



POLICY POINTS

from the COMMONWEALTH FOUNDATION

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Pennsylvania State & Local Taxpayer Debt

Gov. Ed Rendell frequently argues that Pennsylvania taxpayers can afford to incur more state debt. However, in order to justify the borrowing of billions of dollars, the governor conveniently ignores the debt burden placed on taxpayers by all levels of state and local government.

Today, Pennsylvanians owe \$120 billion in state and local government debt. This equates to over \$9,600 for every person, and over \$38,400 for the average family of four in the Commonwealth.

Pennsylvania State & Local Government Debt

Debtor	Debt Outstanding	Per Capita
Total State	\$41,186,955,000	\$3,313
State	\$8,690,755,000	\$699
State Agencies & Authorities	\$32,496,200,000	\$2,614
Total Local	\$78,773,223,852	\$6,336
School Districts	\$26,059,284,754	\$2,096
County/Municipal/Twp/other	\$52,713,939,098	\$4,240
Total	\$119,960,178,852	\$9,649

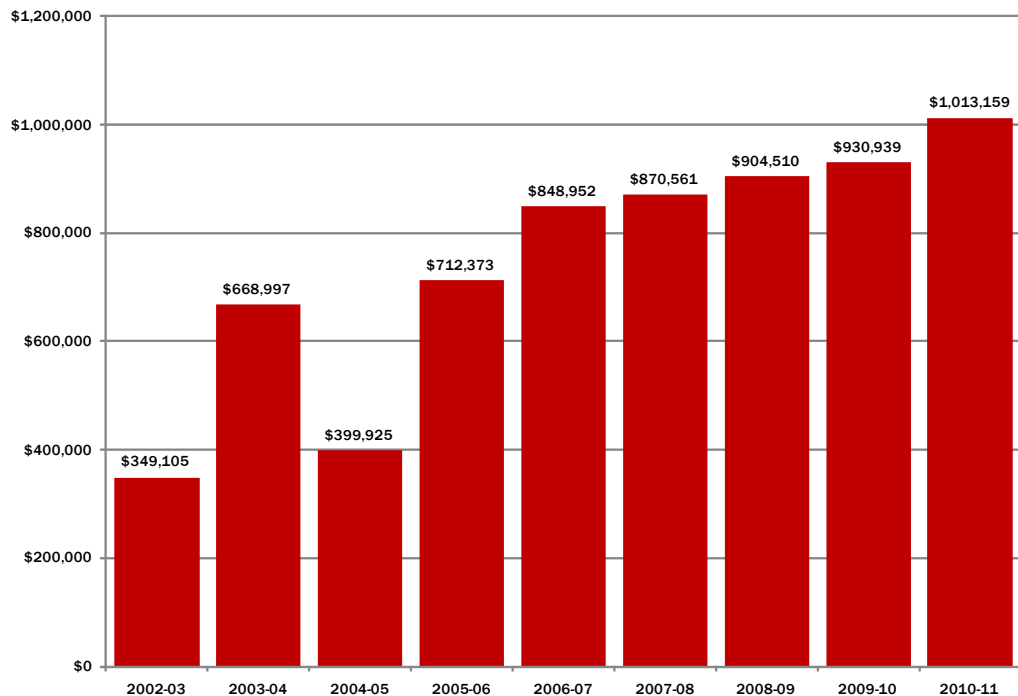
STATE DEBT

Under Gov. Ed Rendell (Dec. 2002-Dec. 2009), total outstanding state general obligation debt increased 39% from \$6.8B to \$8.7B.

- Annual debt payments on general obligation bonds increased from \$349M in FY 2002-03 to \$1.01B in Rendell's proposed FY 2010-11 budget, an increase of 189% in annual debt payments.

Sources: Governor's Executive Budget (<http://www.budget.state.pa.us>) December 2009 data; PA Dept of Education (http://www.pde.state.pa.us/k12_finances/cwp/view.asp?a=3&q=89351) June 2009 data; U. S. Census Bureau (<http://www.census.gov/govs/www/estimate.html>) 2007 data/2009 projected by Commonwealth Foundation

Pennsylvania General Fund Debt Service



STATE AGENCIES & AUTHORITIES DEBT

Three-fourths of Pennsylvania's state-level borrowing is done by off-budget state agencies and authorities, like the Turnpike Commission and the Commonwealth Financing Authority.

- Debt held by state agencies and authorities increased from **\$16.8B in 2002** to nearly **\$32.5B in 2009**—an increase of 93%.
- Total Pennsylvania state and state agencies and authorities debt increased from **\$23.6B** to over **\$41.1B** over the last seven years—representing a total state-level increase of 74%.

Pennsylvania State, State Agencies & Authorities Debt

Debtor	Debt Outstanding 2002	Debt Outstanding 2009	Increase	Change
State	\$6,805,184,000	\$8,690,755,000	\$1,885,571,000	28%
State Agencies & Authorities	\$16,848,800,000	\$32,496,200,000	\$15,647,400,000	93%
Total State	\$23,653,984,000	\$41,186,955,000	\$17,532,971,000	74%

Source: Governor's Executive Budget (<http://www.budget.state.pa.us>)

SCHOOL DISTRICT DEBT

Pennsylvania taxpayers are also experiencing an increase in debt at the school district level.

- According to the Pennsylvania Department of Education, school district debt increased from **\$19.3B in 2002** to **\$26.1B in 2009**—an increase of 35%.

COUNTY, MUNICIPAL, TOWNSHIP, & SPECIAL DISTRICT DEBT

Other local government debt represents over 40% of all taxpayer debt in the Commonwealth.

- According to the U.S. Census Bureau's most recent data (2007) and Commonwealth Foundation projections for 2009, county, municipal, township, and special district debt increased from **\$44.9B in 2002** to **\$52.7B in 2009**—an increase of 17%.

Pennsylvania School District, County, Municipal, Township, Special District Debt

Debtor	Debt Outstanding 2002	Debt Outstanding 2009	Increase	Change
School Districts	\$19,351,014,152	\$26,059,284,754	\$6,708,270,602	35%
County/Municipal/Twp/other	\$44,943,251,000	\$52,713,939,098	\$7,770,688,098	17%
Total Local	\$64,294,265,152	\$78,773,223,852	\$14,478,958,700	23%

Sources: PA Dept of Education (http://www.pde.state.pa.us/k12_finances/cwp/view.asp?a=3&q=89351) June 2009 data; U.S. Census Bureau (<http://www.census.gov/govs/www/estimate.html>) 2007 data/2009 projected by Commonwealth Foundation

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For more on **Government Borrowing and Debt**, visit www.CommonwealthFoundation.org

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