

SPECIAL COMMENT

2011 State Debt Medians Report

2010 Data Shows State Debt Continued Substantial Growth

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This report corrects our May 25th report adjusting GDP to latest numbers and revising debt numbers for Iowa and New Mexico

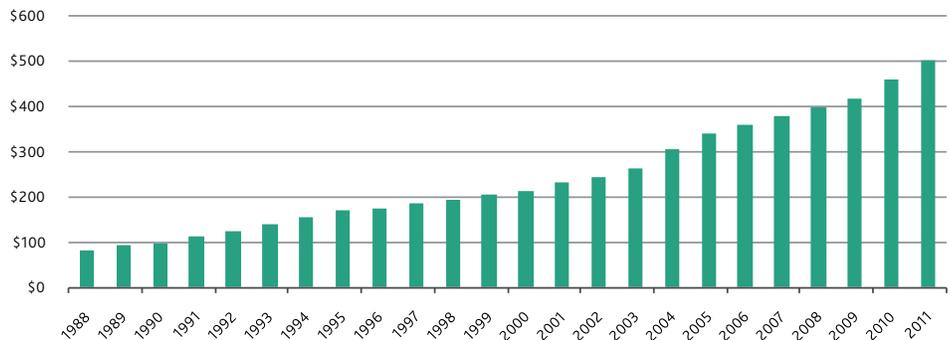
Summary Opinion

Calendar year 2010 was a strong year for debt issuance thanks in part to federal programs that expired at the end of the year, offering the likelihood of significantly lower issuance in 2011. State net tax-supported debt increased by 8.7% in 2010 to \$500 billion from \$460 billion in 2009 (see Figure 1), compared to 10.3% growth in the prior year. The growth in net tax-supported debt resulted from a number of factors, including but not limited to:

- » The Build America Bond (BAB) and Qualified School Construction Bond (QSCBs) programs and a push to capitalize on the BAB program before it expired on December 31, 2010;
- » The continued need by some states for budget relief as a result of the national recession; and
- » A low interest rate environment.

Median net tax-supported debt per capita increased by 14% to \$1,066 from \$936, while net tax-supported debt as a percentage of personal income increased to 2.8% from 2.5%.

FIGURE 1
Total Net Tax-Supported Debt of the 50 States (\$B)



2010 was a notable year in debt issuance due to the acceleration of debt issuance in advance of the termination of the BAB subsidy program on December 31st. The BAB program ran for two years as part of the American Recovery and Reinvestment Act (ARRA) and provided a 35% interest payment subsidy on bonds for state and local governments. In an effort to capitalize on this program, many issuers moved bond sales originally planned for 2011 into 2010 to take advantage of investor demand and lower costs of issuance.

Most municipal bonds are exempt from federal income taxes and certain state and local income taxes, making them attractive in high tax rate environments. The expected termination of the Bush tax cuts at the end of 2010 created additional investor appetite for municipal debt, further supporting debt issuance toward the end of the year.

The 2010 increase in state debt also reflects the continuation of a low interest rate environment as well as the recession's continued effects on state finances. As is typical when interest rates are low, state governments refunded existing debt to achieve interest rate savings. As we observed in 2009, a significant portion of the savings achieved in 2010 debt refundings were used to plug budget gaps. As states struggled to balance rising expenditure pressures with depressed revenues, debt restructuring, in the form of issuing bonds to defer debt service, became a more common solution to address budgetary gaps. In addition to restructuring debt, some states simply issued long-term debt to fund operations. Notably, the State of Illinois issued deficit bonds to relieve budget pressures, using the proceeds of approximately \$3.5 billion of general obligation bonds to help fund the annual pension contribution.

State debt issuance in 2011 (which will be the basis of our 2012 debt medians analysis) will likely decrease compared to 2010 figures as states will no longer be able to issue BABs and will likely face a rising interest rate environment. States will continue to look to long-term financing to alleviate budget pressure, though the higher cost of issuance will decrease issuer appetite for this solution.

Every year, Moody's prepares a special comment that presents an analysis of state debt medians. The 2011 Debt Medians report examines the condition of net state tax-supported debt as of calendar year-end 2010. As in prior years, the data presented (Figures 1, 2, 3 and Table 6) reflect the historical trend up to the immediately preceding year's state debt issuance while the data point label corresponds to the year in which the report is produced (i.e. the data labeled 2011 reflect debt as of calendar year-end 2010). Two measures of state debt burden – debt per capita and debt as a percentage of personal income – are commonly used by analysts to compare the debt burden of one state to another. Debt burden is one of many factors that Moody's uses to determine state credit quality. In considering debt burden, the focus is largely on net tax-supported debt, which Moody's characterizes as debt secured by state resources. Moody's also examines gross debt, which includes contingent debt liabilities that may not have direct tax support but represent commitments to make debt service payments under certain conditions (e.g. state guarantees and bonds backed by state moral obligation pledges).

Net Tax-Supported Debt is defined as debt secured by state operating resources which could otherwise be used for state operations. Any debt to which state resources are pledged for repayment is considered to be net tax-supported debt.

Last year, Moody's added a third metric: net tax-supported debt as a percent of gross domestic product. This ratio is useful when comparing U.S. state credits to sovereign and non-U.S. subsovereign credits as debt-to-GDP is an important input into the ratings assigned to these sectors. This ratio is usually higher for governments outside of the U.S. because their debt issuance is more centralized.

Even so, comparison of this metric is an important part of our continued benchmarking against other sectors now that U.S. state credits are rated on the same scale as sovereign and subsovereign credits.

Growth of Net Tax-Supported Debt Slightly Lower Than the Prior Year

State total net tax-supported debt increased by 8.7% in 2010 to \$500 billion, a slightly lower rate than the increase of 10.3% recorded in 2009. The rate of growth is reflective of a stable market combined with a low interest rate environment. In 2009, bond markets had just begun to stabilize and bonds that were not issued as originally planned in 2008 were brought to market, creating strong growth of net tax-supported debt in that year that was unlikely to continue at that pace. Many other factors responsible for higher debt issuances in 2009 continued to be important drivers of debt issuance in 2010. The historically low interest rate environment encouraged states to borrow for economic stimulus. States continued to issue large amounts of fixed rate bonds to retire variable rate debt as obtaining third-party liquidity became more difficult and the expense of available liquidity outweighed the benefit of short term interest rates. During 2010, states continued to benefit from a lower cost of issuance due to the debt structures introduced by ARRA which expanded the investor base of municipal issues from the traditional holders of tax-exempt bonds to purchasers of taxable bonds. Debt issuance remained strong up through the end of the year as issuers pushed to capitalize on the ARRA program before its conclusion in December of 2010.

Utah, which experienced high debt growth in 2009, continued the trend in 2010 with 30% growth in net tax-supported debt as a result of more than \$1 billion of new debt issuance. Utah capitalized on the low interest rate environment and the ARRA bond subsidy programs to continue to finance its ongoing highway construction program as well as building programs at higher education institutions. Utah's overall net tax-supported debt is still low relative to other states, ranking 30th out of 50 in total net tax-supported debt and we note that the state amortizes its debt rapidly.

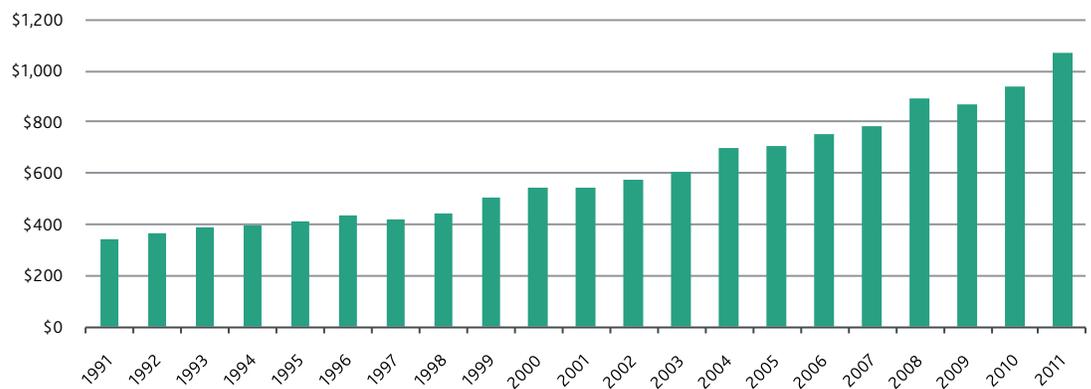
One of the largest bond issues in 2010 was the State of California's \$5.9 billion of Various Purpose General Obligation bonds issued in two series in March 2010. In total, California increased its net tax-supported debt by 8.5% in 2010 over the prior year. The State of Arizona experienced a large 25% increase in debt due to the issuance of certificates of participation to close its budget gap. The state sold \$1 billion in certificates of participation, in part to fund a sale-leaseback agreement in which government buildings were sold for an upfront payment and then leased back to the state. Even with the sharp increase, Arizona climbed just two positions, from 23rd to 21st, in outstanding net tax supported debt since 2010.

Median Net Tax-Supported Debt Per Capita Increases by 14%

Median net tax-supported debt per capita at calendar year-end 2010 increased by 14% to \$1,066 (see Figure 2), compared to 8.1% in 2009. This is the third largest percentage growth we have seen since tracking this variable beginning in 1995. Illinois, the fifth most populous state, had a large increase with 28.4% growth. Many other states driving this increase have comparatively lower populations, such as Kentucky, New Hampshire, and Utah. Some states that have historically limited debt issuance embarked on substantial capital programs in 2010 which have driven debt growth. New Mexico had a 31% increase in its net tax-supported debt per capita, issuing highway revenue bonds to fund transportation projects and severance bonds to fund general capital improvements.

Some states reduced their outstanding debt in 2010. The State of Alaska reduced its net tax-supported debt per capita by 6.5%, in sharp contrast to a 48% increase in 2009. The state retired more debt than it issued due to recovering revenues tied to rising oil prices and the ample funds raised in the previous year. The State of Nebraska, which historically has had one of the lowest debt burdens of all states due to a constitutional limitation on issuance of general obligation debt, experienced a 13% decline of net tax-supported debt per capita as maturing debt outpaced the issuance of \$8.3 million of certificates of participation.

FIGURE 2
Median Net Tax-Supported Debt Per Capita for 50 States



Median Net Tax-Supported Debt as a Percent of Personal Income Increases

Median net tax-supported debt, as a percent of personal income, increased to 2.8% in 2010, in line with the overall increase in net tax-supported debt (Figure 3). Prior to this year, median net tax-supported debt averaged 2.3%, never exhibiting growth or declines of more than two tenths of a percentage point year-over-year.

FIGURE 3
Median Net Tax-Supported Debt as Percent of Personal Income for 50 States

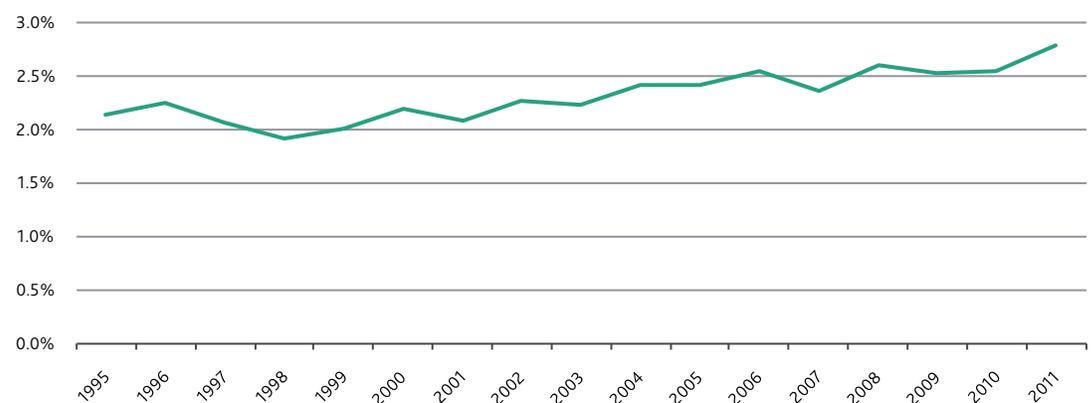
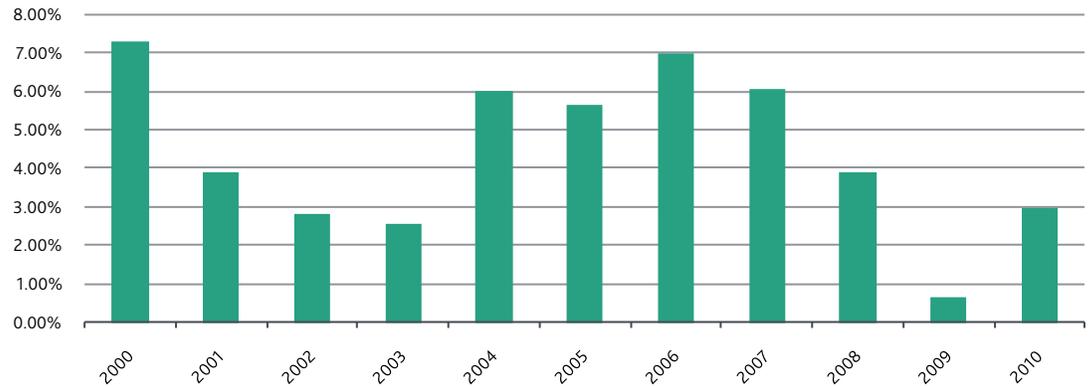


FIGURE 4
Personal Income Year-Over-Year % Change



2011 State Debt Outlook: Debt Issuance Expected to Reverse Growth Trend

State debt issuance in 2011 is expected to decrease to below the record levels of 2009 and 2010. While most states continue to experience budgetary strain, they appear to be avoiding deficit financings or bond issuances for debt restructuring to balance budgets. Most states will likely turn to revenue increases, through taxes and fees, and spending cuts to resolve their budget gaps. States will continue to use long-term debt to finance capital needs due to reduced options to cash fund projects amid weak revenue growth and continued budget reductions. However, we expect lower overall issuance for capital purposes in 2011 due to higher capital costs. The expiration of the BAB program will also have a negative impact on debt issuance for the 2011 calendar year, as states will no longer be able to capitalize on these popular structures to lower overall cost of issuance.

Some states have exhausted the debt issuing capacity permitted by their debt policies. The majority of states have a debt capacity tool in place to monitor leverage. These policies typically measure debt capacity in terms of debt service as a percent of general fund revenues. As state revenues have declined, debt capacity has also declined. Overall, few states have included robust capital improvement projects in their proposed fiscal 2012 budgets which would necessitate debt issuance at levels seen over the previous years.

TABLE 1

Net Tax-Supported Debt

Per Capita			Rating
1	Connecticut	\$5,236	Aa2
2	Massachusetts	\$4,711	Aa1
3	Hawaii	\$4,236	Aa2
4	New Jersey	\$3,940	Aa3
5	New York	\$3,149	Aa2
6	Delaware	\$2,676	Aaa
7	Washington	\$2,626	Aa1
8	California	\$2,542	A1
9	Illinois	\$2,383	A1
10	Rhode Island	\$2,191	Aa2
11	Oregon	\$2,006	Aa1
12	Kentucky	\$1,961	Aa2*
13	New Mexico	\$1,827	Aaa
14	Wisconsin	\$1,795	Aa2
15	Maryland	\$1,681	Aaa
16	Mississippi	\$1,534	Aa2
17	Louisiana	\$1,308	Aa2
18	Alaska	\$1,257	Aaa
19	Kansas	\$1,239	Aa1*
20	Utah	\$1,222	Aaa
21	West Virginia	\$1,221	Aa1
22	Minnesota	\$1,159	Aa1
23	Florida	\$1,150	Aa1
24	Georgia	\$1,103	Aaa
25	Pennsylvania	\$1,075	Aa1
26	Virginia	\$1,058	Aaa
27	Ohio	\$1,007	Aa1
28	Arizona	\$910	Aa3*
29	South Carolina	\$887	Aaa
30	Nevada	\$878	Aa2
31	Maine	\$865	Aa2
32	Alabama	\$856	Aa1
33	New Hampshire	\$812	Aa1
34	North Carolina	\$782	Aaa
35	Missouri	\$775	Aaa
36	Michigan	\$762	Aa2
37	Vermont	\$747	Aaa
38	Oklahoma	\$634	Aa2
39	Texas	\$612	Aaa
40	Colorado	\$524	Aa1*
41	Idaho	\$519	Aa1*
42	Indiana	\$471	Aaa*
43	Montana	\$371	Aa1
44	Arkansas	\$361	Aa1
45	Tennessee	\$345	Aaa
46	South Dakota	\$328	NGO**
47	North Dakota	\$315	Aa1*
48	Iowa	\$270	Aaa*
49	Wyoming	\$71	NGO**
50	Nebraska	\$13	NGO**
	MEAN:	\$1,408	
	MEDIAN:	\$1,066	
	Puerto Rico	\$10,474	A3***

* Issuer Rating (No G.O. Debt)

** No General Obligation Debt

*** This figure is not included in any totals, means, or median calculations but is provided for comparison

TABLE 2

Net Tax-Supported Debt

As a % of 2009 Personal Income		
1	Hawaii	10.1%
2	Massachusetts	9.5%
3	Connecticut	9.5%
4	New Jersey	7.9%
5	Delaware	6.8%
6	New York	6.8%
7	Washington	6.2%
8	Kentucky	6.1%
9	California	6.0%
10	Illinois	5.7%
11	Oregon	5.6%
12	New Mexico	5.6%
13	Rhode Island	5.3%
14	Mississippi	5.1%
15	Wisconsin	4.8%
16	Utah	3.9%
17	West Virginia	3.8%
18	Maryland	3.5%
19	Louisiana	3.5%
20	Georgia	3.3%
21	Kansas	3.2%
22	Florida	3.0%
23	Alaska	3.0%
24	Ohio	2.8%
25	Minnesota	2.8%
26	Arizona	2.8%
27	South Carolina	2.7%
28	Pennsylvania	2.7%
29	Alabama	2.6%
30	Virginia	2.4%
31	Maine	2.4%
32	Nevada	2.3%
33	North Carolina	2.3%
34	Michigan	2.2%
35	Missouri	2.2%
36	Vermont	1.9%
37	New Hampshire	1.9%
38	Oklahoma	1.8%
39	Idaho	1.6%
40	Texas	1.6%
41	Indiana	1.4%
42	Colorado	1.3%
43	Arkansas	1.1%
44	Montana	1.1%
45	Tennessee	1.0%
46	South Dakota	0.9%
47	North Dakota	0.8%
48	Iowa	0.7%
49	Wyoming	0.1%
50	Nebraska	0.0%
	MEAN:	3.5%
	MEDIAN:	2.8%
	Puerto Rico	71.0%**

** This figure is based on 2009 Personal Income. It is not included in any totals, means, or median calculations but is provided for comparison purposes only.

TABLE 3

Total Net Tax Supported Debt (\$000's)

			Rating
1	California	\$94,715,065	A1
2	New York	\$61,650,419	Aa2
3	New Jersey	\$34,407,665	Aa3
4	Massachusetts	\$31,243,217	Aa1
5	Illinois	\$30,847,532	A1
6	Florida	\$21,472,900	Aa1
7	Connecticut	\$18,467,835	Aa2
8	Washington	\$17,712,354	Aa1
9	Texas	\$15,432,590	Aaa
10	Pennsylvania	\$13,578,800	Aa1
11	Ohio	\$11,610,654	Aa1
12	Georgia	\$10,933,325	Aaa
13	Wisconsin	\$10,174,263	Aa2
14	Maryland	\$9,646,600	Aaa
15	Kentucky	\$8,510,617	Aa2*
16	Virginia	\$8,413,741	Aaa
17	Oregon	\$7,734,585	Aa1
18	Michigan	\$7,566,087	Aa2
19	North Carolina	\$7,398,875	Aaa
20	Minnesota	\$6,131,243	Aa1
21	Arizona	\$6,075,976	Aa3*
22	Louisiana	\$5,925,270	Aa2
23	Hawaii	\$5,506,809	Aa2
24	Missouri	\$4,661,028	Aaa
25	Mississippi	\$4,540,516	Aa2
26	South Carolina	\$4,075,801	Aaa
27	Alabama	\$4,046,793	Aa1
28	New Mexico	\$3,716,821	Aaa
29	Kansas	\$3,520,236	Aa1*
30	Utah	\$3,457,853	Aaa
31	Indiana	\$3,033,441	Aaa*
32	Colorado	\$2,667,556	Aa1*
33	Delaware	\$2,385,363	Aaa
34	Oklahoma	\$2,360,633	Aa2
35	Nevada	\$2,330,446	Aa2
36	Rhode Island	\$2,315,623	Aa2
37	West Virginia	\$2,229,760	Aa1
38	Tennessee	\$2,183,779	Aaa
39	Maine	\$1,135,921	Aa2
40	New Hampshire	\$1,075,019	Aa1
41	Arkansas	\$1,051,074	Aa1
42	Alaska	\$891,300	Aaa
43	Iowa	\$817,123	Aaa*
44	Idaho	\$808,919	Aa1*
45	Vermont	\$464,695	Aaa
46	Montana	\$363,378	Aa1
47	South Dakota	\$269,369	NGO**
48	North Dakota	\$205,701	Aa1*
49	Wyoming	\$38,982	NGO**
50	Nebraska	\$23,181	NGO**
	Totals	\$ 499,826,733	
	MEAN:	\$9,996,535	
	MEDIAN:	\$4,308,159	
	Puerto Rico	\$41,553,000	A3***

* Issuer Rating (No G.O. Debt)

** No General Obligation Debt

*** This figure is not included in any totals, means, or median calculations but is provided for comparison

TABLE 4

Gross Tax Supported Debt (\$000's)

			Gross to Net Ratio
1	California	\$103,060,316	1.09
2	New York	\$61,778,000	1.00
3	New Jersey	\$40,102,665	1.17
4	Illinois	\$32,741,532	1.06
5	Florida	\$32,525,900	1.51
6	Massachusetts	\$32,435,132	1.04
7	Connecticut	\$26,291,590	1.42
8	Washington	\$26,192,279	1.48
9	Texas	\$24,059,432	1.56
10	Michigan	\$23,016,481	3.04
11	Minnesota	\$20,437,073	3.33
12	Pennsylvania	\$18,836,800	1.39
13	Ohio	\$17,012,638	1.47
14	Oregon	\$16,071,028	2.08
15	Virginia	\$12,433,425	1.48
16	Wisconsin	\$11,700,808	1.15
17	Colorado	\$11,494,032	4.31
18	Kentucky	\$11,456,037	1.35
19	Georgia	\$10,933,325	1.00
20	Maryland	\$9,646,600	1.00
21	Alabama	\$8,210,228	2.03
22	Utah	\$7,943,479	2.30
23	Hawaii	\$7,635,932	1.39
24	North Carolina	\$7,398,875	1.00
25	Louisiana	\$7,128,350	1.20
26	Arizona	\$6,230,381	1.03
27	Tennessee	\$5,701,194	2.61
28	Maine	\$5,229,856	4.60
29	New Mexico	\$5,006,821	1.35
30	Indiana	\$4,869,952	1.61
31	Missouri	\$4,729,643	1.01
32	Mississippi	\$4,540,516	1.00
33	South Carolina	\$4,522,512	1.11
34	Arkansas	\$4,494,472	4.28
35	West Virginia	\$4,183,453	1.88
36	Kansas	\$3,893,741	1.11
37	Delaware	\$3,803,855	1.59
38	Alaska	\$3,758,000	4.22
39	Rhode Island	\$3,512,381	1.52
40	Iowa	\$3,260,096	3.99
41	Nevada	\$2,942,261	1.26
42	New Hampshire	\$2,511,637	2.34
43	Oklahoma	\$2,384,611	1.01
44	Idaho	\$1,646,589	2.04
45	Vermont	\$1,452,165	3.12
46	North Dakota	\$1,386,026	6.74
47	Montana	\$569,146	1.57
48	South Dakota	\$478,852	1.78
49	Wyoming	\$38,982	1.00
50	Nebraska	\$37,586	1.62
	Totals	\$661,726,685	
	MEAN:	13,234,534	1.92
	MEDIAN:	6,679,366	1.48
	Puerto Rico	\$44,688,990**	1.12

** This figure is not included in any totals, means, or median calculations but is provided for comparison purposes only.

TABLE 5

Net Tax-Supported Debt as % of Gross State Domestic Product*

2010		NTSD to State GDP Ratio	2011		NTSD to State GDP Ratio
1	Massachusetts	8.32%	1	Massachusetts	8.62%
2	Hawaii	8.11%	2	Hawaii	8.38%
3	Connecticut	7.91%	3	Connecticut	8.38%
4	New Jersey	6.73%	4	New Jersey	7.19%
5	New York	5.35%	5	New York	5.68%
6	Mississippi	4.75%	6	Kentucky	5.51%
7	Rhode Island	4.73%	7	Washington	5.27%
8	California	4.73%	8	California	5.03%
9	Kentucky	4.65%	9	New Mexico	5.00%
10	Washington	4.60%	10	Illinois	4.97%
11	Oregon	4.40%	11	Rhode Island	4.86%
12	Wisconsin	4.05%	12	Mississippi	4.78%
13	Illinois	3.78%	13	Oregon	4.68%
14	Delaware	3.56%	14	Wisconsin	4.26%
15	New Mexico	3.52%	15	Delaware	4.02%
16	Maryland	3.35%	16	West Virginia	3.58%
17	West Virginia	3.18%	17	Maryland	3.40%
18	Florida	2.80%	18	Utah	3.07%
19	Georgia	2.77%	19	Florida	2.94%
20	South Carolina	2.68%	20	Kansas	2.85%
21	Kansas	2.62%	21	Louisiana	2.84%
22	Louisiana	2.57%	22	Georgia	2.78%
23	Utah	2.43%	23	South Carolina	2.58%
24	Ohio	2.28%	24	Ohio	2.49%
25	Alabama	2.20%	25	Pennsylvania	2.48%
26	Pennsylvania	2.14%	26	Alabama	2.40%
27	Minnesota	2.08%	27	Arizona	2.39%
28	Maine	2.02%	28	Minnesota	2.38%
29	Missouri	1.96%	29	Maine	2.24%
30	Alaska	1.96%	30	Michigan	2.10%
31	Arizona	1.95%	31	Virginia	2.07%
32	Michigan	1.95%	32	Missouri	1.97%
33	Nevada	1.86%	33	Alaska	1.91%
34	North Carolina	1.79%	34	Nevada	1.86%
35	Virginia	1.78%	35	North Carolina	1.85%
36	Vermont	1.73%	36	Vermont	1.85%
37	Idaho	1.58%	37	New Hampshire	1.82%
38	New Hampshire	1.47%	38	Oklahoma	1.53%
39	Oklahoma	1.43%	39	Idaho	1.51%
40	Indiana	1.24%	40	Texas	1.35%
41	Texas	1.05%	41	Indiana	1.18%
42	Montana	0.97%	42	Colorado	1.06%
43	Arkansas	0.92%	43	Arkansas	1.04%
44	Colorado	0.81%	44	Montana	1.02%
45	Tennessee	0.79%	45	Tennessee	0.90%
46	North Dakota	0.68%	46	South Dakota	0.69%
47	South Dakota	0.30%	47	North Dakota	0.65%
48	Iowa	0.16%	48	Iowa	0.60%
49	Wyoming	0.12%	49	Wyoming	0.10%
50	Nebraska	0.03%	50	Nebraska	0.03%
	MEAN:	2.78%		MEAN:	4.48%
	MEDIAN:	2.17%		MEDIAN:	3.94%

* State GDP numbers have a 1-year lag

TABLE 6

Net Tax-Supported Debt as a Percentage of Personal Income

	1991	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Alabama	2.7	1.7	1.5	2.3	2.2	2.2	2.2	2.0	2.0	2.2	2.0	2.8	2.6	2.4	2.6
Alaska	3.2	0.5	0.0	1.0	0.4	0.4	0.3	3.0	2.8	2.6	2.7	2.4	2.2	3.2	3.0
Arizona	1.4	1.9	1.9	1.6	1.6	1.9	2.1	2.3	2.6	2.2	2.0	2.0	2.5	2.3	2.8
Arkansas	0.3	0.8	0.6	0.9	1.2	1.2	1.4	1.8	1.6	1.6	1.4	1.7	1.3	1.0	1.1
California	1.5	2.6	2.6	2.4	2.5	2.5	2.5	3.2	4.7	4.6	4.4	4.3	4.4	5.6	6.0
Colorado	0.4	0.1	0.0	0.03	0.4	0.7	0.9	0.9	1.0	0.9	0.9	0.8	0.8	1.0	1.3
Connecticut	6.5	8.7	8.7	8.1	8.0	8.0	8.2	8.4	8.5	8.0	7.8	7.3	8.2	8.7	9.5
Delaware	7.0	5.9	5.7	5.2	5.5	5.3	5.0	5.6	5.5	5.3	5.5	5.2	5.4	6.2	6.8
Florida	2.7	3.4	3.5	3.4	3.3	3.4	3.5	3.5	3.4	3.2	3.1	2.8	2.9	2.9	3.0
Georgia	2.0	2.9	2.9	2.8	2.6	2.9	2.9	2.9	2.8	2.7	3.0	3.0	3.0	3.3	3.3
Hawaii	10.4	10.7	11.2	11.6	11.0	10.4	10.9	10.4	11.1	12.1	10.6	9.9	9.4	9.9	10.1
Idaho	0.4	0.2	0.4	0.4	0.3	0.4	0.3	0.5	0.6	0.6	0.6	1.2	1.6	1.7	1.6
Illinois	2.7	2.7	2.6	2.6	2.7	2.8	3.2	5.8	6.2	5.9	5.5	5.2	4.6	4.4	5.7
Indiana	0.6	0.8	0.9	0.9	1.1	1.1	1.1	1.3	1.4	1.6	2.1	1.5	1.5	1.5	1.4
Iowa	0.3	0.5	0.5	0.4	0.4	0.6	0.6	0.5	0.5	0.4	0.3	0.3	0.2	0.2	0.7
Kansas	0.6	1.7	2.0	2.4	3.1	3.0	3.0	3.3	4.0	3.8	3.7	3.5	3.2	3.0	3.2
Kentucky	5.8	3.9	3.7	3.5	4.4	4.3	4.4	4.4	4.0	4.5	4.3	4.7	4.8	5.4	6.1
Louisiana	7.4	2.6	2.6	2.4	2.5	2.4	2.7	2.6	2.4	3.1	4.9	4.3	3.3	3.6	3.5
Maine	2.3	1.9	1.9	2.1	2.0	1.9	1.8	1.8	2.2	2.0	1.9	1.9	2.2	2.2	2.4
Maryland	3.4	3.1	3.3	3.0	2.6	2.6	2.8	3.0	2.9	3.0	2.8	3.0	3.3	3.4	3.5
Massachusetts	8.1	7.8	7.8	8.0	8.5	8.5	8.5	8.5	8.5	9.8	9.4	9.8	8.9	9.2	9.5
Michigan	1.1	1.6	1.7	1.5	1.6	1.5	1.8	2.2	2.2	2.1	2.2	2.2	2.2	2.1	2.2
Minnesota	2.3	1.9	2.0	1.9	1.8	1.8	1.9	2.0	2.0	2.1	2.2	2.3	2.1	2.4	2.8
Mississippi	2.0	3.5	4.4	4.7	4.6	4.7	5.6	5.2	4.8	4.8	4.9	4.8	5.2	5.0	5.1
Missouri	1.2	1.0	1.0	1.0	1.1	1.3	1.3	1.6	1.5	1.6	1.9	2.1	2.0	2.2	2.2
Montana	2.5	1.4	1.7	1.7	1.7	1.6	1.4	1.3	1.1	1.4	1.5	1.2	1.2	1.1	1.1
Nebraska	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0
Nevada	2.0	1.6	1.8	1.8	1.8	1.7	1.4	2.0	2.0	2.2	1.7	2.0	2.2	2.3	2.3
New Hampshire	2.2	2.4	2.3	2.0	1.5	1.5	1.4	1.5	1.3	1.4	1.3	1.3	1.3	1.6	1.9
New Jersey	2.3	5.1	5.2	5.3	5.5	5.6	5.5	5.9	7.4	7.9	7.6	7.5	7.3	7.2	7.9
New Mexico	2.1	1.9	2.6	3.1	4.0	4.0	3.7	4.1	5.3	4.7	5.3	4.8	4.6	4.4	5.6
New York	4.7	6.5	6.6	6.4	6.2	5.9	5.9	6.7	7.2	6.7	6.7	6.3	6.3	6.5	6.8
North Carolina	0.5	1.0	1.2	1.4	1.4	1.4	1.6	2.0	2.5	2.8	2.4	2.8	2.5	2.3	2.3
North Dakota	1.3	0.8	0.6	0.7	0.9	0.9	0.9	0.9	0.6	1.2	1.0	1.1	1.0	0.8	0.8
Ohio	2.5	2.5	2.7	2.7	2.6	2.6	2.6	2.7	2.9	2.9	3.0	2.9	2.8	2.6	2.8
Oklahoma	0.6	0.8	1.2	1.3	1.4	1.3	1.2	1.2	1.2	1.4	1.5	1.5	1.5	1.6	1.8
Oregon	1.7	1.2	1.2	1.3	1.6	1.5	1.6	4.5	4.7	4.5	4.6	5.0	4.6	5.2	5.6
Pennsylvania	2.4	2.0	2.3	2.2	2.2	2.3	2.3	2.2	2.3	2.3	2.4	2.4	2.5	2.4	2.7
Rhode Island	4.0	6.6	6.5	6.2	5.3	5.2	5.0	4.4	4.3	4.1	4.6	4.7	4.5	5.2	5.3
South Carolina	1.9	1.6	1.6	1.6	1.8	2.5	2.4	2.4	2.2	2.5	2.3	3.3	2.9	2.9	2.7
South Dakota	2.4	1.5	1.5	1.5	1.2	0.9	0.7	0.9	0.9	0.7	0.8	0.9	0.8	0.4	0.9
Tennessee	0.7	0.9	1.0	1.0	1.2	0.9	0.8	0.8	0.7	0.8	0.7	0.7	0.7	0.9	1.0
Texas	1.2	1.4	1.3	1.2	1.0	0.9	0.9	0.8	1.0	1.0	1.3	1.4	1.4	1.4	1.6
Utah	1.5	3.1	3.6	3.3	2.8	3.0	2.9	3.5	3.2	2.7	2.3	1.9	1.5	3.2	3.9
Vermont	3.9	4.2	4.2	3.8	3.3	3.0	3.0	2.5	2.3	2.2	2.1	2.0	1.8	1.8	1.9
Virginia	1.2	2.1	2.0	2.1	1.9	1.8	1.7	1.7	1.8	1.7	1.8	1.9	1.9	2.1	2.4
Washington	4.4	4.8	4.6	4.6	4.4	4.4	4.8	4.9	4.9	4.9	5.1	5.1	5.1	5.3	6.2
West Virginia	5.2	2.8	3.4	3.3	4.2	4.0	4.1	3.6	4.6	4.4	3.9	3.9	3.6	3.5	3.8
Wisconsin	2.5	2.8	2.8	2.7	3.2	3.0	3.3	4.5	4.7	4.3	4.2	4.1	4.0	4.6	4.8
Wyoming	0.0	0.7	1.0	1.0	1.0	1.4	0.9	0.8	0.7	0.3	0.3	0.2	0.2	0.2	0.1
Median	2.2	1.9	2.0	2.2	2.1	2.3	2.2	2.5	2.5	2.5	2.4	2.6	2.5	2.5	2.8

Moody's Related Research

Special Comments:

- » [Combining Debt and Pension Liabilities of U.S. States Enhances Comparability, March 2011 \(131552\)](#)
- » [Annual U.S. State Outlook: 2011, March 2011 \(131366\)](#)
- » [2010 State Debt Medians Report, May 2010 \(125068\)](#)

Rating Methodology:

- » [Moody's State Rating Methodology, November 2004 \(89335\)](#)

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