



Cato on Fiscal Policy: Markell Gets an ‘F’, O’Malley Gets a ‘D’

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Delaware Governor Jack Markell and Maryland Governor Martin O’Malley both have bad grades on the latest Cato Institute Fiscal Policy Report Card on America’s Governors.

The Cato Institute gave Gov. Markell an ‘F’ for his fiscal policies and Gov. O’Malley got a ‘D’ for his efforts.

The Cato Institute looked at the changes in fiscal policy that had been made from the last time they did the report in 2012 to today, calculated scores based on seven parameters, and then gave those scores letter grades.

For Markell, the report noted several tax increases on Delaware residents, including his push to make “temporary” tax hikes approved in 2009 permanent in 2013. That hike push made the top individual income tax rate 6.75%, up from 5.95%. Markell also received poor scores on his proposals to increase gasoline taxes, business fees and a new water tax.

O’Malley received knocks from the Cato Institute for his share of tax increases on Marylanders. Among those on the list was the increase of the top individual income tax rate from 5.5% to 5.75%, but the institute noted O’Malley’s efforts to dole out tax breaks to select industries, notable the film industry. Cato Institute also knocked O’Malley’s proposed spending increases of 5.2% on average over the past three years.

The report did pin-point four shining stars in the country: the governors of North Carolina, Kansas, Indiana and Maine. Co-author of the report card, Nicole Kaeding, told WGMD News that North Carolina Governor Pat McCrory got an ‘A’ because he made efforts to initiate a major tax reform package that simplified the state’s income tax code from three individual rates of 6%, 7%, and 7.75% down to a single flat rate of 5.8%, which will go down to 5.75% in 2015. Kaeding also noted that the three other governors that got ‘As’, Kansas’ Sam Brownbeck, Maine’s Paul LePage, and Indiana’s Mike Pence, all took similar actions to reduce taxes.

One of the surprises to some on the list was New York Governor Andrew Cuomo, who was among the highest Democrats on the list getting a ‘B’. The report stated that he signed a major corporate tax-cutting bill into law that reduced the tax rate from 7.1% to 6.5%. Cuomo also signed a variety of other bills that lightened the tax burden on New York businesses.

Among nearby states, New Jersey Governor Chris Christie earned a 'B' and Pennsylvania Governor Tom Corbett earned a 'C'.

Dennis Foley is an award-winning journalist with a strong background in radio and digital reporting, web development, and multimedia production. Dennis is a Long Island native with several youthful years in New Hampshire as well. Professionally, Dennis has won several Associated Press awards as both a news anchor and as a news director. He also reported live during ABC News Radio's Edward R. Murrow award-winning coverage of Hurricane Sandy from Long Island. Dennis' prior stops have included WRHU-FM (Hempstead/Long Island, NY), New Hampshire Public Radio (Concord, NH), ABC News Radio (New York), WRIV (Riverhead, NY), and KEEL (Shreveport-Bossier, LA). He is excited to join 92.7 WGMD and continue the great legacy the station has as being Delmarva's news authority! Feel free to follow Dennis on Twitter: @DennisJFoley