RANK
41

NEW YORK

SUMMARY

On the basis of its solvency in five separate categories, New York ranks 41st among the US states for fiscal health. New York has between 0.71 and 1.52 times the cash needed to cover short-term obligations, well below the US average. Revenues match expenses, with an improving net position of $16 per capita. In the long run, New York's negative net asset ratio of 0.24 points to the use of debt and unfunded obligations. Long-term liabilities are 58 percent of total assets, lower than the national average. In per capita terms, long-term liabilities are larger than the national average at $4,605. Total unfunded pension liabilities that are guaranteed to be paid are $422.44 billion, or 35 percent of state personal income. OPEB are $88.50 billion, or 7 percent of state personal income.

2016 TOTAL LONG-TERM OBLIGATIONS

STATE DEBT

	General obligation bonds	Total primary government debt	State personal income	Ratio of debt to state personal income	Total primary debt per capita
New York	**$2.89 billion**	**$56.69 billion**	**$1,195.26 billion**	**4.7%**	**$2,871**
National average	$5.85 billion	$12.65 billion	$319.33 billion	3.7%	$1,830

PENSION LIABILITY

	Unfunded pension liability	Funded ratio	Market value of unfunded liability	Market value of funded liability ratio
New York	**$14.65 billion**	**95%**	**$422.44 billion**	**41%**
National average	$23.43 billion	73%	$135.50 billion	32%

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

	Total unfunded OPEB	Funded ratio
New York	**$88.50 billion**	**0%**
National average	$14.51 billion	14%

MERCATUS CENTER
George Mason University

UNDERLYING RATIOS

	Cash ratio	Quick ratio	Current ratio	Operating ratio	Surplus (or deficit) per capita	Net asset ratio	Long-term liability ratio	Long-term liability per capita
New York	**0.71**	**1.51**	**1.52**	**1.00**	**$16**	**−0.24**	**0.58**	**$4,605**
National average	2.22	2.99	3.22	1.01	−$72	−0.17	0.63	$4,387

	Tax-to-income ratio	Revenue-to-income ratio	Expenses-to-income ratio	Pension-to-income ratio	OPEB-to-income ratio
New York	**0.06**	**0.14**	**0.14**	**0.35**	**0.07**
National average	0.06	0.13	0.13	0.43	0.04

KEY TERMS

- **Cash solvency** measures whether a state has enough cash to cover its short-term bills, which include accounts payable, vouchers, warrants, and short-term debt. (New York ranks 44th.)

- **Budget solvency** measures whether a state can cover its fiscal year spending using current revenues. Did it run a shortfall during the year? (New York ranks 35th.)

- **Long-run solvency** measures whether a state has a hedge against large long-term liabilities. Are enough assets available to cushion the state from potential shocks or long-term fiscal risks? (New York ranks 39th.)

- **Service-level solvency** measures how high taxes, revenues, and spending are when compared to state personal income. Do states have enough "fiscal slack"? If spending commitments demand more revenues, are states in a good position to increase taxes without harming the economy? Is spending high or low relative to the tax base? (New York ranks 38th.)

- **Trust fund solvency** measures how much debt a state has. How large are unfunded pension liabilities, OPEB liabilities, and state debt compared to the state personal income? (New York ranks 23rd.)
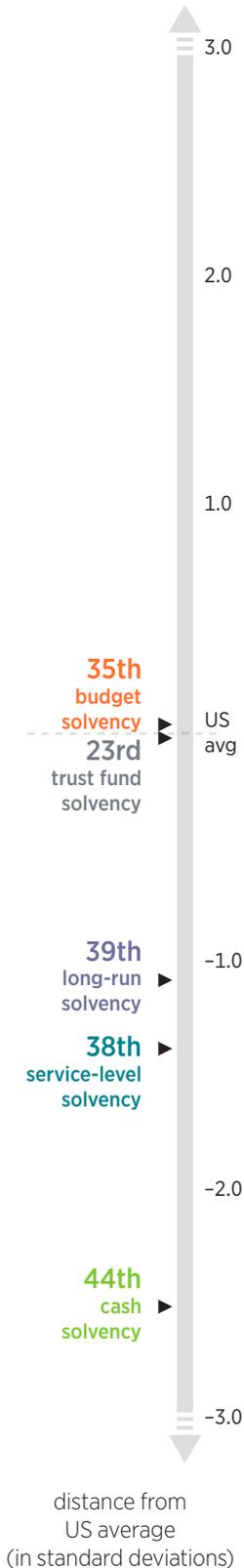
For a complete explanation of the methodology used to calculate New York's fiscal health rankings, see Eileen Norcross and Olivia Gonzalez, "Ranking the States by Fiscal Condition, 2018 Edition" (Mercatus Research, Mercatus Center at George Mason University, Arlington, VA, October 2018).

3.0

2.0

1.0

35th budget solvency

US avg

23rd trust fund solvency

39th long-run solvency −1.0

38th service-level solvency

−2.0

44th cash solvency

−3.0

distance from US average (in standard deviations)