18 SOUTH CAROLINA

SUMMARY

On the basis of its fiscal solvency in five separate categories, South Carolina ranks 18th among the US states and Puerto Rico for its fiscal health. On a cash basis, South Carolina has between 2.19 and 3.57 times the cash needed to cover short-term liabilities. Revenues exceed expenses by 7 percent, for a surplus of \$304 per capita. Net assets are 23 percent of total assets, and total liabilities are 20 percent of total assets. Total debt is \$3.39 billion. Unfunded pension liabilities are \$59.39 billion on a guaranteed-to-be-paid basis, and other postemployment benefits (OPEB) are \$9.40 billion. These three liabilities are equal to 41 percent of total state personal income.

2014 TOTAL LONG-TERM OBLIGATIONS

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	General obligation bonds	Total primary government debt	State personal income	Ratio of debt to state personal income	Total primary debt per capita
South Carolina	\$1.32 billion	\$3.39 billion	\$177.24 billion	1.9%	\$701
National average	\$6.60 billion	\$13.76 billion	\$288.25 billion	6.0%	\$2,144

PENSION LIABILITY

	Unfunded pension liability	Funded ratio	Market value of unfunded liability	Market value of funded liability ratio
South Carolina	\$17.97 billion	63%	\$59.39 billion	34%
National average	\$20.46 billion	74%	\$86.85 billion	40%

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

	Total unfunded OPEB	Funded ratio
South Carolina	\$9.40 billion	7%
National average	\$11.14 billion	12%

Alaska
Nebraska
Wyoming
North Dakota
South Dakota
Florida
Utah
Oklahoma
Tennessee
Montana
Ohio
Idaho
Nevada
Missouri
Alabama

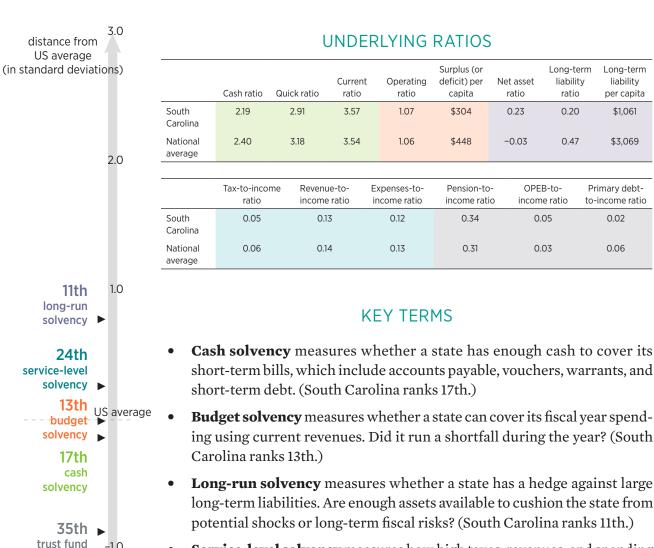
16. Texas

17. Indiana

18. South Carolina

- 19. Virginia
- 20. New Hampshire
- 21. North Carolina
- 22. Colorado
- 23. Georgia
- 24. Washington
- 25. Iowa
- 26. Minnesota
- 27. Kansas
- 28. Arkansas
- 29. Wisconsin
- 30. Oregon
- 31. Arizona
- 32. Mississippi
- 33. Louisiana
- 34. New Mexico 35. Michigan
- 36. Vermont
- 37. Rhode Island
- 38. Delaware
- 39. Pennsylvania
- 40. West Virginia
- 41. Maryland
- 42. New York
- 43. Maine
- 44. California
- 45. Hawaii
- 46. Kentuckv
- 47. Illinois
- 48. New Jersey
- 49. Massachusetts
- 50. Connecticut
- 51. Puerto Rico





-1.0

-2.0

-3.0

solvency

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? (South Carolina ranks 24th.)

Long-term

liability

per capita

\$1,061

\$3,069

0.02

0.06

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? (South Carolina ranks 35th.)

For a complete explanation of the methodology used to calculate South Carolina's fiscal health rankings, see Eileen Norcross and Olivia Gonzalez, "Ranking the States by Fiscal Condition," 2016 ed. (Mercatus Research, Mercatus Center at George Mason University, Arlington, VA, June 2016).