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How the 2018 Elections Reshaped State and Local Governments' Fiscal Policy Space.

State and local fiscal policy was not the mobilizing force behind the historic voter turnout of the 2018 elections. Yet policy questions related to public budgets were on state and local ballots across the country, and by showing up in November, voters made decisions that will shape the policymaking landscape of their governments for years to come.

As we have previously described, government revenue structures, and the constraints they operate within, play a crucial role in governments' ability to provide basic services to constituents and respond to new policy challenges. States that do not levy personal or corporate income taxes, such as Nevada and Texas, or cities that operate under extreme state-imposed limitations on expenditures, such as Denver or Tucson, have less "fiscal policy space" to innovate and govern.

In this light, state and local ballot measures in the 2018 election can be placed into one of two broad categories: those that expand state or local fiscal policy space (which we call "expansionary measures"), and those that restrict state or local fiscal policy space (which we call "restricting measures"). By tracking the results of dozens of state measures and over one hundred local measures in the country's 100 largest cities, this analysis seeks to understand where voters sought to expand public services, and where they sought to check government spending.

Continue reading.

The Brookings Institute

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