

A Guide to State Debt Affordability Studies: Common Elements and Best Practices

New England Public Policy Center Policy Brief No. 13-3

by Jennifer Weiner

<http://www.bostonfed.org/neppc>

States Preparing Regular Debt Affordability Studies or Similar Analyses

State	Statutory Requirement	Responsible Entity	Debt Service to Revenue Used in Debt Capacity Calculation(s)	Other Ratio(s) Used in Debt Capacity Calculation(s)	States Included in Benchmark Analysis	Date of Most Recent Report as of October 3, 2013	URL of Most Recent Report as of October 3, 2013
Alaska	Yes	Treasury Division of the Department of Revenue	Yes		No Benchmark Comparisons	January 2013	http://treasury.dor.alaska.gov/dnn/Portals/0/docs/debt_management/debt_book_2013.pdf
California	Yes	Treasurer's Office	NA		10 Most Populous States	October 2013	http://www.treasurer.ca.gov/publications/2013dar.pdf
Florida	Yes	Division of Bond Finance	Yes		11 Most Populous States	December 2012	http://www.sbafla.com/bondfinance/LinkClick.aspx?fileticket=VlaA-Gb_h4%3D&tabid=1055
Georgia	No	Georgia State Financing and Investment Commission	Yes		Triple-A Rated States	June 2012	http://gsfic.georgia.gov/sites/gsfic.georgia.gov/files/imported/vgn/images/portal/cit_1210/29/37/79173550GA%20Debt%20Management%20Plan%20FY%202012-2016.pdf
Louisiana	Unclear	State Bond Commission	Yes		No Benchmark Comparisons	February 2013	http://www.treasury.state.la.us/State%20Bond%20Commission/12-31-2012%20NSTSD%20Report%20Final%20Rev%2002-2013.pdf
Maryland	Yes	Capital Debt Affordability Committee	Yes	Debt-to-Personal Income	No Benchmark Comparisons	October 2012	http://www.treasurer.state.md.us/media/51466/2012_cdac_final_report.pdf
Massachusetts	See note	Executive Office for Administration and Finance	Yes		No Benchmark Comparisons, but Reports State Debt Burden	October 2012	http://www.mass.gov/bb/cap/fy2013/dnld/fy13capappendixma.pdf
Minnesota	Yes	Minnesota Management and Budget	No	Debt-to-Personal Income	No Benchmark Comparisons	February 2013	http://www.beta.mmb.state.mn.us/doc/fu/debt-cap/forecast-feb-13.pdf
Nevada	No	State Treasurer's Office	Yes	Debt-to-Property Value	No Benchmark Comparisons	No date given	https://nevadatreasurer.gov/Documents/debt/2013-15_DC_Report.pdf
New Jersey	Yes	Office of Public Finance	NA		20 Highest Debt States	January 2013	http://www.state.nj.us/treasury/public_finance/pdf/2012DebtReport.pdf
New Mexico	No	Department of Finance and Administration	No	Debt-to-Personal Income Debt-per-Capita	Aaa and Aa1-Rated States	October 2011	http://www.nmdfa.state.nm.us/uploads/FileLinks/3f1739ce82c44d4eaf5d5279513389b3/2011_Debt_Affordability_Study_Final.pdf
North Carolina	Yes	Debt Affordability Advisory Committee	Yes		Triple-AAA-Rated States	February 2013	https://www.nctreasurer.com/slg/Debt%20Affordability/2013_DAAC.pdf
Oregon	Yes	Debt Policy Advisory Commission	Yes		50-State Median	January 2013	http://buyoregonbonds.com/treasury/Divisions/DebtManagement/Documents/SDPAC/2013%20SDPAC%20Report%20-%202013-01-23%20%28Final%29.pdf
Rhode Island	See note	Office of the General Treasurer	Yes	Debt-to-Personal Income	New England States and Delaware	September 2012	http://www.treasury.ri.gov/documents/2012_FY11_FINAL_DEBT_STUDY.pdf
South Carolina	No	Office of the State Treasurer	Yes		No Benchmark Comparisons	March 2013	http://www.treasurer.sc.gov/media/4782/An-overview-and-summary-of-SC-Debt-March-2013-Final-Version.pdf

A Guide to State Debt Affordability Studies: Common Elements and Best Practices

New England Public Policy Center Policy Brief No. 13-3

by Jennifer Weiner

<http://www.bostonfed.org/neppc>

States Preparing Regular Debt Affordability Studies or Similar Analyses

State	Statutory Requirement	Responsible Entity	Debt Service to Revenue Used in Debt Capacity Calculation(s)	Other Ratio(s) Used in Debt Capacity Calculation(s)	States Included in Benchmark Analysis	Date of Most Recent Report as of October 3, 2013	URL of Most Recent Report as of October 3, 2013
Tennessee	No	Comptroller of the Treasury	NA		No Benchmark Comparisons	June 2013	http://www.comptroller.tn.gov/repository/sl/NewsAndUpdates/916201363013StateIndebtednessReport.pdf
Texas	Yes	Texas Bond Review Board	Yes	Debt-per-Capita Debt-to-Personal Income	10 Most Populous States	February 2013	http://www.brb.state.tx.us/pub/bfo/DAS2013.pdf
Vermont	Yes	Capital Debt Affordability Advisory Committee	Yes	Debt-per-Capita Debt-to-Personal Income	AAA-Rated States	September 2013	http://www.vermonttreasurer.gov/sites/treasurer/files/pdf/bonds/DebtAffordability2013.pdf
Virginia	Yes	Debt Capacity Advisory Committee	Yes		Triple AAA-Rated States	December 2012	http://www.trsvirginia.gov/Documents/Debt/DCAC/DCAC2012.pdf
Washington	No	Office of the State Treasurer	Yes		States with Comparable or Higher Credit Ratings and/or Similar Demographic Characteristics	January 2013	http://www.tre.wa.gov/documents/debtAffordStudy-2013.pdf
West Virginia	Yes	State Treasurer's Office	Yes	Debt-per-Capita Debt-to-Personal income Debt-to-Property value	Similarly-Rated States	No date given	http://www.wvsto.com/dept/DebtMgt/Debt%20Management/Debt%20Capacity%20Report%20-%202013.pdf

Source: Individual State Documents.

Note: Massachusetts legislation passed in 2012 codified the requirement for an annual debt affordability analysis and created the Massachusetts Debt Affordability Committee to estimate the total amount of new Commonwealth debt that may be prudently authorized each year. Rhode Island's debt affordability study is an annual report to the state's Public Finance Management Board (PFMB) prepared by the Treasurer's Office. The statute creating the PFMB does not specifically call for the preparation of an annual report. Triple AAA-rated states are those states assigned a AAA rating from all three major credit rating agencies.