

## Cato Institute: Colorado among freest states in U.S., Nevada close behind

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September 13, 2018

The state of Colorado was recently named the fourth freest state in the country, according to a report put out by the Cato Institute.

The “**Freedom in the 50 States**” ranking is a regular study of how the policies of each state affect the general population.

Among the many freedoms cited in Colorado by Cato are the legally approved usage of recreational cannabis, legal gambling, the 2016 voter approval of physician-assisted suicides, and lower-than-average taxes on alcohol. Also called out was the lead that Colorado took in approving civil unions in 2013.

The study purports that if there is anything holding the state back from climbing higher in the rankings, it’s the regulatory climate in the state.

Joshua Sharf agrees.

“We think that the right amount of regulation is always less,” Sharf, a fiscal policy analyst for the Denver-based Independence Institute, told [Watchdog.org](http://Watchdog.org).

Still, he said, there can be exceptions.

“When the whole net neutrality thing happened, one of the missing components were the local cable monopolies,” Sharf said. “Particularly in more rural areas. I think it would be helpful to have more controls to give those residents more choice.”

That’s not to say that regulating those providers would not create an unforeseen burden down the line. It’s a consequence discovered, as the authors of the report point out, in the area of health care. To illustrate this point, Sharf shared the story of TABOR and the state's hospitals.

“There was a tremendous mistake with TABOR,” Sharf said, referring to the Taxpayer Bill of Rights that was passed in 1992. “And we like TABOR. TABOR is good,” he continued as he discussed the law that requires any general tax increase to go to voters before it can be enacted.

“They included carve-outs for ‘enterprises’ so that an entity like a university won’t have to go to the public when it wanted to raise tuition,” he said. “The issue is that the legislature set in place a way to collect money from hospitals for ‘patient fees.’ And they did this by turning the state hospital board that oversees these fees into an enterprise.”

The top five freest states in Cato's rankings are spread out across the country. Florida is number one, New Hampshire number two, Indiana is three, Colorado four, and Nevada five.

Jason Sorens, one of the authors of the report and a lecturer in the Department of Government at Dartmouth College, wasn't surprised that two states close in proximity finished so high in the final rankings.

"I'm sure there is some copying between states, or what we political scientists call 'policy diffusion,' but the most important reason why Colorado and Nevada score similarly highly is that they share a similar political culture, ideological makeup, and political institutions," Sorens said. "They both have the ballot initiative, which generally leads to legal marijuana (more freedom), tax and expenditure limitations (more freedom), higher minimum wages (less freedom), and stricter smoking bans (less freedom)."

Sorens continued by looking at the political make-up of the two.

"They are both 'purple' states and less conservative than Arizona and Wyoming on social issues like marijuana and same-sex marriage," he said. "Finally, they are both western states and, like other western states without a large Mormon population, tend to be libertarian on issues like guns, marijuana, same-sex marriage, alcohol and gambling."

The two states are not exactly mirror images of each other though.

"Nevada has right-to-work and fewer restrictions on development than Colorado," Sorens noted.

Sharf said he would like to see right-to-work legislation pass in Colorado.

Another difference can be found in the public school system.

"As a state we are generally in favor of school choice," Sharf said, while Sorens shared that Nevada was on an opposite path.

"Nevada tightly regulates private and home schools, which hurts their freedom score," he said.

The last time the "Freedom in the 50 States" report was generated, Colorado was ranked third.