

Source: Eileen Norcross, "Ranking the States by Fiscal Condition" (Mercatus Research, Mercatus Center at George Mason University, Arlington, VA, July 2015).



Note: All data are for FY 2013.

CASH SOLVENCY ver short-term liabilities?

CASH SOLVENCY

Definitions: *outlier*, at least one ratio has 13 or more times the cash needed to cover short-term liabilities; *high*, at least one ratio has 4 or more times the cash needed; *fair*, at least one ratio has 3 times the cash needed; *moderate*, at least one ratio has 2 times the cash; *low*, at least two ratios have the cash needed; and *poor*, one or more ratios have less than the cash needed.

Exception: Maryland is included in the moderate cluster because, while its current ratio was 2.1, the other cash ratios for the state were lower.