

# REPORT CARD on Rhode Island 'Competitiveness'

# 2015



*How progressive policies fail to promote fairness and social justice.*

| Category            | Grade                         | Subcategory                             | Date   | Rhode Island |         |             | CT          | MA          | ME          | NH       | VT          | Data Type | End Note |
|---------------------|-------------------------------|---|--------|--------------|---------|-------------|-------------|-------------|-------------|----------|-------------|-----------|----------|
|                     |                               |   |        | US rank      | NE rank | RI          |             |             |             |          |             |           |          |
| Tax Burden          | F                             | State Business Tax Climate Index        | 2015   | 45           | 5       | 45          | 42          | 24          | 33          | 7        | 46          | R         | 1        |
|                     | C-                            | Personal Income Tax Rate                | 2015   | 30           | 3       | 5.99%       | 6.70%       | 5.15%       | 7.95%       | 0.00%    | 8.95%       | D         | 2        |
|                     | B                             | Corporate Income Tax Rate               | 2015   | 29           | 1       | 7.00%       | 9.00%       | 8.00%       | 8.93%       | 8.50%    | 8.50%       | D         | 3        |
|                     | D-                            | Sales Tax Rate (State and Local)        | 2015   | 29           | 6       | 7.00%       | 6.35%       | 6.25%       | 5.50%       | 0.00%    | 6.14%       | D         | 4        |
|                     | F                             | Estate Tax Exemption                    | 2015   | 44           | 5       | \$1,500,000 | \$2,000,000 | \$1,000,000 | \$2,000,000 | No tax   | \$2,750,000 | D         | 5        |
|                     | D-                            | Property Taxes Paid Per Capita          | 2012   | 45           | 4       | \$2,234     | \$2,626     | \$2,061     | \$1,789     | \$2,585  | \$2,202     | D         | 6        |
| Business Climate    | F                             | Economic Freedom Index                  | 2013   | 44           | 5       | 44          | 42          | 33          | 43          | 7        | 46          | R         | 7        |
|                     | F                             | Top States for Business                 | 2015   | 48           | 6       | 48          | 33          | 20          | 44          | 30       | 42          | R         | 8        |
|                     | F                             | Best States for Business and Careers    | 2014   | 46           | 5       | 46          | 36          | 13          | 49          | 35       | 43          | R         | 9        |
|                     | D+                            | Long Term Competitive Index             | 2014   | 22           | 5       | 22          | 40          | 1           | 17          | 6        | 20          | R         | 10       |
|                     | D+                            | Small Business Policy Index             | 2014   | 40           | 3       | 40          | 41          | 31          | 42          | 27       | 45          | R         | 11       |
|                     | D-                            | State Lawsuit Climate                   | 2012   | 31           | 6       | 31          | 25          | 19          | 12          | 21       | 16          | R         | 12       |
| Spending & Debt     | D-                            | Federal Expenditures per Capita         | 2015   | 35           | 5       | \$6,426     | \$11,769    | \$6,284     | \$6,165     | \$5,060  | \$6,073     | D         | 13       |
|                     | D+                            | State and Local Expenditures per Capita | 2014   | 40           | 3       | 40          | 44          | 45          | 25          | 16       | 43          | R         | 14       |
|                     | D-                            | State and Local Debt per Capita         | 2014   | 45           | 4       | 45          | 46          | 48          | 14          | 30       | 20          | R         | 15       |
|                     | C                             | Fiscal Condition                        | 2015   | 38           | 2       | 38          | 47          | 48          | 42          | 20       | 39          | R         | 16       |
|                     | D-                            | Transfer Payments per \$100,000 GDP     | 2014   | 39           | 4       | \$18.66     | \$12.07     | \$12.91     | \$22.95     | \$14.06  | \$20.45     | D         | 17       |
| Employment & Income | C                             | Median Household Income                 | 2013   | 13           | 4       | \$57,812    | \$67,781    | \$62,963    | \$50,121    | \$71,322 | \$54,842    | D         | 18       |
|                     | D-                            | Unemployment Rate                       | Jul-15 | 34           | 6       | 5.8%        | 5.4%        | 4.7%        | 4.6%        | 3.7%     | 3.6%        | D         | 19       |
|                     | C-                            | Labor Force Participation Rate          | Jul-15 | 17           | 5       | 65.3%       | 66.3%       | 65.8%       | 63.3%       | 69.0%    | 67.8%       | D         | 20       |
|                     | F                             | Unemployment Tax Rate                   | 2014   | 42           | 6       | 4.74%       | 1.77%       | 2.92%       | 2.58%       | 2.11%    | 3.28%       | D         | 21       |
| K-12 Education      | D                             | Spending per Pupil                      | 2013   | 43           | 3       | \$14,415    | \$16,631    | \$14,515    | \$12,147    | \$13,721 | \$16,377    | D         | 22       |
|                     | B+                            | K-12 Performance, Progress, and Reform  | 2014   | 19           | 1       | C           | C-          | C           | C           | C        | D+          | D         | 23       |
|                     | C-                            | Charter School Laws                     | 2015   | 32           | 3       | 32          | 38          | 26          | 30          | 34       | 50          | R         | 24       |
|                     | D-                            | High School Graduation Rate             | 2013   | 34           | 6       | 79.7%       | 85.5%       | 85.0%       | 86.4%       | 87.3%    | 86.6%       | D         | 25       |
|                     | B+                            | Parent Power                            | 2015   | 17           | 1       | 17          | 39          | 30          | 29          | 31       | 45          | R         | 26       |
|                     | F                             | Home School Regulation Burden           | 2013   | 46           | 4       | D           | A           | D           | C           | C        | D           | D         | 27       |
|                     | D-                            | NAEP 4th Grade Math Scores              | 2013   | 29           | 6       | 241         | 243         | 253         | 246         | 253      | 248         | D         | 28       |
| D                   | NAEP 4th Grade Reading Scores | 2013                                    | 25     | 6            | 223     | 230         | 232         | 225         | 232         | 228      | D           | 29        |          |

# RI Competitiveness Report Card

| Category                | Grade | Subcategory                                     | Date   | Rhode Island |         |           | CT        | MA        | ME       | NH       | VT       | Data Type | End Note |
|-------------------------|-------|---|--------|--------------|---------|-----------|-----------|-----------|----------|----------|----------|-----------|----------|
|                         |       |   |        | US rank      | NE rank | RI        |           |           |          |          |          |           |          |
| Energy                  | D-    | Gasoline Taxes (Cents per Gallon)               | 2015   | 38           | 5       | 34.0      | 40.9      | 26.5      | 30.0     | 23.8     | 30.8     | D         | 30       |
|                         | D     | Cost of Electricity (Cents per kWh)             | Jun-15 | 44           | 3       | 15.5      | 18.1      | 16.3      | 12.5     | 15.6     | 14.4     | D         | 31       |
|                         | D     | Residential Cost of Electricity (Cents per kWh) | May-15 | 45           | 3       | 18.6      | 23.0      | 20.7      | 15.8     | 19.5     | 17.5     | D         | 32       |
|                         | F     | Energy Consumer Freedom                         | 2014   | 46           | 4       | 46        | 45        | 50        | 35       | 30       | 46       | R         | 33       |
| Infra-structure         | F     | Deficient Bridges                               | 2012   | 50           | 6       | 50.5%     | 35.9%     | 38.1%     | 25.8%    | 28.4%    | 28.7%    | D         | 34       |
|                         | F     | General Infrastructure & Transportation         | 2015   | 50           | 6       | 50        | 46        | 47        | 41       | 43       | 44       | R         | 35       |
|                         | F     | Disbursements per State-Controlled Mile         | 2012   | 47           | 5       | \$282,917 | \$190,868 | \$290,584 | \$43,702 | \$79,284 | \$97,988 | D         | 36       |
|                         | F     | Highway Cost Effectiveness                      | 2014   | 47           | 6       | 47        | 44        | 46        | 16       | 23       | 38       | R         | 37       |
| Public Sector           | D+    | Gov't Pay & Transfers % of Personal Income      | 2013   | 28           | 4       | 31.1%     | 23.1%     | 24.7%     | 34.7%    | 23.1%    | 33.1%    | D         | 38       |
|                         | F     | State Gov't Compensation (vs Private Sector)    | 2013   | 44           | 5       | 19.6%     | 6.8%      | 7.1%      | 4.0%     | -0.8%    | 25.5%    | D         | 39       |
|                         | F     | Local Gov't Compensation (vs Private Sector)    | 2013   | 49           | 6       | 31.9%     | -2.6%     | 4.4%      | 1.2%     | -1.1%    | 2.3%     | D         | 40       |
|                         | A-    | Public Workers (per 100 Private Sector)         | 2013   | 4            | 2       | 13.1%     | 15.7%     | 13.0%     | 16.9%    | 14.9%    | 18.4%    | D         | 41       |
|                         | D-    | State & Local Pension Liability (% Funded)      | 2013   | 43           | 4       | 58.5%     | 48.4%     | 61.4%     | 79.6%    | 56.7%    | 69.2%    | D         | 42       |
| Health Care             | D     | Medicare Spending per Enrollee                  | 2009   | 35           | 4       | \$10,121  | \$11,086  | \$11,277  | \$8,821  | \$8,763  | \$8,719  | D         | 43       |
|                         | F     | # of Health Insurance Mandates                  | 2012   | 50           | 6       | 69        | 65        | 49        | 48       | 38       | 46       | D         | 44       |
|                         | D     | Employer-Based Health Insurance Rates           | 2013   | 42           | 3       | \$5,968   | \$6,002   | \$6,290   | \$5,865  | \$6,249  | \$5,764  | D         | 45       |
|                         | F     | Medicaid Payments (per Enrollee)                | FY11   | 49           | 6       | \$9,247   | \$7,465   | \$8,717   | \$5,968  | \$7,254  | \$6,291  | D         | 46       |
|                         | F     | Medicaid Enrollment (% of Population)           | Jun-15 | 43           | 5       | 26.0%     | 21.2%     | 24.1%     | 21.1%    | 13.7%    | 29.4%    | D         | 47       |
| Living & Retiring in RI | D     | Best State for Retirement                       | 2014   | 26           | 6       | 26        | 14        | 21        | 7        | 11       | 5        | R         | 48       |
|                         | D+    | Cost of Living                                  | 1Q15   | 40           | 3       | 40        | 45        | 43        | 37       | 38       | 41       | R         | 49       |
|                         | D     | Natural Population Growth (annual rate)         | 2014   | 45           | 3       | 0.13%     | 0.19%     | 0.27%     | -0.04%   | 0.11%    | 0.12%    | D         | 50       |
|                         | F     | Overall Freedom                                 | 2013   | 46           | 6       | 46        | 40        | 30        | 39       | 4        | 43       | R         | 51       |
|                         | F     | Net Domestic Migration (annual rate)            | 2014   | 41           | 5       | -0.32%    | -0.73%    | -0.24%    | 0.04%    | 0.08%    | -0.25%   | D         | 52       |

**Data Type:** Signifies whether the value in the table is a ranking (R) or actual data (D); comparisons that use a grading system are considered data.

**Grading System:** All rankings are arranged with a ranking of 1 representing the most desirable. The subcategory grade is determined by the average of the US (national) and NE (New England) scores, which are based on the respective ranking. The US score is determined by subtracting the US rank from 100. The NE score is determined by rank, as follows: 1 = 95; 2 = 85; 3 = 75; 4 = 65; 5 = 60; 6 = 55. The primary category grade is based on the average score of the subcategory grades. Letter grades are assigned as follows: A+ (99-97); A (96-93); A- (92-90); B+ (89-87); B (86-83); B- (82-80); C+ (79-77); C (76-73); C- (72-70); D+ (69-67); D (66-64); D- (63-60); F (below 60).

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RI Center for Freedom and Prosperity: Report Card on RI Competitiveness

| <u>End Note #:</u> | <u>Data Source:</u>                                | <u>Data Source Link / Notes</u>   |
|--------------------|--|---|
| 1                  | The Tax Foundation                                 | <a href="http://taxfoundation.org/article/2015-state-business-tax-climate-index">http://taxfoundation.org/article/2015-state-business-tax-climate-index</a>   |
| 2                  | SBE Council  | <a href="http://www.sbecouncil.org/wp-content/uploads/2015/04/BT12015SBECouncil.pdf">http://www.sbecouncil.org/wp-content/uploads/2015/04/BT12015SBECouncil.pdf</a>   |
| 3                  | SBE Council  | <a href="http://www.sbecouncil.org/wp-content/uploads/2015/04/BT12015SBECouncil.pdf">http://www.sbecouncil.org/wp-content/uploads/2015/04/BT12015SBECouncil.pdf</a>   |
| 4                  | The Tax Foundation                                 | <a href="http://taxfoundation.org/article/state-and-local-sales-tax-rates-2015">http://taxfoundation.org/article/state-and-local-sales-tax-rates-2015</a>   |
| 5                  | About.com  | <a href="http://wills.about.com/od/stateestatetaxes/a/stateestatetaxchart.htm">http://wills.about.com/od/stateestatetaxes/a/stateestatetaxchart.htm</a>   |
| 6                  | The Tax Foundation                                 | <a href="http://taxfoundation.org/article/facts-figures-2015-how-does-your-state-compare">http://taxfoundation.org/article/facts-figures-2015-how-does-your-state-compare</a>   |
| 7                  | Mercatus Center                                    | <a href="http://mercatus.org/freedom-50-states-2011">http://mercatus.org/freedom-50-states-2011</a>   |
| 8                  | CNBC   | <a href="http://www.cnn.com/2015/06/24/americas-top-states-for-business.html">http://www.cnn.com/2015/06/24/americas-top-states-for-business.html</a>   |
| 9                  | Forbes   | <a href="http://www.forbes.com/best-states-for-business/">http://www.forbes.com/best-states-for-business/</a>   |
| 10                 | Beacon Hill Inst.                                  | <a href="http://www.beaconhill.org/Compete14/FINAL-BHICompetePR-14TH-2015-0608.pdf">http://www.beaconhill.org/Compete14/FINAL-BHICompetePR-14TH-2015-0608.pdf</a>   |
| 11                 | SBE Council  | <a href="http://www.sbecouncil.org/2014/12/11/sbe-council-ranks-the-50-states-in-the-small-business-policy-index-2014/">http://www.sbecouncil.org/2014/12/11/sbe-council-ranks-the-50-states-in-the-small-business-policy-index-2014/</a>   |
| 12                 | US Chamber of Comm                                 | <a href="http://www.instituteforlegalreform.com/states">http://www.instituteforlegalreform.com/states</a>   |
| 13                 | US Census Bureau & USA Spending                    | <a href="https://www.usaspending.gov/Pages/default.aspx">https://www.usaspending.gov/Pages/default.aspx</a> & <a href="http://www.census.gov/popest/data/state/asrh/2014/index.html">http://www.census.gov/popest/data/state/asrh/2014/index.html</a>   |
| 14                 | SBE Council  | <a href="http://www.sbecouncil.org/wp-content/uploads/2014/12/SBPI2014Final.pdf">http://www.sbecouncil.org/wp-content/uploads/2014/12/SBPI2014Final.pdf</a>   |
| 15                 | SBE Council  | <a href="http://www.sbecouncil.org/wp-content/uploads/2014/12/SBPI2014Final.pdf">http://www.sbecouncil.org/wp-content/uploads/2014/12/SBPI2014Final.pdf</a>   |
| 16                 | Mercatus   | <a href="http://mercatus.org/statefiscalrankings">http://mercatus.org/statefiscalrankings</a>   |
| 17                 | US Dep't of Commerce & Bureau of Economic Analysis | <a href="http://www.bea.gov">http://www.bea.gov</a>   |
| 18                 | US Census Bureau                                   | <a href="http://www.census.gov/hhes/www/income/data/statemedian/index.html">http://www.census.gov/hhes/www/income/data/statemedian/index.html</a>   |
| 19                 | Bur. Of Labor Stats.                               | <a href="http://www.bls.gov/web/laus/laumstrk.htm">http://www.bls.gov/web/laus/laumstrk.htm</a>   |
| 20                 | Bur. Of Labor Stats.                               | <a href="http://www.bls.gov/laus/ststdsadata.txt">http://www.bls.gov/laus/ststdsadata.txt</a>   |
| 21                 | SBE Council  | <a href="http://www.sbecouncil.org/wp-content/uploads/2014/12/SBPI2014Final.pdf">http://www.sbecouncil.org/wp-content/uploads/2014/12/SBPI2014Final.pdf</a>   |
| 22                 | US Census Bureau                                   | <a href="http://www.census.gov/govs/school/">http://www.census.gov/govs/school/</a>   |
| 23                 | ALEC   | <a href="http://alec.org/docs/ReportCard_19_Edition.pdf">http://alec.org/docs/ReportCard_19_Edition.pdf</a>   |
| 24                 | Ctr for Ed Reform                                  | <a href="https://www.edreform.com/wp-content/uploads/2015/03/CER-CharterLawsChart20151.pdf">https://www.edreform.com/wp-content/uploads/2015/03/CER-CharterLawsChart20151.pdf</a>   |
| 25                 | Governing.com                                      | <a href="http://www.governing.com/gov-data/high-school-graduation-rates-by-state.html">http://www.governing.com/gov-data/high-school-graduation-rates-by-state.html</a>   |
| 26                 | Ctr for Ed Reform                                  | <a href="http://www.edreform.com/in-the-states/parent-power-index/">http://www.edreform.com/in-the-states/parent-power-index/</a>   |
| 27                 | ALEC   | <a href="http://alec.org/docs/ReportCard_19_Edition.pdf">http://alec.org/docs/ReportCard_19_Edition.pdf</a>   |
| 28                 | Nation's Report Card                               | <a href="http://nces.ed.gov/nationsreportcard/statecomparisons">http://nces.ed.gov/nationsreportcard/statecomparisons</a>   |
| 29                 | Nation's Report Card                               | <a href="http://nces.ed.gov/nationsreportcard/statecomparisons">http://nces.ed.gov/nationsreportcard/statecomparisons</a>   |
| 30                 | The Tax Foundation                                 | <a href="http://taxfoundation.org/blog/how-high-are-gas-taxes-your-state">http://taxfoundation.org/blog/how-high-are-gas-taxes-your-state</a>   |
| 31                 | U.S. Energy Info Administration                    | <a href="http://www.eia.gov/electricity/monthly/pdf/epm.pdf">http://www.eia.gov/electricity/monthly/pdf/epm.pdf</a>   |
| 32                 | U.S. Energy Info Administration                    | <a href="http://www.eia.gov/state/rankings/?sid=US#/series/31">http://www.eia.gov/state/rankings/?sid=US#/series/31</a>   |
| 33                 | ACEEE  | <a href="http://aceee.org/state-policy/scorecard">http://aceee.org/state-policy/scorecard</a>   |
| 34                 | Reason.org   | <a href="http://reason.org/files/21st_annual_highway_report.pdf">http://reason.org/files/21st_annual_highway_report.pdf</a>   |
| 35                 | CNBC   | <a href="http://www.cnn.com/2015/06/24/americas-top-states-for-business.html">http://www.cnn.com/2015/06/24/americas-top-states-for-business.html</a>   |
| 36                 | Reason   | <a href="http://reason.org/files/21st_annual_highway_report.pdf">http://reason.org/files/21st_annual_highway_report.pdf</a>   |
| 37                 | SBE Council  | <a href="http://www.sbecouncil.org/wp-content/uploads/2014/12/SBPI2014Final.pdf">http://www.sbecouncil.org/wp-content/uploads/2014/12/SBPI2014Final.pdf</a>   |
| 38                 | US Dep't of Commerce                               | Calculated: see <a href="http://www.alabamapolicy.org/wp-content/uploads/API-Research-The-Looming-Crisis-Moody-Warcholik.pdf">http://www.alabamapolicy.org/wp-content/uploads/API-Research-The-Looming-Crisis-Moody-Warcholik.pdf</a> , p 22  |
| 39                 | US Dep't of Commerce                               | Calculated: see <a href="http://www.alabamapolicy.org/wp-content/uploads/API-Research-The-Looming-Crisis-Moody-Warcholik.pdf">http://www.alabamapolicy.org/wp-content/uploads/API-Research-The-Looming-Crisis-Moody-Warcholik.pdf</a> , p 22  |
| 40                 | US Dep't of Commerce                               | Calculated: see <a href="http://www.alabamapolicy.org/wp-content/uploads/API-Research-The-Looming-Crisis-Moody-Warcholik.pdf">http://www.alabamapolicy.org/wp-content/uploads/API-Research-The-Looming-Crisis-Moody-Warcholik.pdf</a> , p 22  |
| 41                 | US Dep't of Commerce                               | Calculated: see <a href="http://www.alabamapolicy.org/wp-content/uploads/API-Research-The-Looming-Crisis-Moody-Warcholik.pdf">http://www.alabamapolicy.org/wp-content/uploads/API-Research-The-Looming-Crisis-Moody-Warcholik.pdf</a> , p 22  |
| 42                 | Pew  | <a href="http://www.pewtrusts.org/en/research-and-analysis/issue-briefs/2015/07/the-state-pensions-funding-gap-challenges-persist">http://www.pewtrusts.org/en/research-and-analysis/issue-briefs/2015/07/the-state-pensions-funding-gap-challenges-persist</a>   |
| 43                 | Kaiser Family                                      | <a href="http://www.statehealthfacts.org/comparemaptable.jsp?ind=624&amp;cat=6">http://www.statehealthfacts.org/comparemaptable.jsp?ind=624&amp;cat=6</a>   |
| 44                 | Csl Affordable Hlth Ins                            | <a href="http://www.cahi.org/cahi_contents/resources/pdf/MandatesintheStates2012ExecSumm.pdf">http://www.cahi.org/cahi_contents/resources/pdf/MandatesintheStates2012ExecSumm.pdf</a>   |
| 45                 | Kaiser Family                                      | <a href="http://www.statehealthfacts.org/comparemaptable.jsp?typ=4&amp;ind=270&amp;cat=5&amp;sub=67">http://www.statehealthfacts.org/comparemaptable.jsp?typ=4&amp;ind=270&amp;cat=5&amp;sub=67</a>   |
| 46                 | Kaiser Family                                      | <a href="http://www.statehealthfacts.org/comparemaptable.jsp?ind=183&amp;cat=4&amp;sub=47">http://www.statehealthfacts.org/comparemaptable.jsp?ind=183&amp;cat=4&amp;sub=47</a>   |
| 47                 | Kaiser Family & U.S. Census                        | <a href="http://kff.org/health-reform/state-indicator/total-monthly-medicaid-and-chip-enrollment/">http://kff.org/health-reform/state-indicator/total-monthly-medicaid-and-chip-enrollment/</a> & <a href="http://www.census.gov/popest/data/state/asrh/2014/index.html">http://www.census.gov/popest/data/state/asrh/2014/index.html</a> |
| 48                 | Money-rates.com                                    | <a href="http://www.money-rates.com/research-center/best-states-for-retirement/2014-complete-list.htm">http://www.money-rates.com/research-center/best-states-for-retirement/2014-complete-list.htm</a>   |
| 49                 | MERIC  | <a href="http://www.missourieconomy.org/indicators/cost_of_living/index.stm">http://www.missourieconomy.org/indicators/cost_of_living/index.stm</a>   |
| 50                 | US Census Bureau                                   | <a href="http://www.census.gov/popest/data/datasets.html">http://www.census.gov/popest/data/datasets.html</a>   |
| 51                 | Mercatus Center                                    | <a href="http://freedominthe50states.org/overall">http://freedominthe50states.org/overall</a>   |
| 52                 | US Census Bureau                                   | <a href="http://www.census.gov/popest/data/datasets.html">http://www.census.gov/popest/data/datasets.html</a>   |

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