



## LePage's fiscal policies are stabilizing Maine's finances

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Since being sworn into office in 2011, Gov. Paul LePage has taken necessary steps to get Maine's fiscal house in order and helped foster a more welcoming environment for business, significantly improving the condition of the state's economy.

In fact, LePage's administration has taken fiscal responsibility to a whole new level in Maine. In February, the Bangor Daily News reported that the Governor's "rigid fiscal discipline" resulted in an all-time record for the amount of money in the state's cash pool, reaching a mark of \$1 billion. Additionally, LePage helped grow Maine's budget stabilization fund, or rainy day fund, to \$122 million after having fallen below \$200,000 in 2008.

The praise doesn't end there. The Cato Institute, a national public policy research organization, released a report in November 2016 that named LePage the most fiscal governor in the country, finishing well above his New England peers.

Maine can add another accolade to its collection after the Mercatus Center, a D.C. based free-market think tank, recognized the state's fiscal improvements in its 2017 State Fiscal Condition report. While there's still work to be done for Maine, the study highlights noticeable progress for the state as a whole. The newest edition of the report, which has been produced annually since 2013, shows Maine's overall ranking improved from 43rd in 2016 to 35th in 2017.

The study measures financial health by assessing short and long-term debts, revenues, expenditures, cash, assets, and liabilities for each state, ranking them individually in the categories of cash, budget, long-run, service level and trust fund solvency.

Like many states, Maine's ranking is hurt by growing fiscal obligations, such as unfunded pensions and healthcare benefits. However, Maine saw its budget solvency ranking improve by 27 places as a result of "increases in income and sales and use tax revenues totaling \$257.9 million and a decrease in expenses of \$208 million."

This is the type of fiscal management Mainers voted for, both in 2010 and 2014. LePage's efforts have completely reversed Maine's budget woes and ushered in an era of fiscal responsibility that taxpayer's can revere for generations to come.

The methodology employed in the Mercatus Center's report and its full findings can be found [here](#).