum Wage (federal floor is \$7.25)	\$13.00	37
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.62	40
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

South Carolina

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

9

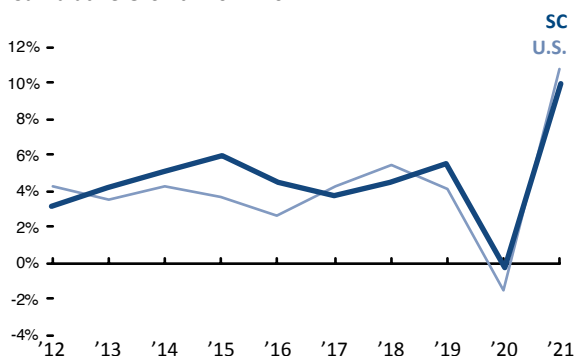
Economic
Performance Rank

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.

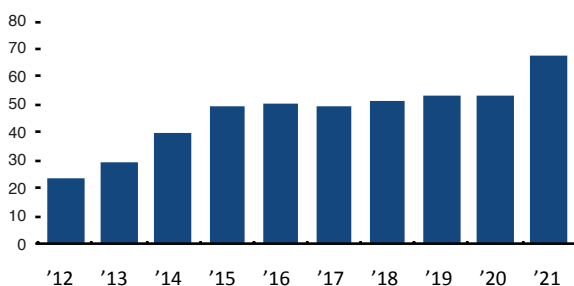
State Gross Domestic Product

Cumulative Growth 2011-2021 56.79% Rank: 11



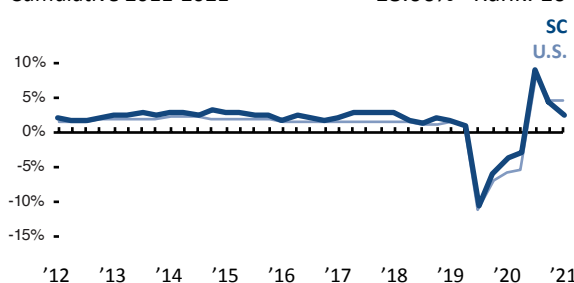
Absolute Domestic Migration

Cumulative 2012-2021 467,858 Rank: 5
(in thousands)



Non-Farm Payroll Employment

Cumulative 2011-2021 18.06% Rank: 10



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 2016 2017 2018 2019 2020 2021 2022

ECONOMIC OUTLOOK RANK 30 27 33 32 32 24 26

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.50%	31
Top Marginal Corporate Income Tax Rate	5.00%	14
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$20.77	44
Property Tax Burden (per \$1,000 of personal income)	\$27.36	21
Sales Tax Burden (per \$1,000 of personal income)	\$18.72	16
Remaining Tax Burden (per \$1,000 of personal income)	\$15.69	23
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$3.34	6
Debt Service as a Share of Tax Revenue	6.81%	34
Public Employees Per 10,000 of Population (full-time equivalent)	523.5	33
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)	\$1.35	29
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

South Dakota

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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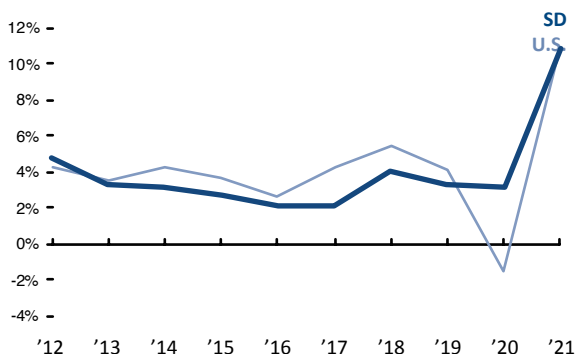
Economic
Performance Rank

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.

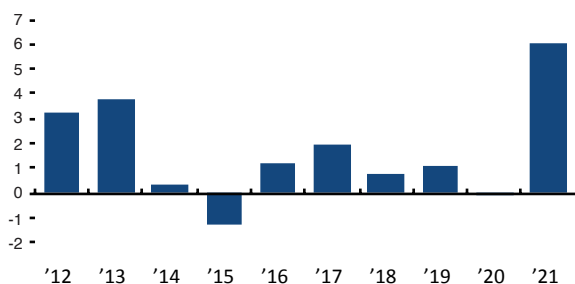
State Gross Domestic Product

Cumulative Growth 2011-2021 47.25% Rank: 20



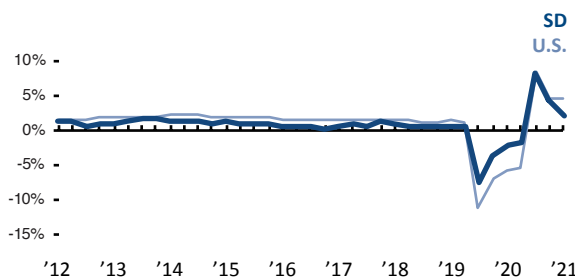
Absolute Domestic Migration

Cumulative 2012-2021 17,441 Rank: 22
(in thousands)



Non-Farm Payroll Employment

Cumulative 2011-2021 7.66% Rank: 21



14

Economic
Outlook Rank

Economic Outlook Rank (1=best 50=worst)

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

Historical Ranking Comparison

2016 2017 2018 2019 2020 2021 2022

ECONOMIC OUTLOOK RANK 11 12 9 7 13 10 12

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)	\$27.73	24
Sales Tax Burden (per \$1,000 of personal income)	\$30.88	41
Remaining Tax Burden (per \$1,000 of personal income)	\$17.66	34
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	\$0.00	29
Debt Service as a Share of Tax Revenue	5.57%	23
Public Employees Per 10,000 of Population (full-time equivalent)	526.4	34
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	72.0	10
State Minimum Wage (federal floor is \$7.25)	\$10.80	28
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.30	26
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Tennessee

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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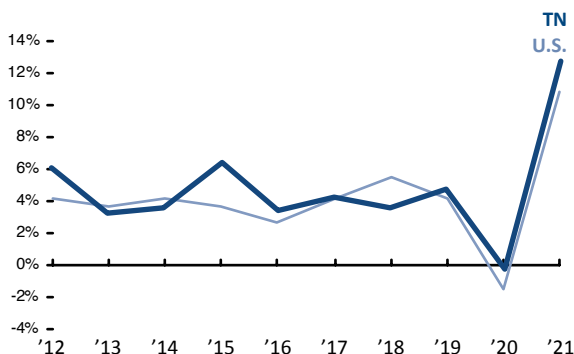
Economic
Performance Rank

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.

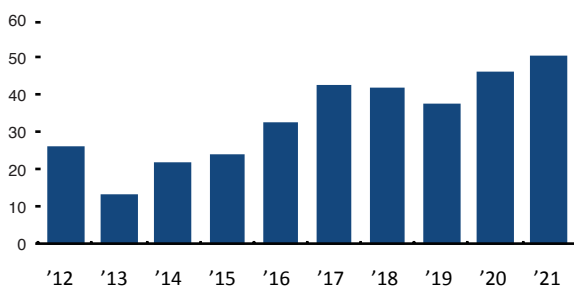
State Gross Domestic Product

Cumulative Growth 2011-2021 58.30% Rank: 10



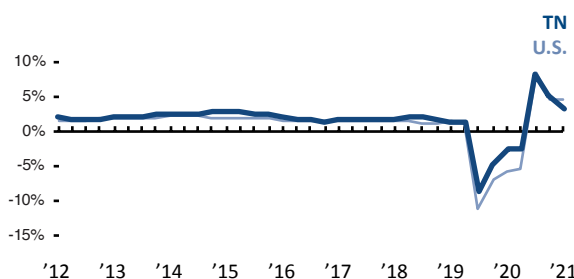
Absolute Domestic Migration

Cumulative 2012-2021 339,480 Rank: 7
(in thousands)



Non-Farm Payroll Employment

Cumulative 2011-2021 17.27% Rank: 13



11

Economic
Outlook Rank

Economic Outlook Rank (1=best 50=worst)

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

Historical Ranking Comparison

2016 2017 2018 2019 2020 2021 2022
ECONOMIC OUTLOOK RANK 7 5 12 8 8 12 13

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	6.50%	24
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)	\$16.62	2
Sales Tax Burden (per \$1,000 of personal income)	\$33.61	44
Remaining Tax Burden (per \$1,000 of personal income)	\$18.47	36
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	\$0.00	29
Debt Service as a Share of Tax Revenue	7.58%	41
Public Employees Per 10,000 of Population (full-time equivalent)	474.3	13
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)	\$1.03	17
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

Texas

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

7

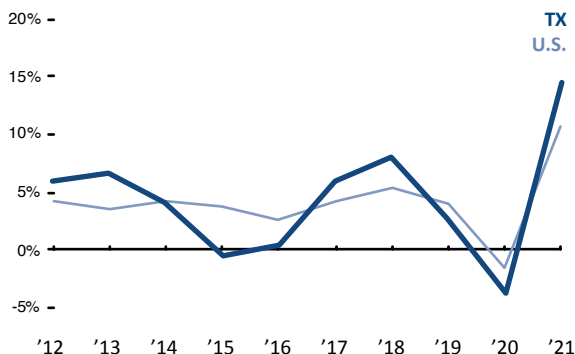
Economic
Performance Rank

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.

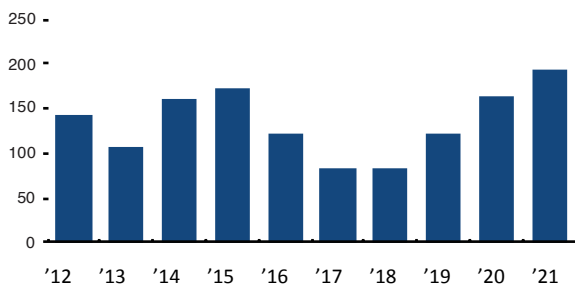
State Gross Domestic Product

Cumulative Growth 2011-2021 52.96% Rank: 13



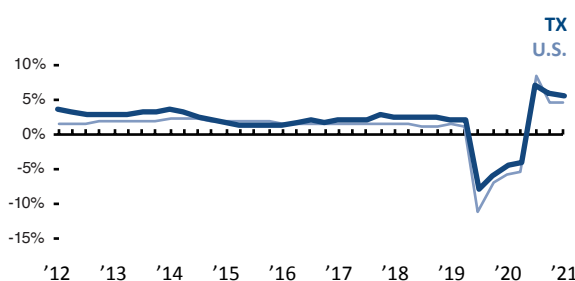
Absolute Domestic Migration

Cumulative 2012-2021 1,348,186 Rank: 2
(in thousands)



Non-Farm Payroll Employment

Cumulative 2011-2021 21.88% Rank: 7



13

Economic
Outlook Rank

Economic Outlook Rank (1=best 50=worst)

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

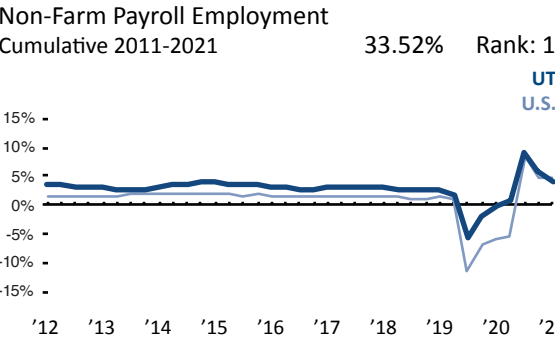
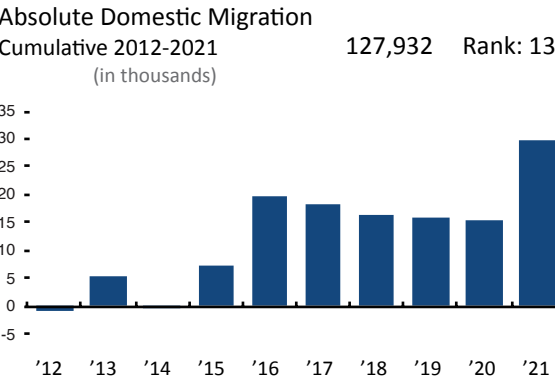
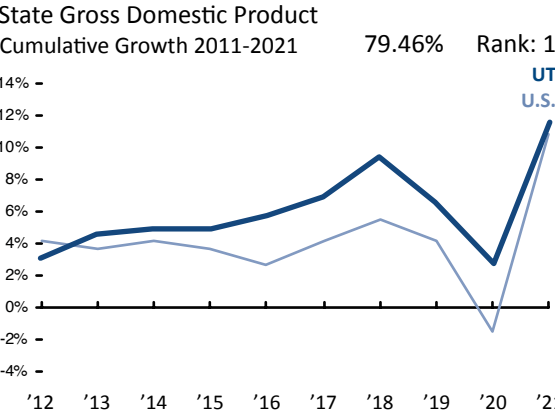
Historical Ranking Comparison 2016 2017 2018 2019 2020 2021 2022
ECONOMIC OUTLOOK RANK 12 9 14 15 15 9 11

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	2.60%	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)	\$40.48	43
Sales Tax Burden (per \$1,000 of personal income)	\$26.90	36
Remaining Tax Burden (per \$1,000 of personal income)	\$13.83	13
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	\$0.00	29
Debt Service as a Share of Tax Revenue	8.76%	46
Public Employees Per 10,000 of Population (full-time equivalent)	519.3	30
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	67.1	38
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$0.88	9
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

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.



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	2016	2017	2018	2019	2020	2021	2022
ECONOMIC OUTLOOK RANK	1	1	1	1	1	1	1

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	4.85%	17
Top Marginal Corporate Income Tax Rate	4.85%	11
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$0.37	12
Property Tax Burden (per \$1,000 of personal income)	\$24.10	15
Sales Tax Burden (per \$1,000 of personal income)	\$26.92	37
Remaining Tax Burden (per \$1,000 of personal income)	\$12.82	7
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$1.69	13
Debt Service as a Share of Tax Revenue	5.59%	24
Public Employees Per 10,000 of Population (full-time equivalent)	490.6	18
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	70.7	19
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$0.86	6
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Vermont

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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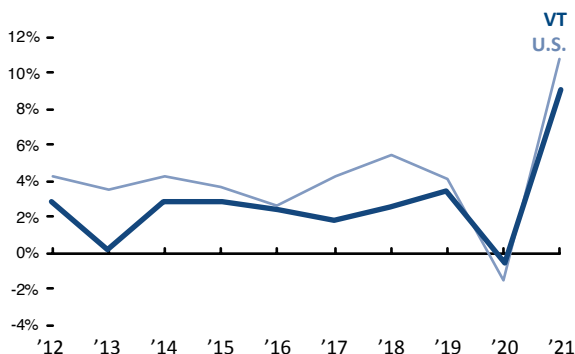
Economic
Performance Rank

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.

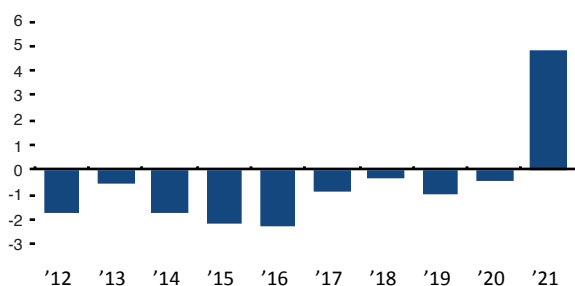
State Gross Domestic Product

Cumulative Growth 2011-2021 30.56% Rank: 43



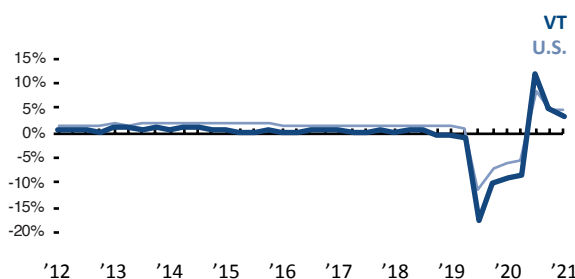
Absolute Domestic Migration

Cumulative 2012-2021 (in thousands) -6,152 Rank: 23



Non-Farm Payroll Employment

Cumulative 2011-2021 -2.33% Rank: 47



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

2016 2017 2018 2019 2020 2021 2022

ECONOMIC OUTLOOK RANK 49 49 49 49 49 49 47

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	8.75%	42
Top Marginal Corporate Income Tax Rate	8.50%	40
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$28.35	48
Property Tax Burden (per \$1,000 of personal income)	\$49.46	49
Sales Tax Burden (per \$1,000 of personal income)	\$12.06	6
Remaining Tax Burden (per \$1,000 of personal income)	\$25.69	47
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	\$0.02	46
Debt Service as a Share of Tax Revenue	2.65%	2
Public Employees Per 10,000 of Population (full-time equivalent)	576.3	42
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	71.7	11
State Minimum Wage (federal floor is \$7.25)	\$13.18	39
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.98	45
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	32

Virginia

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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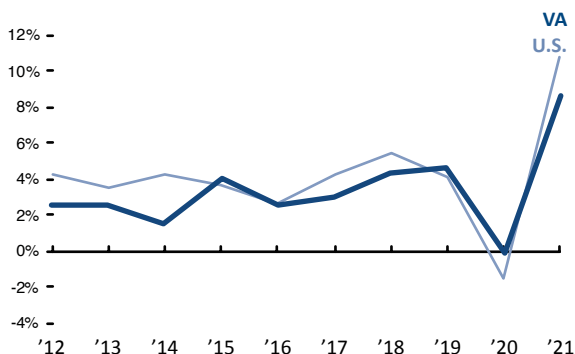
Economic
Performance Rank

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.

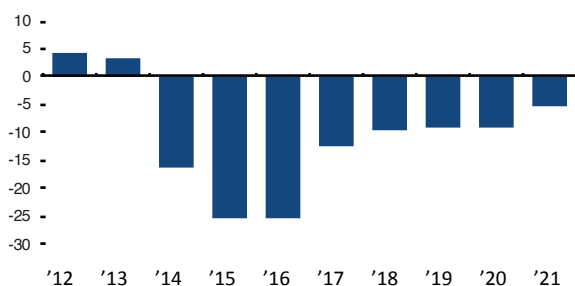
State Gross Domestic Product

Cumulative Growth 2011-2021 39.01% Rank: 30



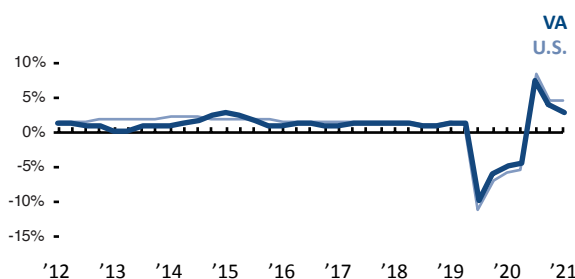
Absolute Domestic Migration

Cumulative 2012-2021 (in thousands) -104,205 Rank: 38



Non-Farm Payroll Employment

Cumulative 2011-2021 7.47% Rank: 22



18

Economic
Outlook Rank

Economic Outlook Rank (1=best 50=worst)

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

Historical Ranking Comparison 2016 2017 2018 2019 2020 2021 2022

ECONOMIC OUTLOOK RANK 13 11 10 14 16 17 24

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	5.75%	23
Top Marginal Corporate Income Tax Rate	7.60%	34
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$10.28	28
Property Tax Burden (per \$1,000 of personal income)	\$30.15	30
Sales Tax Burden (per \$1,000 of personal income)	\$13.74	9
Remaining Tax Burden (per \$1,000 of personal income)	\$17.07	28
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$2.14	9
Debt Service as a Share of Tax Revenue	5.27%	17
Public Employees Per 10,000 of Population (full-time equivalent)	513.5	27
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	71.3	12
State Minimum Wage (federal floor is \$7.25)	\$12.00	33
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.01	15
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	32

Washington

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

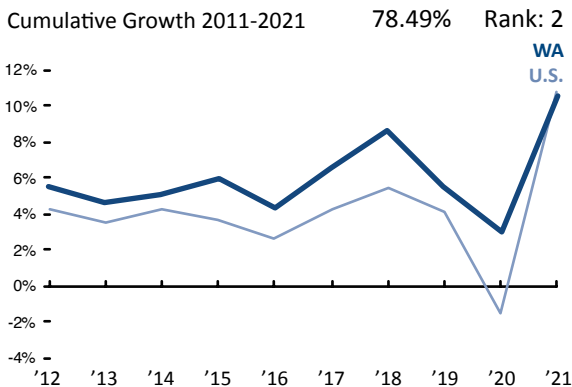
6

Economic
Performance Rank

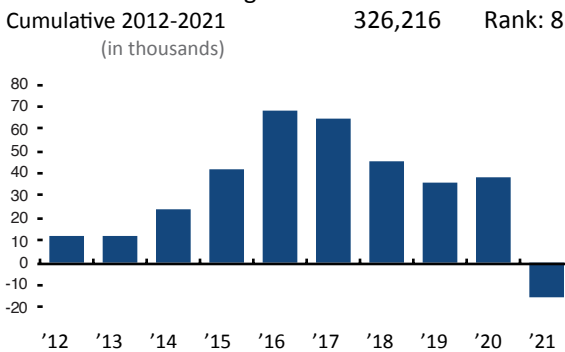
Economic Performance Rank (1=best 50=worst)

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

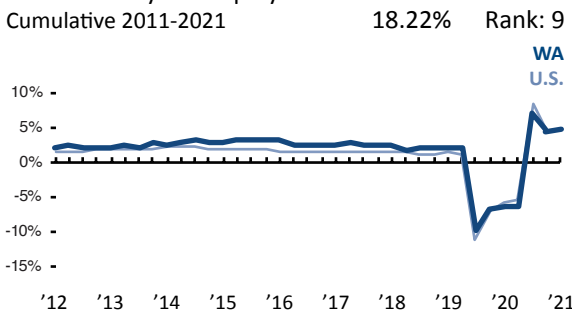
State Gross Domestic Product



Absolute Domestic Migration



Non-Farm Payroll Employment



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 2016 2017 2018 2019 2020 2021 2022
ECONOMIC OUTLOOK RANK 36 40 37 37 39 37 39

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	0.00%	1
Top Marginal Corporate Income Tax Rate	6.66%	26
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$0.00	2
Property Tax Burden (per \$1,000 of personal income)	\$26.09	18
Sales Tax Burden (per \$1,000 of personal income)	\$32.50	43
Remaining Tax Burden (per \$1,000 of personal income)	\$23.00	45
Estate/Inheritance Tax Levied?	Yes	50
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$0.02	27
Debt Service as a Share of Tax Revenue	7.65%	42
Public Employees Per 10,000 of Population (full-time equivalent)	499.2	21
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	69.8	26
State Minimum Wage (federal floor is \$7.25)	\$15.74	50
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.31	27
Right-to-Work State? (option to join or support a union)	No	50
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	2	3

West Virginia

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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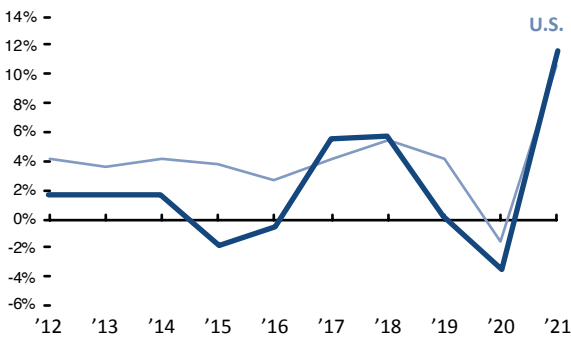
Economic
Performance Rank

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.

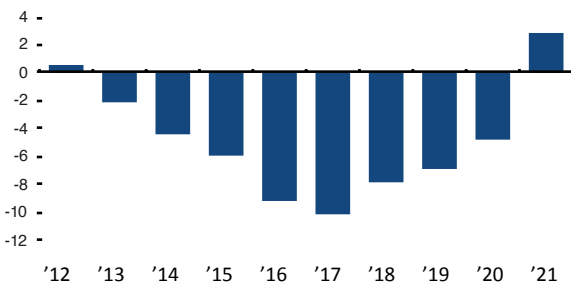
State Gross Domestic Product

Cumulative Growth 2011-2021 23.40% Rank: 47



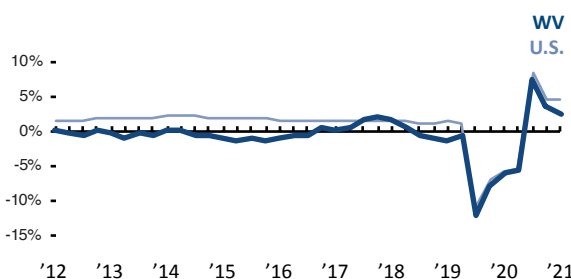
Absolute Domestic Migration

Cumulative 2012-2021 -47,517 Rank: 32
(in thousands)



Non-Farm Payroll Employment

Cumulative 2011-2021 -5.53% Rank: 50



28

Economic
Outlook Rank

Economic Outlook Rank (1=best 50=worst)

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

Historical Ranking Comparison

2016 2017 2018 2019 2020 2021 2022

ECONOMIC OUTLOOK RANK 37 31 30 31 28 32 25

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	6.50%	31
Top Marginal Corporate Income Tax Rate	6.50%	24
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$15.53	40
Property Tax Burden (per \$1,000 of personal income)	\$22.47	12
Sales Tax Burden (per \$1,000 of personal income)	\$18.18	14
Remaining Tax Burden (per \$1,000 of personal income)	\$25.61	46
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	\$0.00	29
Debt Service as a Share of Tax Revenue	5.39%	20
Public Employees Per 10,000 of Population (full-time equivalent)	551.9	38
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	63.3	45
State Minimum Wage (federal floor is \$7.25)	\$8.75	21
Average Workers' Compensation Costs (per \$100 of payroll)	\$0.63	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)	0	32

Wisconsin

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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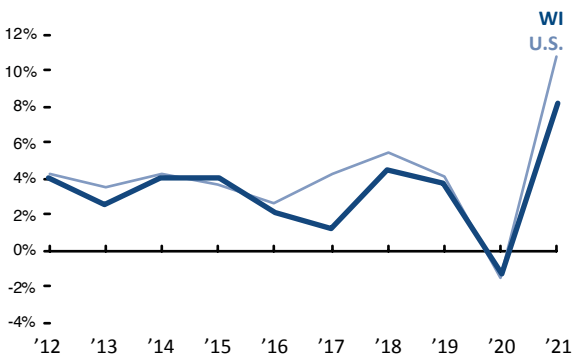
Economic
Performance Rank

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.

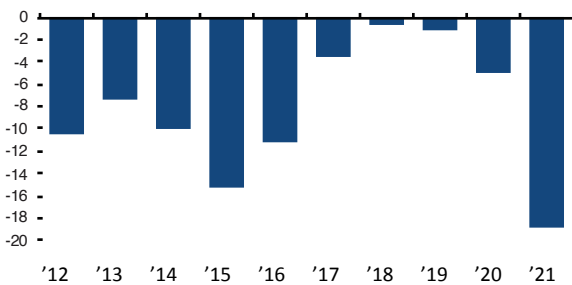
State Gross Domestic Product

Cumulative Growth 2011-2021 38.39% Rank: 31



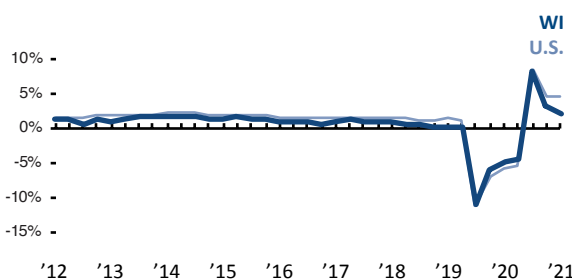
Absolute Domestic Migration

Cumulative 2012-2021 (in thousands) -83,717 Rank: 35



Non-Farm Payroll Employment

Cumulative 2011-2021 4.59% Rank: 34



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

2016 2017 2018 2019 2020 2021 2022

ECONOMIC OUTLOOK RANK 9 14 19 17 12 15 14

Variable	Data	Rank
Top Marginal Personal Income Tax Rate	7.65%	40
Top Marginal Corporate Income Tax Rate	7.90%	35
Personal Income Tax Progressivity (change in tax liability per \$1,000 of income)	\$14.44	38
Property Tax Burden (per \$1,000 of personal income)	\$31.49	34
Sales Tax Burden (per \$1,000 of personal income)	\$19.64	20
Remaining Tax Burden (per \$1,000 of personal income)	\$14.47	16
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$1.43	14
Debt Service as a Share of Tax Revenue	4.30%	8
Public Employees Per 10,000 of Population (full-time equivalent)	471.1	9
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	71.2	13
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.67	42
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	1	15

Wyoming

2023 ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

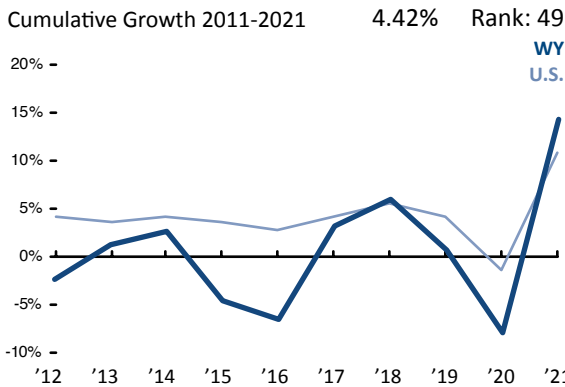
43

Economic
Performance Rank

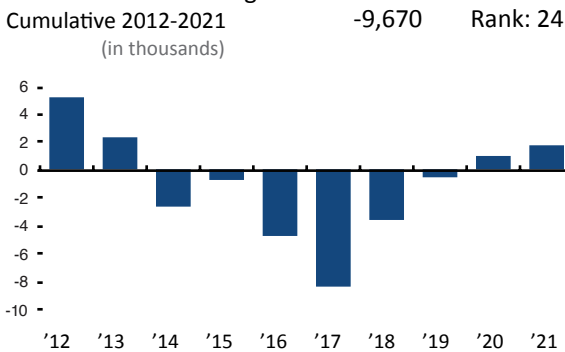
Economic Performance Rank (1=best 50=worst)

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

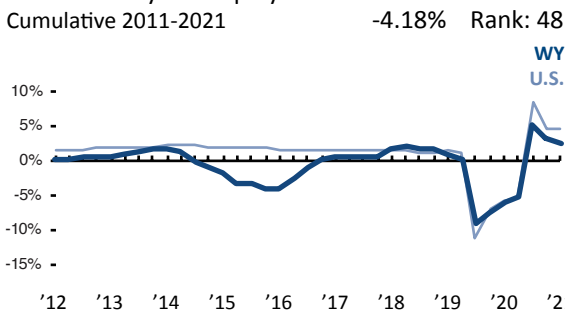
State Gross Domestic Product



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	2016	2017	2018	2019	2020	2021	2022
ECONOMIC OUTLOOK RANK	4	7	8	10	2	4	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)	\$33.02	36
Sales Tax Burden (per \$1,000 of personal income)	\$22.40	24
Remaining Tax Burden (per \$1,000 of personal income)	\$12.93	8
Estate/Inheritance Tax Levied?	No	1
Recently Legislated Tax Changes (2020 & 2021, per \$1,000 of personal income)	-\$0.24	21
Debt Service as a Share of Tax Revenue	2.25%	1
Public Employees Per 10,000 of Population (full-time equivalent)	862.8	50
State Liability System Survey (tort litigation treatment, judicial impartiality, etc.)	73.1	4
State Minimum Wage (federal floor is \$7.25)	\$7.25	1
Average Workers' Compensation Costs (per \$100 of payroll)	\$1.86	44
Right-to-Work State? (option to join or support a union)	Yes	1
Number of Tax Expenditure Limits (0=least/worst 3=most/best)	0	32

Appendix

2023 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 2023 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, 2023.

HIGHEST MARGINAL CORPORATE INCOME TAX RATE

This variable includes local taxes, if any, and includes the effect of federal deductibility, if allowed. A state's largest city is used as a proxy for local tax rates. In the case of gross receipts or business franchise taxes, an effective tax rate is approximated using NIPA profits, rental and proprietor's income and gross domestic product data. For an explanation of the estimation of Texas' franchise tax, see note below. The Texas franchise tax is not a traditional gross receipts tax, but is instead a "margin" tax with more than one rate. A margin tax creates less distortion than a gross receipts tax. Therefore, we believe the best measurement for an effective corporate tax rate for Texas is to average the 4.5648 percent measure we would use if the tax were a gross receipts tax and the 0.75 percent highest rate on its margin tax, leading to our measure of 2.66 percent. Data were drawn from Tax Analysts, Federation of Tax Administrators, individual state tax return forms and the Bureau of Economic Analysis. Tax rates are as of January 1, 2023.

PERSONAL INCOME TAX PROGRESSIVITY

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

comes of \$50,000 and \$150,000. The tax liabilities are measured using a combination of effective tax rates, exemptions, and deductions at both state and federal levels, which are calculations from Laffer Associates. Tax rates are as of January 1, 2023.

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 2020. These data were released in October 2022.

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 2020. 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 2022.

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 2020. These data were released in October 2022.

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, 2023.

RECENTLY LEGISLATED TAX CHANGES

This variable calculates each state’s relative change in tax burden over a two-year period (in this case, the 2021 and 2022 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 2021. 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 2020 U.S. Census Bureau data. These data were released in October 2022.

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 2021 U.S. Census Bureau data. These data were released in June 2022.

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, 2023.

WORKERS’ COMPENSATION COSTS

This variable highlights the 2022 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, 2023.

TAX OR EXPENDITURE LIMIT

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

Appendix

2023 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 2011-2021. 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 2022.

CUMULATIVE DOMESTIC MIGRATION

This variable is a summation of net in-migration of individuals for each state over a 10-year period from 2012-2021. Data are drawn from the U.S. Census Bureau, which were last revised in December 2020.

NON-FARM EMPLOYMENT GROWTH

This variable is calculated by observing state non-farm employment growth figures over a 10-year period, from 2011-2021. A percentage change formula over the 10-year timeframe generates a decadal non-farm employment growth rate for each state. Data are drawn from the Bureau of Labor Statistics, which were last revised in January 2023.