



## **Pritzker Receives Failing Grade for Fiscal Policy from Cato**

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(The Center Square) – Illinois Gov. J.B. Pritzker got a failing grade in a public policy organization’s fiscal policy report card on governors.

The Cato Institute examined the tax and spending choices made by governors since 2020. Governors receiving an A grade are those who have cut taxes and spending the most, while governors receiving an F, like Pritzker, have increased taxes and spending the most.

Cato Institute economist Chris Edwards said one reason Pritzker’s grade was damaged was his push for a progressive tax referendum that Illinois voters rejected in 2020.

“Not only what laws governors sign and get enacted, but also what they vetoed and what they supported, and unfortunately Gov. Pritzker supported a lot of tax increases over the years,” said Edwards.

Twenty-one states have cut individual or corporate income tax rates since 2020, and about 20 states have provided one-time tax rebates.

The report notes that current state budgets may diminish if the economy continues to stagnate, but fortunately states have built large rainy day funds. Illinois’ rainy day fund is around \$1 billion, one of the lowest in the country.

Pritzker, the incumbent Democrat, faces Republican Darren Bailey and Libertarian Scott Schluter in the Nov. 8 election.

Iowa Gov. Kim Reynolds received the highest score in the report, citing that the state's general fund spending has risen just 2.3% annually and she approved a tax overhaul that lowers Iowa's individual income tax structure.

All the governors receiving an A on this year's report are Republicans, and all the governors receiving an F are Democrats.

"In recessions when states have less revenues, Democratic governors usually push for tax hikes and Republicans push for spending constraints, so there is a substantial difference between the parties, the data shows," said Edwards.

Every year, millions of Americans move to different states in search of better employment, lower living costs, retirement locations and nicer climates. Tax policy is also an important driver of interstate migration. The report notes that state lawmakers should consider how their policies attract or repel workers, retirees and business.

States such as Illinois and New York have been losing residents to other states for many years, whereas Florida and Texas have been gaining residents for many years.

Of the lowest-tax states, 20 had net in-migration in 2020.