

El American

Florida Leads In Economic Freedom And Tax Policy: CATO

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August 30, 2022

FLORIDA is the leading U.S. state in economic freedom and fiscal policy, while its individual freedom indicators “improved a lot” since 2014, according to the Cato Institute’s [Freedom in the 50 States](#) Index. Florida’s “free society” ranks first in economic freedoms offering “increased opportunity” to Americans, which is why it also receives one of the largest immigration flows in the country, according to the report.

“Florida does especially well on economic freedom, and even more so on fiscal policy. Indeed, it is our top state on both,” the Cato Institute’s analysis of the matter reads.

The report details that, although Florida’s tax collections are slightly lower than average, government consumption and debt are below average and state employment accounts for 8.3% of private employment, leaving the responsibility of generating jobs to the businesses that residents run.

On the other hand, Florida’s regulatory policy is, according to the report, middling relative to other states, but has improved in absolute terms, leaving aside federalized policies.

“Despite the temptations posed by high housing demand, homeowners have been unable to enact exclusionary zoning on anything like the levels of California or New Hampshire,” the paper clarifies and estimates that Florida “has gone further than just about any other state” in tightening laws against foreclosure.

“Land-use regulation appears to be a major political issue, but the courts have tools to restrain local governments, as the state has a particularly strong regulatory takings law,” the report continues.

After falling for a decade in relation to other states, Florida improved its personal liberty score with big jumps in 2014 and 2015 and, according to the report, it is now well above average. However, it makes clear that gun carry rights are “mediocre.”

Recommendations for Florida

The report offers three recommendations in the areas of tax policy, regulatory policy and personal freedom.

On the fiscal side, it proposes decentralizing taxing and spending powers from counties to municipalities and making it easier for municipalities to control their own school districts. “More choice of local government should make Floridians freer,” it stresses.

In terms of regulatory policy, the Institute proposes to reform the occupational licensing system to free up residents who are currently blocked by these barriers, and proposes to leave it in the hands of agricultural labor contractors, interior designers, medical and clinical laboratory technologists, pharmacy technicians, dispensing opticians, funeral assistants, and bill and account collectors.

Regarding personal liberty, it proposes criminal justice reform to prevent the seizure of cash and monetary instruments without an arrest and to eliminate the equitable distribution forfeiture law. It also suggests the state will end driver’s license suspensions for non-driving drug convictions, as most of the country has done.