



## Cooper given an ‘F’ by outside groups

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The Cato Institute gave Gov. Roy Cooper an F on its [Fiscal Policy Report Card](#).

The state did get some good news from outside reviewers, however.

While Cooper scored poorly for his fiscal policies, North Carolina ranked among the top 10 states for fiscal health, recent State Fiscal Rankings from the Mercatus Center at George Mason University say.

The [Cato Institute](#) is a libertarian think tank focusing on limited government and free markets. On Tuesday, Oct. 9, the organization released the 14th biennial fiscal report card. The report card scores governors across the U.S. on their fiscal policies, including spending and taxing records.

Five governors received an A for their fiscal policies. Eight governors got an F. Cooper was among the eight who scored poorly.

Governors who cut taxes and spending receive high grades. Those who pursue tax and spending increases receive the lowest scores.

“On taxes, Cooper has tried to block efforts by the legislature to make pro-growth reforms,” the report card says.

The General Assembly passed tax cuts in 2017 over Cooper’s veto. The 2017 law cut the flat individual income rate from 5.499 percent to 5.25 percent, and it cut the corporate tax rate from 3 percent to 2.5 percent.

Cooper has been a vocal opponent of the tax cuts and has proposed freezing the implementation of the cuts in his 2018 proposed budget. The governor has also advocated for increased spending, particularly for education.

Cooper's office didn't respond to a request for comment.

In its fifth State Fiscal Ranking, the Mercatus Center ranked North Carolina ninth. Mercatus is a market research center based at GMU.

Specifically, the state ranked second for budget solvency, which measures whether a state can cover its fiscal year spending using current revenue. North Carolina ranked eighth for long-term solvency and 14th for trust-fund solvency. For cash solvency, the state ranked 23rd. For service-level solvency, North Carolina was 16th.

Dale Folwell, the state treasurer, said the state should focus on correcting the unfunded liabilities for the state's health plan and pension system. The state has about \$50 million in unfunded liabilities.

Folwell said the state, legislature, and the treasurer's office are all working to ensure the state is fiscally healthy. He pointed to the General Assembly's creation of the unfunded liability solvency reserve in June 2018 as one way North Carolina is addressing fiscal shortcomings.

"I think North Carolina has been recognized as having one of the strongest rainy day funds in the U.S.," Folwell said. "I think we've been recognized as having one of the strongest unemployment trust funds in the U.S. We've been recognized for having the fifth-best funded pension plan in the U.S. and we've been recognized as running budget surpluses, especially over the past few years."