



Iowa

National think tank ranks Reynolds top governor for fiscal responsibility

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The nonpartisan, free-market, libertarian association made the announcement in its **2022 Fiscal Policy Report Card on America's Governors biennial report card**, which analyzes governors' actions on state budgets, taxes and spending. It focuses on short-term taxes and spending actions to judge whether governors take a small-government or big-government approach to fiscal policy.

Reynolds received an overall score of 78, outranking five other Republican governors who also received an A grade on the report card. Republican governors earned an average score of 56 while Democrats earned an average score of 42, the report said. All governors who received an A on the 2022 report are Republicans while all who received an F are Democrats. That has been the trend since the 2008 report

“Iowa prides itself on stewarding taxpayer dollars with care and an eye towards growth,” **Reynolds said in a news release**. “That means exercising restraint in our spending and taking every opportunity to return tax dollars to the hard-working Iowans who generated them in the first place. This is their money – not the government’s – and they have a right to expect their own representatives to act like it. I’m grateful to the Cato Institute for recognizing that Iowa does so.”

During her time, Iowa general fund spending has risen at a 2.3% annual average rate, the report said. New Hampshire Gov. Chris Sununu, who ranked second overall, has limited annual average general fund spending growth to 1.1% since entering office, the report said. His state received a higher score on spending than Iowa did (78 vs 59, respectively) as well as revenue (100 vs 94). However, Iowa trounced New Hampshire in tax rate changes scores (80 vs 45).

Since she took office in 2017, Reynolds has signed laws to cut corporate, individual and inheritance taxes. This past spring, Reynolds approved HF 2317 to consolidate individual income tax rates into a single-rate structure and decrease the rate to 3.9% by 2026. When Reynolds took office, the top rate was **8.98%**, the report said.

Reynolds will join the Cato Institute for a virtual seminar to discuss her fiscally responsible policies and tax cuts in the near future, the release from the governor's office said.