



The Platte Institute for Economic Research Year End Review

Thank you to the many donors and supporters across the state that helped the Platte Institute for Economic Research promote free enterprise, limited government and personal responsibility.

2013 was a very productive year for the Platte Institute; we released eleven timely, pertinent policy studies on topics related to tax policy and spending, health care and Medicaid reform, public pensions, education, and energy policy. Further, the Platte Institute hosted several educational policy summits throughout the year. In June, the Institute hosted a health care reform summit to discuss the impact of the Affordable Care Act. In October, the Institute held its 3rd Annual Legislative Summit, which addressed topics ranging from comprehensive tax reform to Nebraska's education system. These events were collectively attended by more than 250 Nebraskans, including policymakers, members of the business community, the media, and concerned citizens. Please find a summary below of the Platte Institute's most noteworthy policy studies and accomplishments.

Tax Policy and Spending

The Platte Institute recognized the need for a comprehensive roadmap that could be used by policymakers to pass comprehensive tax reform in Nebraska. In October, the Platte Institute released a study, "Building on Success: A Guide to Fair, Simple, Pro-Growth Tax Reform in Nebraska," authored by the Tax Foundation, which provides policy recommendations to reduce Nebraska's individual and corporate income tax, and offer meaningful relief from excessive property tax increases, and provide options for difficult sales tax reform. Ultimately, the study recommends reducing the individual income tax rate from 6.84 to 5.5 percent, and reducing the corporate income tax rate from 7.81 to 5.5 percent.

The Tax Foundation and the Platte Institute met with key stakeholders and business leaders from across the state to listen to their concerns, and to ensure the study adequately reflects the values and priorities of Nebraska citizens. The study and its recommendations were well-received by policymakers, the Governor, the business community and the media. The study even received national recognitions; David Brunori praised the plan in Forbes and urged its

implementation.

The Institute also released “The Fairness of Free Market Tax Policy,” authored by Dr. William McBride of the Tax Foundation, which uses economic principles to show how free market tax policy can promote economic growth and improve opportunities for the disadvantaged.

Resisting Medicaid Expansion

The Platte Institute has been the leading voice in Nebraska against expanding Medicaid in accordance with the Patient Protection and Affordable Care Act. During the legislative session, the Platte Institute brought in Christie Herrera, a leading Medicaid expert with the Foundation for Government Accountability, to discuss the negative impact of expanding Medicaid in Nebraska.

Additionally, the Platte Institute released a study in April, “Medicaid Expansion: the Economic Analysis Dilemma,” authored by Sean Riley of the American Legislative Exchange Council, which examined the assumptions surrounding the Medicaid Expansion debate locally and nationally, and concluded promoting competition and consumer choice provides the cornerstone of real reform.

This study was used by several policymakers on the legislative floor, which ultimately blocked Medicaid expansion in Nebraska.

Public Pension Reform

The Platte Institute was a leader in providing resources for lawmakers as Nebraska’s pension systems continue to face increasing unfunded liabilities.

In May, the Platte Institute released “Honest Accounting and Public Sector Pensions in Nebraska,” authored by Andrew Biggs of the American Enterprise Institute, which examines whether the returns projected for Nebraska’s public pensions are realistic and how improper rate-of-return assumptions can impact the stability of the public pension system. The study concluded Nebraska should closely examine the negotiated assumptions used for public pensions in order to protect taxpayers, prevent large unfunded liabilities, and ensure pension sustainability.

Education Reform

The Platte Institute continued to advocate for education reform that improves academic achievement, increases accountability, and improves cost-efficiency. Further, the Platte Institute will continue to lay the foundation for enabling school choice legislation, including charter schools, tax credits, and vouchers.

In February, the Platte Institute released “Comparing Public and Private Schools in Omaha,”

which examined 135 public and 38 private schools in Omaha; the analysis compared the communities in which these schools are located as well as various student characteristics based on information retrieved from the U.S. Department of Education and other government sources. The study found that Omaha private schools enroll socioeconomically diverse student bodies without additional governmental expenditures, controversial funding schemes, or reliance on the income and race-based admissions requirements used by the Learning Community.

Energy Reform

The Platte Institute continued to advocate for the construction of the Keystone XL pipeline by providing expert testimony at hearings in Albion and Grand Island and releasing other educational materials. Additionally, the Platte Institute released a policy brief that examines the economic benefit of the Keystone XL pipeline at the county level.

Again, we thank everyone who helped make the Platte Institute's year such a success. We look forward to working with you in 2014. Please visit our website, www.platteinstitute.org, to view and download all of our 2013 policy studies.

