



## Gov. Whitmer brings home 'F' on fiscal policy report card

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(The Center Square) – Gov. Gretchen Whitmer’s administration was dealt another setback Monday when a national libertarian think tank ranked her among the worst seven governors in the United States when it comes to fiscal management.

The Cato Institute, headquartered in Washington, released its “Fiscal Policy Report Card on America’s Governors 2020,” less than three days after the Michigan Supreme Court overruled Whitmer’s COVID-19 executive orders issued since April 30 illegal and unconstitutional.

Cato gave Whitmer an “F” – a failing grade also given fellow Democratic governors, a list that includes New York’s Andrew Cuomo; Virginia’s Ralph Northam; New Jersey’s Phil Murphy; Illinois’ J.B. Pritzker; Oregon’s Kate Brown; and Washington’s Jay Inslee.

Four governors received an “A” on the Cato report card: Chris Sununu of New Hampshire, Kim Reynolds of Iowa, Pete Ricketts of Nebraska, and Mark Gordon of Wyoming. All four governors are Republicans.

“There have been some high-scoring Democrats in past Cato fiscal reports, but Republican governors tend to focus more on tax cuts and spending restraint than do Democrats,” the report states.

“Whitmer scores poorly on this report because of her support for large tax increases,” the Cato report reads.

The governors were graded on their respective tax and spending records. Those governors of states able to rein-in spending and limit tax increases received higher grades. Governors at the other end of Cato’s spectrum of spending and taxing received lower grades.

The report notes Whitmer in 2018 “‘scoffed at the idea’ that she supported a gas tax hike in a televised debate, calling the accusation ‘ridiculous.’” Whitmer had campaigned almost exclusively on “fixing the damned roads.”

However, once assuming office, the governor announced her plan to raise more than \$2 billion by raising the state’s gas tax by 45 cents per gallon. Her plan met with widespread opposition, and eventually was scuttled by the legislature.

As well as asserting the state’s need for increased road funding was unclear, Cato notes “Michigan’s population has been static at 10 million people for two decades.” Citing a study

from another libertarian group, the Reason Foundation, Cato stated the governor “should focus on using current highway funds more efficiently.

Additionally, said Cato, Whitmer broke her campaign pledge to repeal a pension tax implemented during the prior administration of Republican Gov. Rick Snyder, a “flip-flop” wrote Cato, that angered the state’s retirees. She also signed-off on an increase in Michigan’s online sales taxes and has also voiced support for increasing taxes on pass-through businesses.

This year is the 15<sup>th</sup> time the Cato Institute has released its biennial report.

Among its recommendations for states seeking to balance budgets without increasing taxes are more efficient ways of collecting revenues from legalized marijuana as well as saving taxpayer dollars by prohibiting public-sector collective bargaining. Cato also advocates for establishing state rainy day funds and encouraging stable and pro-growth tax bases.

“With the 2020 health crisis and recession, governors across the nation are facing tough fiscal choices,” according to the Cato report. “However, the need for restraint and recovery provides an opportunity for governors to prune low-value spending from state budgets and to pursue growth-enhancing tax reforms.”