



Budget Facts 2012

from the COMMONWEALTH FOUNDATION

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Pennsylvania Government Debt

Today, **Pennsylvanians owe \$121 billion in state and local government debt.** This equates to more than \$9,400 for every person, and almost **\$38,000 for the average family of four** in the commonwealth—an increase of \$10,300 since 2002.

- This total represents debt in the form of government bonds, but excludes unfunded pension and healthcare liabilities for government workers, borrowing for unemployment compensation, and short-term tax anticipation notes, which add tens of billions more in obligations for Pennsylvania taxpayers.

Pennsylvania State & Local Government Debt		
Debtor	Debt Outstanding	Per Person
Total State	\$45,020,310,000	\$3,533
State	\$10,356,710,000	\$813
State Agencies & Authorities	\$34,663,600,000	\$2,720
Total Local	\$75,759,706,000	\$5,945
School Districts	\$26,618,928,378	\$2,089
County/Municipal/Twp/Other	\$49,140,777,622	\$3,856
Total	\$120,780,016,000	\$9,478

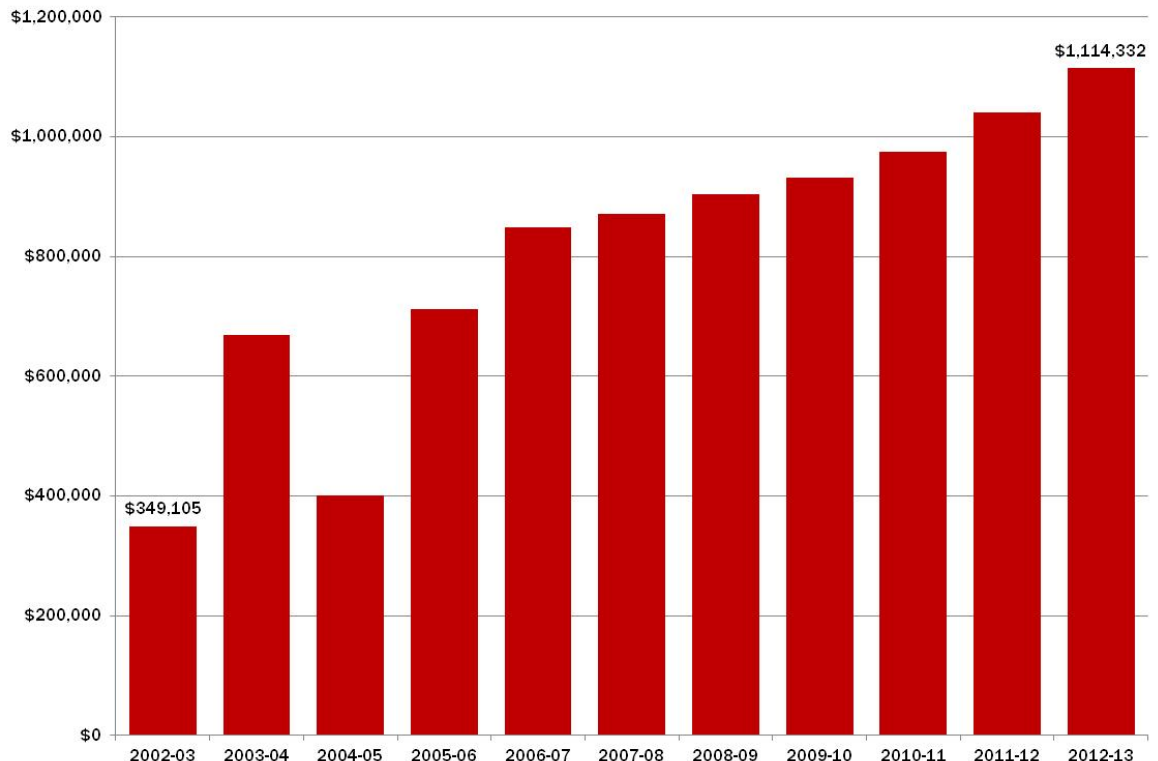
Sources: Governor's Executive Budget (<http://www.budget.state.pa.us>) December 2011 data; PA Dept of Education (<http://www.pde.state.pa.us>) June 2010 data; U.S. Census Bureau (<http://www.census.gov/govs/www/estimate.html>) 2009 data

STATE DEBT

Since 2002, total outstanding state general obligation debt increased 54%, from \$6.8 billion to \$10.3 billion.

- Annual debt payments on general obligation bonds increased from **\$349 million** in FY 2002-03 to **\$1.1 billion** in the proposed FY 2012-13 budget, an increase of 198% in annual debt payments in nine years.

Pennsylvania General Fund Debt Service, FY 2003-2013
(in thousands)



STATE AGENCIES' & AUTHORITIES' DEBT

More than 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, which issue their own debt to the extent authorized by the legislature.

- Debt held by state agencies and authorities increased from **\$16.8 billion in 2002** to nearly **\$34.7 billion in 2011**—an increase of 106%.
- Total Pennsylvania state and state agencies' and authorities' debt increased from **\$23.7 billion** to more than **\$45 billion** in the last nine years—representing a total state-level increase of 90%.

Pennsylvania State, State Agencies' & Authorities' Debt

Debtor	Debt Outstanding 2002	Debt Outstanding 2011	Increase	Change
State	\$6,805,184,000	\$10,356,710,000	\$3,551,526,000	52%
State Agencies & Authorities	\$16,848,800,000	\$34,663,600,000	\$17,814,800,000	106%
Total State	\$23,653,984,000	\$45,020,310,000	\$21,366,326,000	90%

Sources: Governor's Executive Budget (<http://www.budget.state.pa.us>) December 2011 data

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 **\$19.4 billion in 2002** to **\$26.6 billion in 2010**—an increase of 38%.

COUNTY, MUNICIPAL, TOWNSHIP, & SPECIAL DISTRICT DEBT

Other local government debt—debt held by counties, cities, townships, boroughs, and special districts—represents more than 40% of all taxpayer debt in the Commonwealth.

- According to the U.S. Census Bureau's most recent data (2009), county, municipal, township, and special district debt increased from **\$45 billion in 2002** to **\$49 billion in 2009**—an increase of 9%.

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

Debtor	Debt Outstanding 2002	Debt Outstanding 2010	Increase	Change
School Districts	\$19,351,014,152	\$26,618,928,378	\$7,267,914,226	38%
County/Municipal/Twp/Other	\$44,943,251,000	\$49,140,777,622	\$4,197,526,622	9%
Total Local	\$64,294,265,152	\$75,759,706,000	\$11,465,440,848	18%

Sources: PA Dept of Education (<http://www.pde.state.pa.us>) June 2010 data; U.S. Census Bureau (<http://www.census.gov/govs/www/estimat e.html>) 2009 data

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For more information on the **Pennsylvania State Budget**, visit www.CommonwealthFoundation.org/Budget.

The Commonwealth Foundation (CommonwealthFoundation.org) is Pennsylvania's free-market think tank. The Commonwealth Foundation crafts free-market policies, convinces Pennsylvanians of their benefits, and counters attacks on liberty.

