

Texas Rises to Sixth in 50-State Economic Outlook Rankings

Lone Star State's sixth-place finish highlights commitment to growth

For Immediate Release

Media Contact: Lars Dalseide, media@alec.org, 703-339-9565

ARLINGTON, Va. – The American Legislative Exchange Council (ALEC) unveiled the 17th edition of their flagship publication, *Rich States, Poor States: ALEC-Laffer State Economic Competitiveness Index* today. Texas rose from 13th overall in 2023 to 6th among all 50 states for Economic Outlook.

"I'm dedicated to making Texas the most economically competitive place on planet Earth," proclaimed Lt. Gov. Dan Patrick. "We want people to prosper and be free to live the Texas dream because there is not another Texas to move to."

This annual report evaluates the economic competitiveness and outlook of each state. Co-authored by Reagan Economist Dr. Arthur B. Laffer, economic policy expert Stephen Moore, and ALEC Chief Economist Jonathan Williams, the report has served as a pivotal resource for lawmakers nationwide since its inception in 2007.

"The great work in Rich States, Poor States is clear evidence that Texas's pursuit of the ALEC principles of free markets and limited government is working," said ALEC Board Member and State Sen. Phil King.

Texas has consistently been one of the biggest beneficiaries of Americans voting with their feet for policies that support economic opportunity. Workers and businesses recognize the benefits of no income tax and other pro-growth policies. Due in large part to landmark property tax cuts in 2023, Texas has achieved its highest-ever ranking of sixth in 2024.

"Texas is a great example of a state prospering thanks to a commitment to free-market, pro-taxpayer policy reforms," said Williams. "Texas policymakers continue to fine-tune and improve the state's economic strategy to stay ahead of the curve."

The report evaluates 15 economic policy variables to determine Economic Outlook rankings for each state, with these variables proving pivotal to state competitiveness and growth. The data underscores that states benefiting from tax reductions, debt reduction, and the maintenance of free-market policies are more successful in attracting new residents. *Rich States, Poor States* also features Economic Performance rankings based on the latest figures for GDP growth, net domestic migration, and non-farm employment growth. For Economic Performance, Texas ranked 6th in the nation.

"When you pass the largest tax reform package in state history you're going to see results, and the result is billions of dollars back in Taxpayer's hands fueling a wide-open economy that thrives on pro-growth policies we've been proud to provide the people of Texas," stated State Sen. Paul Bettencourt.

Other highlights from this year's rankings include Idaho's rise to the second spot from last year's 4th place finish – largely attributed to its significant 2022 tax cuts. With Georgia's flat personal income tax taking effect in 2024, the state moved up to 11th place in the rankings. Conversely, New York's consistent position at the bottom of the list is a consequence of its persistently high personal, corporate, property, and inheritance taxes, imposing a considerable burden on its taxpayers.

"Amid ongoing dysfunction in Washington, states are seizing control," said ALEC CEO Lisa B. Nelson. "The latest edition of Rich States, Poor States illustrates the competitive spirit among states striving to become beacons of freedom and opportunity. This beneficial competition ultimately serves the American people, a principle ALEC is proud to champion."

[Find out how every state ranks here.](#)