



Report ranks Colorado as 12th freest state in the U.S.

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Colorado ranks as the 12th most free state in the country in the CATO Institute's latest index measuring states' freedom.

The **report** by the libertarian think tank describes Colorado as one of the freer states that has recently taken a backwards turn. The Centennial State has fallen 10 spots in CATO's overall rankings since 2014, largely due to "falling economic freedom and rising personal freedom" which the report says "roughly cancels each other out."

States are compared against one another based on several weighted local statistics, some of which include crime rates, land use policies, labor market relations, and personal income, the report's methodology says.

Colorado's overall ranking comes from its low tax burden, its "below average" regulatory policies, and its "above average" personal freedoms, according to the report.

For example, the report says Colorado's overall tax burden is approximately 8.9% of the average personal income, which is lower than the national average. The state's income tax is assessed at a flat rate of 4.55% and is one of only nine states to have a flat tax system.

Meanwhile, statewide debt levels have fallen from their peak in 2010 and government employment is down to 11.7% of private employment from a high of 12.8%.

Colorado's occupational licensing system is "relatively open," according to the report, but it adds that the state is below-average in labor market freedom because of its high minimum wage and lack of a right-to-work law.

In terms of personal freedom, Colorado leads other states because it has decriminalized marijuana, gambling, and "above average" gun rights, the report says.

To increase the state's future ranking, the report suggests that Colorado decrease some of its spending and cut taxes.

It should also remove laws that create barriers to fair pricing and require federal entities to comply with state-level asset forfeiture procedures, according to the report.