

MEDIAN REPORT

2014 State Debt Medians: Appetite for Borrowing Remains Weak

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This Median Report provides an in-depth discussion of credit rating(s) for 2014 State Debt Medians: Declining Debt Issuance Trend Continues and should be read in conjunction with Moody's most recent Credit Opinion and rating information available on [Moody's website](#).

Summary

The rate of growth in outstanding state debt slowed for a fourth consecutive year in 2013, as anti-debt sentiment continued to reduce states' appetite for new money borrowing. We expect state debt levels to show only modest growth in 2014 based on current issuance trends and the uneven pace of the recovery in revenues.

Our analysis shows:

- » **Slow growth in state debt persists.** The modest 0.4% growth in outstanding net tax-supported debt (NTSD) in 2013 was well below the 6.5% average annual growth of the past 10 years and the 1.3% growth rate in 2012. About half the states experienced a decline in outstanding debt.
- » **Debt ratios declined against population and personal income.** NTSD per capita decreased by 2% to \$1,054, NTSD as a percentage of personal income declined to 2.6% from 2.8%, and NTSD as a percentage of gross state product declined slightly, to 2.4% from 2.5%.
- » **Debt service costs increased by 8% in 2013 compared to a 3% increase in 2012.** Growth in debt service costs reflects a return to a normal debt service schedule after years of artificially low debt service due to refunding activity in a low interest rate environment.
- » **Most state debt is fixed rate and publicly offered.** Variable rate demand debt represents only 4% of total state debt, while direct bank loans and private financings account for less than 1% of outstanding state debt. Review of the credit terms in private bank financings indicates no change from terms historically seen in bank support facilities for public debt in the sector.
- » **State debt growth will remain low in 2014.** Despite the need for large investments after years of low capital spending, sentiment about debt remains conservative. Uncertainties about the strength of economic recovery and the course of federal fiscal policy, while not as acute as in 2013, also linger.

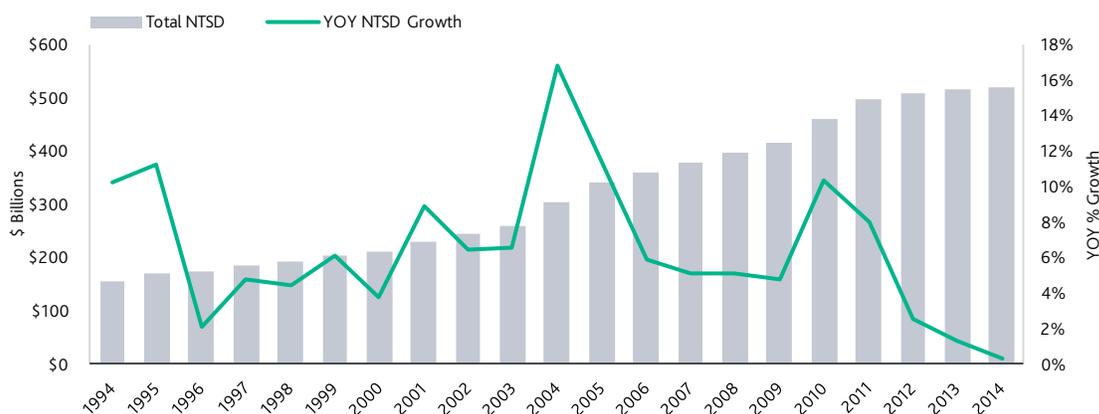
! THIS REPORT WAS REPUBLISHED ON MAY 22, 2014 WITH INCORRECT RATINGS ON TABLE 1 FOR CALIFORNIA AND DELAWARE AND DATE OF GROWTH REPORTED AS 2014 INSTEAD OF 2013.

The Slow Growth in State Debt Persists in 2013

Total net-tax supported debt growth slowed for the fourth consecutive year to 0.4% in 2013, setting a new low-point for this metric for over the last 20 years, as Exhibit 1 shows. The modest growth rate is well below the 10 year average of 6.5% growth and considerably lower than the high post-recession growth rates seen in 2009 and 2004. The combined 2013 NTSD for all 50 states increased to \$518 billion in 2013 from \$516 billion in 2012. Approximately half of all states saw a decline in NTSD including historically large issuers like California.

EXHIBIT 1

Slowest NTSD Growth in 20 Years



Source: Moody's Investors Service

The continued slowdown in NTSD growth can be attributed mainly to a new conservative attitude towards debt. As states continue to navigate through a slow and uneven recovery, and operating budgets remain tight, they are reluctant to embark on new, large bonding programs. Growing spending pressures coupled with inconsistent growth in revenue and uncertainty over future growth rates have forced states to take a cautious approach when considering the addition of new debt service costs to their budgets.

In addition to a general attitude shift, some states continue to be constrained by their own formal or informal debt policies. Many states have self-imposed limits on their outstanding debt relative to capacity-to-pay measures such as annual revenue or personal income. While some of these metrics have grown recently, states such as Florida and North Carolina reached their capacity for new debt during the recession and have only recently become able to issue new debt.

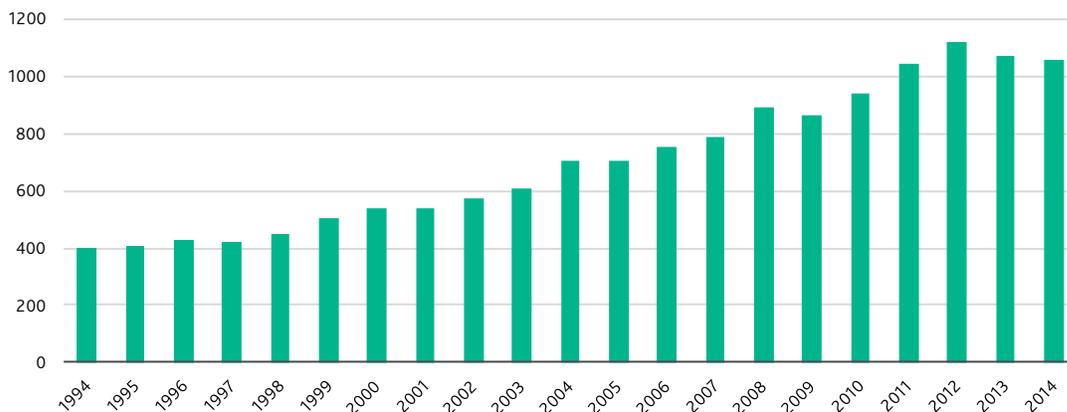
Uncertainty over federal fiscal policy has also put a damper on state debt plans. Over the past two years sequestration, threats to the municipal bond tax-exemption, and the government shutdown caused many states to put off debt issuance as the full economic impact of these developments remained unclear. States were reluctant to take on new debt service obligations, given that future economic growth and thus revenue growth could be jeopardized by federal inaction.

Lower Overall Borrowing in 2013 Has Led to Declining Leverage Ratios

The slow growth rate in NTSD resulted in across-the-board lower debt leverage ratios for the most common measures of debt burden: debt per capita, debt as a percentage of personal income, and debt as a percentage of gross state product.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on www.moodys.com for the most updated credit rating action information and rating history.

EXHIBIT 2

NTSD Per Capita Declines 2%

Source: Moody's Investors Service

Median NTSD per capita for all 50 states declined by 2% to \$1,054 from \$1,074, as Exhibit 2 shows. Although population growth was only 0.7% (the same as the prior year's growth rate), the decline in the median debt ratio reflects shifts in debt growth in the middle part of the 50-state distribution.

EXHIBIT 3

NTSD as Percent of Personal Income Declines 7%

Source: Moody's Investors Service

NTSD as Percent of Personal Income Shows First Decline in Five Years

NTSD as a percent of personal income declined to 2.6% from 2.8%, the first decline in 5 years. According to the Bureau of Economic Analysis, 2012 US personal Income grew to \$14 trillion, 3% higher than 2011 personal income, but at half the 6% growth the prior year. NTSD as a percent of gross state product also decreased slightly, to 2.4% from 2.5%, reflecting nominal state GDP growth of 4% in 2012.

Debt Service Costs Rise After Years of Debt Refundings

State debt service costs increased by 8% in 2013, much higher than the 3% growth they experienced in 2012. Growth in debt service costs primarily reflects the protracted low interest rate environment, which prompted many states in prior years to refund high coupon debt for upfront savings and

budgetary relief, which artificially lowered debt service in those years. The extended period of low interest rates also led to lower debt service costs on new debt. Lower revenue growth of 5% in 2013 only partially offsets the substantial debt service growth, leading to a 2013 debt service ratio of 5.1%, higher than the 2012 ratio of 4.8%.

Most State Debt is Fixed Rate and Publicly Offered

Outstanding variable rate demand debt and other forms of short-term or puttable debt structures have been on a steady decline since the recession, reflecting fixed rate refunding activity by state issuers. In 2013, total demand debt in the state sector was \$21.6 billion, or 4% of NTSD. Based on our survey of state issuers, direct bank loans and private financings are an even smaller share of state debt. While these types of financing have received growing attention in the US market due to their private nature and weak disclosure requirements, we find very limited growth in the state sector and no evidence of risky credit terms relative to bank-supported public financings. As of the end of 2013, direct bank loans and private financings in the sector totaled only \$3.5 billion, less than 1% of total NTSD. This excludes any temporary borrowing for cash-flow purposes, as cash-flow borrowing is not included in NTSD.

2014 State Debt Outlook: Tax-Supported Debt Issuance Will Remain Low as States Continue to Explore Alternate Financing Vehicles; We Will View Some Alternative Structures as State Debt

We expect new money debt issuance from the states to remain low in 2014 because of the slow and uneven pace of revenue recovery. Although tax revenue has grown in each quarter for the past four years, the rate of growth has recently slowed, according to the Rockefeller Institute. Conservative fiscal management in an uncertain economic environment will cause states to defer placing additional leverage on tax revenues. Concerns over US federal fiscal policy also linger. Recent reports of funding pressures on the federal highway trust fund, for example, may impact the process of funding debt among those states that have issued federally supported transportation debt.

As this new era of conservative debt management persists, states continue to explore alternative forms of financing in an attempt to limit their leveraging of taxes and general revenues. The alternative financings include an uptick in toll revenue financings as well as public-private partnerships (P3s) to finance projects that traditional tax-backed debt might have financed in the past. States such as Florida and Indiana¹ have entered into P3 projects that incorporate a long-term contractual obligation of the state to make availability payments or other types of contractual payments to the private partner, which supports the debt service of the project. Unless limited solely to toll revenue as the source of state support, we view this contractual obligation as another form of general state debt and include the net present value of total concession payments in NTSD.

We expect debt service ratios to remain relatively flat in conjunction with the low amounts of new debt likely to be issued. Interest rates remain relatively low and refundings continue to be a part of states' 2014 debt management policies.

¹ Indiana's increase in NTSD is due to the new P3 project. In the future, the state plans to pay project O&M and availability payments from new toll revenues, with a backup state pledge in the event the project is not self-supporting from tolls.

Basis for State Debt Medians

Moody's 2014 state debt medians are based on our analysis of calendar year 2013 debt issuance and fiscal year 2013 debt service. As in prior year reports, the presentation of debt trend data (Exhibits 1,2,3 and Table 2) incorporates a one-year lag (i.e., the data labeled 2014 reflect debt as of calendar year-end 2013)

In considering debt burden, our focus is largely on net tax-supported debt, which we characterize as debt secured by statewide taxes and other general resources, net of obligations that are self-supporting from pledged sources other than state taxes or operating resources—such as utility or local government revenues. We also examine gross debt, which captures debt supported by revenues other than state taxes and general resources. This includes self-supporting general obligation (G.O.) debt, special assessment bonds, and 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 that have never been tapped).

The following tables summarize our calculation of key debt metrics and rank the states accordingly. Debt burden—both on a state's balance sheet and in the context of budgetary flexibility—is one of many factors that we use to determine state credit quality. Therefore these metrics and rankings do not correlate directly to state G.O. ratings. The 50 state-medians exclude Puerto Rico, which is shown for comparison purposes only.

The debt and debt service ratios of some states are relatively high because they issue debt for purposes that in other states would be financed at the local level, such as for schools or mass transit. Some states' debt service ratios rank higher than their debt ratios due to conservative debt management practices, such as rapid debt amortization. Conversely, some states' debt service ratios rank relatively lower due to the use of capital appreciation bonds or long maturity schedules.

These ratios have been calculated based on our definition of net tax supported debt, debt service and operating revenues, and in most cases will differ from a state's own published calculations of debt limits or debt affordability. There is no correlation between our ratios and a state's compliance with their internal policies.

New Annual Feature: Demand Debt and Direct Loans/Private Placements

As part of our effort to provide more robust and useful information to investors, this report for the first time also includes data relating to state-issued demand debt—defined as any debt exposed to unanticipated repayment or refinancing risk due to exercise of investor put options or occurrence of mandatory tenders within a one-year horizon—as well as direct bank loans and private placements. The latter has been obtained by surveying state issuers directly and reviewing the financing agreements.

The data in Appendix A show the 2013 state debt medians, outstanding debt tables, and debt service ratios. Appendix B shows the types of debt included in the gross debt and net debt categories.

Appendix A

TABLE 1

Net Tax-Supported Debt Per Capita

			Rating
1	Connecticut	\$5,457	Aa3
2	Massachusetts	\$4,999	Aa1
3	Hawaii	\$4,727	Aa2
4	New Jersey	\$3,989	A1
5	New York	\$3,204	Aa2
6	Washington	\$2,924	Aa1
7	Illinois	\$2,580	A3
8	Delaware	\$2,485	Aaa
9	California	\$2,465	A1
10	Rhode Island	\$2,064	Aa2
11	Kentucky	\$2,037	Aa2*
12	Oregon	\$1,920	Aa1
13	Wisconsin	\$1,845	Aa2
14	Maryland	\$1,791	Aaa
15	Mississippi	\$1,746	Aa2
16	Alaska	\$1,573	Aaa
17	Louisiana	\$1,464	Aa2
18	Minnesota	\$1,402	Aa1
19	Virginia	\$1,302	Aaa
20	New Mexico	\$1,208	Aaa
21	Utah	\$1,187	Aaa
22	Pennsylvania	\$1,172	Aa2
23	Kansas	\$1,097	Aa2*
24	Ohio	\$1,087	Aa1
25	Georgia	\$1,064	Aaa
26	West Virginia	\$1,044	Aa1
27	Florida	\$1,008	Aa1
28	Maine	\$951	Aa2
29	Arizona	\$889	Aa3*
30	Vermont	\$878	Aaa
31	Alabama	\$876	Aa1
32	New Hampshire	\$864	Aa1
33	North Carolina	\$806	Aaa
34	Michigan	\$785	Aa2
35	South Carolina	\$749	Aaa
36	Missouri	\$668	Aaa
37	Nevada	\$639	Aa2
38	Texas	\$614	Aaa
39	Arkansas	\$589	Aa1
40	Indiana	\$533	Aaa*
41	Oklahoma	\$529	Aa2
42	Colorado	\$517	Aa1*
43	Idaho	\$503	Aa1*
44	South Dakota	\$391	NGO**
45	Tennessee	\$324	Aaa
46	Montana	\$276	Aa1
47	Iowa	\$275	Aaa*
48	North Dakota	\$250	Aa1*
49	Wyoming	\$54	NGO**
50	Nebraska	\$12	NGO**
	MEAN:	\$1,436	
	MEDIAN:	\$1,054	
	Puerto Rico	\$15,099	Ba2***

* 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 purposes only.

TABLE 2

Net Tax-Supported Debt as a % of 2012 Personal Income

1	Hawaii	10.6%
2	Connecticut	9.2%
3	Massachusetts	9.0%
4	New Jersey	7.3%
5	Washington	6.4%
6	New York	6.0%
7	Kentucky	5.7%
8	Delaware	5.7%
9	Illinois	5.6%
10	California	5.3%
11	Mississippi	5.2%
12	Oregon	4.9%
13	Rhode Island	4.5%
14	Wisconsin	4.4%
15	Louisiana	3.7%
16	Utah	3.4%
17	New Mexico	3.4%
18	Maryland	3.4%
19	Alaska	3.2%
20	Minnesota	3.0%
21	West Virginia	3.0%
22	Georgia	2.9%
23	Ohio	2.7%
24	Virginia	2.7%
25	Pennsylvania	2.6%
26	Kansas	2.6%
27	Florida	2.5%
28	Arizona	2.5%
29	Alabama	2.4%
30	Maine	2.4%
31	South Carolina	2.2%
32	North Carolina	2.1%
33	Michigan	2.1%
34	Vermont	2.0%
35	New Hampshire	1.8%
36	Missouri	1.7%
37	Nevada	1.7%
38	Arkansas	1.7%
39	Idaho	1.5%
40	Texas	1.5%
41	Indiana	1.4%
42	Oklahoma	1.3%
43	Colorado	1.1%
44	South Dakota	0.9%
45	Tennessee	0.8%
46	Montana	0.7%
47	Iowa	0.6%
48	North Dakota	0.5%
49	Wyoming	0.1%
50	Nebraska	0.0%
	MEAN:	3.2%
	MEDIAN:	2.6%
	Puerto Rico**	87.5%

** This figure is based on 2010 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	\$94,486,000	A1
2	New York	\$62,967,546	Aa2
3	New Jersey	\$35,495,064	A1
4	Massachusetts	\$33,455,411	Aa1
5	Illinois	\$33,229,742	A3
6	Washington	\$20,386,128	Aa1
7	Florida	\$19,703,400	Aa1
8	Connecticut	\$19,623,311	Aa3
9	Texas	\$16,242,854	Aaa
10	Pennsylvania	\$14,974,600	Aa2
11	Ohio	\$12,572,156	Aa1
12	Virginia	\$10,753,735	Aaa
13	Georgia	\$10,630,498	Aaa
14	Maryland	\$10,617,996	Aaa
15	Wisconsin	\$10,596,200	Aa2
16	Kentucky	\$8,951,945	Aa2*
17	North Carolina	\$7,936,108	Aaa
18	Michigan	\$7,764,300	Aa2
19	Minnesota	\$7,600,497	Aa1
20	Oregon	\$7,544,999	Aa1
21	Louisiana	\$6,773,311	Aa2
22	Hawaii	\$6,636,905	Aa2
23	Arizona	\$5,893,757	Aa3*
24	Mississippi	\$5,221,709	Aa2
25	Alabama	\$4,232,426	Aa1
26	Missouri	\$4,038,769	Aaa
27	South Carolina	\$3,574,555	Aaa
28	Indiana	\$3,504,368	Aaa*
29	Utah	\$3,442,235	Aaa
30	Kansas	\$3,174,651	Aa2*
31	Colorado	\$2,721,114	Aa1*
32	New Mexico	\$2,519,445	Aaa
33	Delaware	\$2,300,239	Aa2
34	Rhode Island	\$2,170,484	Aa2
35	Tennessee	\$2,107,251	Aaa
36	Oklahoma	\$2,035,424	Aa2
37	West Virginia	\$1,935,498	Aa1
38	Nevada	\$1,783,486	Aa2
39	Arkansas	\$1,743,397	Aa1
40	Maine	\$1,262,720	Aa2
41	Alaska	\$1,156,400	Aaa
42	New Hampshire	\$1,143,876	Aa1
43	Iowa	\$848,800	Aaa*
44	Idaho	\$811,441	Aa1*
45	Vermont	\$549,995	Aaa
46	South Dakota	\$330,199	NGO**
47	Montana	\$280,666	Aa1
48	North Dakota	\$181,087	Aa1*
49	Wyoming	\$31,246	NGO**
50	Nebraska	\$22,716	NGO**
Totals		\$ 517,960,661	
MEAN:		\$10,359,213	
MEDIAN:		\$4,135,598	
Puerto Rico		\$54,583,542	Ba2***

* 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 purposes only.

TABLE 4

Gross Tax Supported Debt (\$000's)

			Gross to Net Ratio
1	California	\$101,382,000	1.07
2	New York	\$63,047,500	1.00
3	New Jersey	\$41,239,187	1.16
4	Texas	\$39,262,699	2.42
5	Illinois	\$35,918,702	1.08
6	Massachusetts	\$34,970,561	1.05
7	Washington	\$29,257,107	1.44
8	Florida	\$28,027,800	1.42
9	Connecticut	\$26,419,531	1.35
10	Michigan	\$24,943,552	3.21
11	Minnesota	\$22,925,952	3.02
12	Pennsylvania	\$19,585,500	1.31
13	Ohio	\$18,116,375	1.44
14	Oregon	\$16,693,513	2.21
15	Virginia	\$15,085,356	1.40
16	Wisconsin	\$13,625,202	1.29
17	Kentucky	\$12,035,114	1.34
18	Colorado	\$11,281,114	4.15
19	Georgia	\$10,630,498	1.00
20	Maryland	\$10,617,996	1.00
21	Alabama	\$9,071,929	2.14
22	Hawaii	\$8,942,085	1.35
23	Utah	\$8,136,185	2.36
24	Louisiana	\$7,936,108	1.00
25	North Carolina	\$7,912,920	1.17
26	Mississippi	\$6,026,579	1.15
27	Arizona	\$5,893,757	1.00
28	Tennessee	\$5,780,777	2.74
29	Indiana	\$5,111,154	1.46
30	Maine	\$5,058,239	4.01
31	Missouri	\$4,038,769	1.00
32	Alaska	\$3,932,800	3.40
33	South Carolina	\$3,875,081	1.08
34	Kansas	\$3,740,861	1.18
35	Delaware	\$3,485,237	1.52
36	West Virginia	\$3,382,771	1.75
37	Rhode Island	\$3,143,418	1.45
38	Nevada	\$2,939,991	1.65
39	New Hampshire	\$2,619,001	2.29
40	New Mexico	\$2,519,445	1.00
41	Iowa	\$2,321,150	2.73
42	Oklahoma	\$2,042,796	1.00
43	Idaho	\$1,944,538	2.40
44	Arkansas	\$1,743,397	1.00
45	Vermont	\$1,590,390	2.89
46	North Dakota	\$1,458,214	8.05
47	South Dakota	\$481,044	1.46
48	Montana	\$459,455	1.64
49	Wyoming	\$31,246	1.00
50	Nebraska	\$29,031	1.28
Totals		\$ 690,713,628	
MEAN:		13,814,273	1.83
MEDIAN:		6,969,750	1.41
Puerto Rico**		\$60,952,542	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

		2011 NTSD as % of 2010 State GDP			2012 NTSD as % of 2011 State GDP			2013 NTSD as % of 2012 State GDP
1	Massachusetts	8.4%	1	Hawaii	8.8%	1	Hawaii	9.2%
2	Hawaii	8.0%	2	Massachusetts	8.4%	2	Connecticut	8.6%
3	Connecticut	7.7%	3	Connecticut	8.1%	3	Massachusetts	8.3%
4	New Jersey	7.2%	4	New Jersey	7.3%	4	New Jersey	7.0%
5	Kentucky	5.4%	5	Washington	5.5%	5	Washington	5.4%
6	New York	5.4%	6	New York	5.4%	6	New York	5.2%
7	Mississippi	5.3%	7	Kentucky	5.3%	7	Kentucky	5.2%
8	Washington	5.2%	8	Mississippi	5.3%	8	Mississippi	5.1%
9	California	5.1%	9	California	5.0%	9	Illinois	4.8%
10	Illinois	5.1%	10	Illinois	4.8%	10	California	4.7%
11	Oregon	4.5%	11	Rhode Island	4.4%	11	Rhode Island	4.3%
12	Rhode Island	4.3%	12	Wisconsin	4.2%	12	Wisconsin	4.1%
13	Wisconsin	4.2%	13	Oregon	3.9%	18	Oregon	3.8%
14	Delaware	3.9%	14	Delaware	3.5%	13	Delaware	3.5%
15	New Mexico	3.7%	15	Maryland	3.5%	14	Maryland	3.3%
16	Maryland	3.4%	16	New Mexico	3.5%	15	New Mexico	3.1%
17	Utah	3.4%	17	West Virginia	3.1%	16	West Virginia	2.8%
18	West Virginia	3.4%	18	Utah	2.9%	17	Louisiana	2.8%
19	Florida	3.0%	19	Florida	2.8%	19	Utah	2.6%
20	Louisiana	2.9%	20	Pennsylvania	2.7%	20	Minnesota	2.6%
21	Kansas	2.7%	21	Louisiana	2.6%	21	Florida	2.5%
22	Georgia	2.7%	22	Georgia	2.5%	22	Pennsylvania	2.5%
23	Pennsylvania	2.5%	23	Minnesota	2.5%	23	Ohio	2.5%
24	Arizona	2.5%	24	Virginia	2.5%	24	Georgia	2.5%
25	Ohio	2.4%	25	Ohio	2.5%	25	Virginia	2.4%
26	South Carolina	2.4%	26	Kansas	2.5%	26	Maine	2.4%
27	Alabama	2.3%	27	Alabama	2.4%	27	Alabama	2.3%
28	Minnesota	2.3%	28	Arizona	2.3%	28	Kansas	2.3%
29	Virginia	2.2%	29	South Carolina	2.2%	29	Alaska	2.2%
30	Maine	2.2%	30	Maine	2.1%	30	Arizona	2.2%
31	Alaska	2.1%	31	Michigan	2.1%	31	South Carolina	2.0%
32	Michigan	2.0%	32	Vermont	2.0%	32	Vermont	2.0%
33	Vermont	1.9%	33	North Carolina	1.9%	33	Michigan	1.9%
34	North Carolina	1.9%	34	New Hampshire	1.8%	34	New Hampshire	1.8%
35	Missouri	1.8%	35	Alaska	1.8%	35	North Carolina	1.7%
36	Nevada	1.7%	36	Missouri	1.7%	36	Arkansas	1.6%
37	New Hampshire	1.7%	37	Nevada	1.5%	37	Missouri	1.6%
38	Idaho	1.6%	38	Oklahoma	1.5%	38	Idaho	1.4%
39	Oklahoma	1.6%	39	Idaho	1.4%	39	Nevada	1.3%
40	Texas	1.3%	40	Texas	1.2%	40	Oklahoma	1.3%
41	Indiana	1.1%	41	Arkansas	1.1%	41	Indiana	1.2%
42	Colorado	1.1%	42	Colorado	1.0%	42	Texas	1.2%
43	Montana	1.0%	43	Indiana	1.0%	43	Colorado	1.0%
44	Arkansas	1.0%	44	Tennessee	0.8%	44	South Dakota	0.8%
45	Tennessee	0.9%	45	Montana	0.8%	45	Tennessee	0.8%
46	South Dakota	0.7%	46	South Dakota	0.7%	46	Montana	0.7%
47	Iowa	0.7%	47	Iowa	0.6%	47	Iowa	0.6%
48	North Dakota	0.5%	48	North Dakota	0.5%	48	North Dakota	0.4%
49	Wyoming	0.1%	49	Wyoming	0.1%	49	Wyoming	0.1%
50	Nebraska	0.0%	50	Nebraska	0.0%	50	Nebraska	0.0%
	MEAN:	3.0%		MEAN:	2.9%		MEAN:	2.9%
	MEDIAN:	2.4%		MEDIAN:	2.5%		MEDIAN:	2.4%
	Puerto Rico**	53.9%		Puerto Rico**	52.9%		Puerto Rico**	54.0%

* State GDP numbers have a 1-year lag.

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

TABLE 6

Net Tax Supported Debt as a Percentage of Personal Income

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Alabama	2.0	2.0	2.2	2.0	2.8	2.6	2.4	2.6	2.5	2.5	2.4%
Alaska	3.0	2.8	2.6	2.7	2.4	2.2	3.2	3.0	3.3	2.8	3.2%
Arizona	2.3	2.6	2.2	2.0	2.0	2.5	2.3	2.8	2.8	2.5	2.5%
Arkansas	1.8	1.6	1.6	1.4	1.7	1.3	1.0	1.1	1.0	1.2	1.7%
California	3.2	4.7	4.6	4.4	4.3	4.4	5.6	6.0	6.0	5.8	5.3%
Colorado	0.9	1.0	0.9	0.9	0.8	0.8	1.0	1.3	1.3	1.2	1.1%
Connecticut	8.4	8.5	8.0	7.8	7.3	8.2	8.7	9.5	9.1	9.1	9.2%
Delaware	5.6	5.5	5.3	5.5	5.2	5.4	6.2	6.8	6.8	6.2	5.7%
Florida	3.5	3.4	3.2	3.1	2.8	2.9	2.9	3.0	3.0	2.8	2.5%
Georgia	2.9	2.8	2.7	3.0	3.0	3.0	3.3	3.3	3.1	3.0	2.9%
Hawaii	10.4	11.1	12.1	10.6	9.9	9.4	9.9	10.1	9.6	10.0	10.6%
Idaho	0.5	0.6	0.6	0.6	1.2	1.6	1.7	1.6	1.7	1.6	1.5%
Illinois	5.8	6.2	5.9	5.5	5.2	4.6	4.4	5.7	6.0	5.7	5.6%
Indiana	1.3	1.4	1.6	2.1	1.5	1.5	1.5	1.4	1.3	1.2	1.4%
Iowa	0.5	0.5	0.4	0.3	0.3	0.2	0.2	0.7	0.8	0.7	0.6%
Kansas	3.3	4.0	3.8	3.7	3.5	3.2	3.0	3.2	3.1	2.8	2.6%
Kentucky	4.4	4.0	4.5	4.3	4.7	4.8	5.4	6.1	6.1	5.9	5.7%
Louisiana	2.6	2.4	3.1	4.9	4.3	3.3	3.6	3.5	3.7	3.7	3.7%
Maine	1.8	2.2	2.0	1.9	1.9	2.2	2.2	2.4	2.3	2.1	2.4%
Maryland	3.0	2.9	3.0	2.8	3.0	3.3	3.4	3.3	3.6	3.6	3.4%
Massachusetts	8.5	8.5	9.8	9.4	9.8	8.9	9.2	9.2	9.4	9.3	9.0%
Michigan	2.2	2.2	2.1	2.2	2.2	2.2	2.1	2.2	2.2	2.2	2.1%
Minnesota	2.0	2.0	2.1	2.2	2.3	2.1	2.4	2.5	2.7	3.0	3.0%
Mississippi	5.2	4.8	4.8	4.9	4.8	5.2	5.0	5.1	5.6	5.4	5.2%
Missouri	1.6	1.5	1.6	1.9	2.1	2.0	2.2	2.2	2.0	1.8	1.7%
Montana	1.3	1.1	1.4	1.5	1.2	1.2	1.1	1.1	1.0	0.9	0.7%
Nebraska	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0%
Nevada	2.0	2.0	2.2	1.7	2.0	2.2	2.3	2.4	2.2	1.9	1.7%
New Hampshire	1.5	1.3	1.4	1.3	1.3	1.3	1.6	1.9	1.8	1.9	1.8%
New Jersey	5.9	7.4	7.9	7.6	7.5	7.3	7.2	7.8	7.8	7.6	7.3%
New Mexico	4.1	5.3	4.7	5.3	4.8	4.6	4.4	5.6	4.2	3.8	3.4%
New York	6.7	7.2	6.7	6.7	6.3	6.3	6.5	6.7	6.6	6.3	6.0%
North Carolina	2.0	2.5	2.8	2.4	2.8	2.5	2.3	2.3	2.3	2.4	2.1%
North Dakota	0.9	0.6	1.2	1.0	1.1	1.0	0.8	0.8	0.6	0.7	0.5%
Ohio	2.7	2.9	2.9	3.0	2.9	2.8	2.6	2.8	2.8	2.8	2.7%
Oklahoma	1.2	1.2	1.4	1.5	1.5	1.5	1.6	1.8	1.7	1.6	1.3%
Oregon	4.5	4.7	4.5	4.6	5.0	4.6	5.2	5.6	5.5	5.2	4.9%
Pennsylvania	2.2	2.3	2.3	2.4	2.4	2.5	2.4	2.7	2.8	2.8	2.6%
Rhode Island	4.4	4.3	4.1	4.6	4.7	4.5	5.2	5.3	4.7	4.7	4.5%
South Carolina	2.4	2.2	2.5	2.3	3.3	2.9	2.9	2.7	2.5	2.3	2.2%
South Dakota	0.9	0.9	0.7	0.8	0.9	0.8	0.4	0.9	0.9	0.9	0.9%
Tennessee	0.8	0.7	0.8	0.7	0.7	0.7	0.9	1.0	1.0	0.9	0.8%
Texas	0.8	1.0	1.0	1.3	1.4	1.4	1.4	1.6	1.5	1.5	1.5%
Utah	3.5	3.2	2.7	2.3	1.9	1.5	3.2	4.1	4.4	3.8	3.4%
Vermont	2.5	2.3	2.2	2.1	2.0	1.8	1.8	1.9	2.0	1.9	2.0%
Virginia	1.7	1.8	1.7	1.8	1.9	1.9	2.1	2.4	2.6	2.9	2.7%
Washington	4.9	4.9	4.9	5.1	5.1	5.1	5.3	6.2	6.0	6.4	6.4%
West Virginia	3.6	4.6	4.4	3.9	3.9	3.6	3.5	3.8	3.6	3.3	3.0%
Wisconsin	4.5	4.7	4.3	4.2	4.1	4.0	4.6	4.8	4.8	4.7	4.4%
Wyoming	0.8	0.7	0.3	0.3	0.2	0.2	0.2	0.1	0.1	0.1	0.1%
Median	2.5	2.5	2.5	2.4	2.6	2.5	2.5	2.8	2.8	2.8	2.6%

TABLE 7

Debt Service Ratio

FY2011		FY2012		FY2013		
1	Connecticut	14.8%	12.7%	1	Connecticut	13.5%
2	Illinois	11.8%	11.5%	2	New York	11.4%
3	New York	11.3%	11.3%	3	Hawaii	11.1%
4	Massachusetts	10.9%	10.4%	4	Massachusetts	10.5%
5	Oregon	9.3%	10.4%	5	Illinois	10.1%
6	Washington	8.8%	9.5%	6	California	9.4%
7	Hawaii	8.7%	9.2%	7	Washington	9.1%
8	California	8.5%	9.0%	8	New Jersey	8.9%
9	New Jersey	8.4%	8.8%	9	Oregon	8.9%
10	Delaware	8.2%	7.8%	10	Kentucky	8.8%
11	Rhode Island	8.1%	7.7%	11	Nevada	8.1%
12	Florida	7.9%	7.6%	12	Rhode Island	7.8%
13	Kentucky	7.8%	7.3%	18	Delaware	7.6%
14	Mississippi	7.4%	7.2%	13	Utah	7.5%
15	Georgia	7.2%	7.2%	14	Florida	7.1%
16	Utah	7.0%	7.0%	15	Mississippi	6.9%
17	Nevada	6.1%	6.8%	16	Wisconsin	6.7%
18	New Hampshire	5.9%	6.6%	17	Georgia	6.7%
19	Maine	5.9%	6.4%	19	Maine	6.1%
20	Maryland	5.7%	5.7%	20	Alabama	5.6%
21	Arizona	5.6%	5.2%	21	Ohio	5.5%
22	New Mexico	5.4%	5.1%	22	Maryland	5.5%
23	Virginia	5.3%	5.1%	23	Virginia	5.4%
24	South Carolina	5.0%	5.0%	24	Arizona	5.3%
25	Kansas	5.0%	4.9%	25	Pennsylvania	5.1%
26	Pennsylvania	4.9%	4.8%	26	New Mexico**	5.1%
27	Louisiana	4.6%	4.5%	27	Louisiana	4.9%
28	Missouri	4.5%	4.5%	28	New Hampshire	4.9%
29	Ohio	4.4%	4.1%	29	South Carolina	4.6%
30	West Virginia	4.4%	3.9%	30	Kansas	4.5%
31	Alabama	4.4%	3.8%	31	North Carolina	3.7%
32	Wisconsin	4.2%	3.8%	32	West Virginia	3.7%
33	North Carolina	3.6%	3.6%	33	Missouri	3.6%
34	Texas	3.2%	3.1%	34	Texas	3.0%
35	Arkansas	3.2%	3.0%	35	Colorado	2.8%
36	Minnesota	3.1%	2.8%	36	Michigan	2.8%
37	Idaho	3.1%	2.8%	37	Idaho	2.7%
38	Vermont	2.9%	2.8%	38	Vermont	2.7%
39	Colorado	2.7%	2.7%	39	Oklahoma	2.3%
40	Montana	2.4%	2.6%	40	Arkansas	2.2%
41	Oklahoma	2.4%	2.4%	41	Montana	2.1%
42	Michigan	2.3%	2.2%	42	Minnesota	2.1%
43	Indiana	2.0%	1.9%	43	Indiana	1.9%
44	South Dakota	1.7%	1.6%	44	Alaska	1.6%
45	Tennessee	1.5%	1.5%	45	South Dakota	1.5%
46	North Dakota	1.2%	1.3%	46	Tennessee	1.5%
47	Alaska	1.2%	0.9%	47	Iowa	0.9%
48	Iowa	0.9%	0.8%	48	North Dakota	0.7%
49	Wyoming	0.2%	0.2%	49	Nebraska	0.2%
50	Nebraska	0.2%	0.2%	50	Wyoming	0.2%
	MEAN:	5.3%	5.2%		MEAN:	5.3%
	MEDIAN:	4.9%	4.8%		MEDIAN:	5.1%
	Puerto Rico	19.4%	Puerto Rico*	21.7%	Puerto Rico**	

* Figures restated since last report to incorporate audited FY2012 revenues

** Figures based on estimated FY2013 revenues; audited financial statements not available at time of publication

Figures for Puerto Rico are not included in any totals, means, or median calculations but is provided for comparison purposes only.

TABLE 8

Demand Debt and Direct Loans/Private Placements

State	State Abrev.	NTSD (\$000)	Demand Debt (\$000)	Direct Loans/ Private Placements (\$000)	# Direct Loans/ Private Placements
Alabama	AL	\$ 4,232,426	\$ -	\$ 263,512	6
Alaska	AK	\$ 1,156,400	\$ -	\$ -	0
Arizona	AZ	\$ 5,893,757	\$ -	\$ -	0
Arkansas	AR	\$ 1,743,397	\$ -	\$ 2,000	1
California	CA	\$ 94,486,000	\$ 5,681,150	\$ -	0
Colorado	CO	\$ 2,721,114	\$ -	\$ -	0
Connecticut	CT	\$ 19,623,311	\$ -	\$ -	0
Delaware	DE	\$ 2,300,235	\$ -	\$ 3,325	4
Florida	FL	\$ 19,703,400	\$ 78,590	\$ -	0
Georgia	GA	\$ 10,630,498	\$ 127,305	\$ 127,305	1
Hawaii	HI	\$ 6,636,905	\$ -	\$ -	0
Idaho	ID	\$ 811,441	\$ 43,195	\$ -	0
Illinois	IL	\$ 33,229,742	\$ 600,000	\$ -	0
Indiana	IN	\$ 3,504,368	\$ 768,175	\$ 310,000	4
Iowa	IA	\$ 848,800	\$ -	\$ 11,490	1
Kansas	KS	\$ 3,174,651	\$ 511,510	\$ -	0
Kentucky	KY	\$ 8,951,945	\$ -	\$ -	0
Louisiana**	LA	\$ 6,773,311	\$ 424,375	\$ -	4
Maine	ME	\$ 1,262,720	\$ -	\$ -	0
Maryland	MD	\$ 10,617,996	\$ 59,450	\$ 52,922	8
Massachusetts	MA	\$ 33,455,411	\$ 2,473,595	\$ 446,000	3
Michigan	MI	\$ 7,764,300	\$ 348,275	\$ -	0
Minnesota	MN	\$ 7,600,497	\$ -	\$ -	0
Mississippi	MS	\$ 5,221,705	\$ 179,115	\$ -	0
Missouri	MO	\$ 4,038,765	\$ 30,625	\$ -	0
Montana	MT	\$ 280,666	\$ -	\$ -	0
Nebraska	NE	\$ 22,716	\$ -	\$ -	0
Nevada	NV	\$ 1,783,486	\$ -	\$ 10,835	2
New Hampshire	NH	\$ 1,143,876	\$ -	\$ -	0
New Jersey	NJ	\$ 35,495,064	\$ 1,444,252	\$ 796,460	3
New Mexico	NM	\$ 2,519,445	\$ 420,000	\$ 284,800	3
New York*	NY	\$ 62,967,546	\$ 1,891,545	\$ -	0
North Carolina	NC	\$ 7,936,108	\$ -	\$ -	0
North Dakota	ND	\$ 181,087	\$ -	\$ -	0
Ohio	OH	\$ 12,572,156	\$ 586,225	\$ -	0
Oklahoma	OK	\$ 2,035,424	\$ 98,125	\$ -	0
Oregon	OR	\$ 7,544,995	\$ 340,270	\$ 265,515	1
Pennsylvania	PA	\$ 14,974,600	\$ 594,615	\$ 81,800	1
Rhode Island	RI	\$ 2,170,484	\$ 38,400	\$ 43,510	3
South Carolina	SC	\$ 3,574,555	\$ -	\$ -	0
South Dakota	SD	\$ 330,195	\$ -	\$ -	0
Tennessee	TN	\$ 2,107,251	\$ 350,000	\$ -	0
Texas	TX	\$ 16,242,854	\$ 2,753,920	\$ 750,000	3
Utah	UT	\$ 3,442,235	\$ -	\$ -	0
Vermont	VT	\$ 549,995	\$ -	\$ -	0
Virginia	VA	\$ 10,753,735	\$ 139,555	\$ 6,680	1
Washington	WA	\$ 20,386,128	\$ -	\$ -	0
West Virginia	WV	\$ 1,935,498	\$ -	\$ -	0
Wisconsin**	WI	\$ 10,596,200	\$ 1,632,687	\$ -	5
Wyoming	WY	\$ 31,246	\$ -	\$ -	0
TOTAL		\$ 517,960,661	\$ 21,614,954	\$ 3,456,154	54
Puerto Rico*	PR	\$ 54,583,542	\$1,394,000***	\$ 432,600	2

* State has not confirmed demand debt and/or private placement amount

** State has a forward private placement agreement in place; \$0 currently outstanding

*** Some issues subsequently refunded with fixed rate debt in March 2014

Appendix B: Comparison of NTSD and Gross Tax-Supported Debt (GTSD)

Generally Included in NTSD	Generally Excluded from NTSD/ Included in GTSD
General obligation debt paid from statewide taxes and fees	Self-supporting general obligation debt with an established history of being paid from sources other than taxes or general revenues
Appropriation backed bonds	Moral obligation debt with an established history of being paid from sources other than taxes or general revenues
Lease revenue bonds	Tobacco securitization bonds, with no state backup
Special tax bonds secured by statewide taxes and fees	Unemployment insurance obligation bonds
Highway bonds, secured by gas taxes and DMV fees	Debt guaranteed, but not paid, by the state
GARVEE bonds	Special assessment bonds
Lottery bonds	Revenue bonds of state enterprise (ex. Toll roads)
Moral obligation debt paid from statewide taxes and fees	
Capital leases	
P3's with state concession obligation	
Pension obligation bonds	

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