

Beshear earns 'D' in Cato Fiscal Policy Report Card

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Kentucky Gov. Andy Beshear received a below-average grade in a recent fiscal policy study released by the Cato Institute.

Beshear, a Democrat, earned a “D” in the **Fiscal Policy Report Card**, which the libertarian public policy institute released recently. The analysis looks at decisions the states’ top executives made regarding taxation and spending.

Beshear’s score of 37 was the 10th lowest of the 46th governors, who were graded on actions they took between January 2020 and August 2022.

The report noted Beshear did seek “modest tax reductions” earlier this year to help combat rising inflation. He also urged the Republican-led General Assembly to cut the sales tax for a year.

Instead, lawmakers passed House Bill 8, a more sweeping tax reform bill that sets the stage for Kentucky to potentially eliminate the personal income tax. Already, the bill has caused that rate to drop from 5% to 4.5% starting in January.

However, Beshear vetoed that bill, requiring the legislature to override that action.

“Overall, the bill provides about \$460 million in taxpayer savings the first year and rising amounts after that,” the Cato report stated.

While polls have shown Beshear remains popular, he faces what could be a challenging campaign for re-election in the upcoming year. Already, several high-profile Republicans have announced their candidacy for the party’s nomination in the May primary.

The governor has touted his record on the economy, noting that the state has record budget surpluses and his administration’s job creation actions. He frequently points out record economic development deals, like the \$5.8 billion electric vehicle battery manufacturing plant Ford Motor Company and SK Innovation plan to build in Glendale.

Republicans counter, though, that most of the economic boom has been generated by one-time federal investments and that their conservative tax policies are what’s helping draw more businesses to the state.

While receiving one of the lower grades in the report, Beshear ranked in the middle of the pack among neighboring governors.

Tennessee Republican Gov. Bill Lee also earned a “D,” with a score of 35. Illinois Democratic Gov. J.B. Pritzker was one of eight to get a failing grade.

West Virginia Gov. Jim Justice received the highest score of a “B,” with the GOP leader getting a 62. The report card gave Ohio Gov. Mike DeWine and Indiana Gov. Eric Holcomb “C” grades, with the Republicans scoring 53 and 52, respectively.