

RANK
32

KANSAS

SUMMARY

On the basis of its fiscal solvency in five separate categories, Kansas is ranked 32nd among the US states for its fiscal health. On a short-run basis, Kansas has between 1.22 and 2.35 times the cash needed to cover short-term obligations. Revenues cover 98 percent of expenses, and net position decreased by \$76 per capita in FY 2015. On a long-run basis, Kansas's performance is stronger. It is also better than the average among states. There are no net assets remaining after debts have been paid. Long-term liabilities are 35 percent of total assets, less than the average in the states of 61 percent. Kansas carries a low level of total primary government debt at \$3.7 billion, or 2.8 percent of personal income. On a guaranteed-to-be paid basis, unfunded pension liabilities are \$38.68 billion, or 29 percent of state personal income.

2015 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
Kansas	\$0.00 billion	\$3.70 billion	\$133.59 billion	2.8%	\$1,270
National average	\$6.09 billion	\$12.71 billion	\$305.43 billion	3.7%	\$1,804

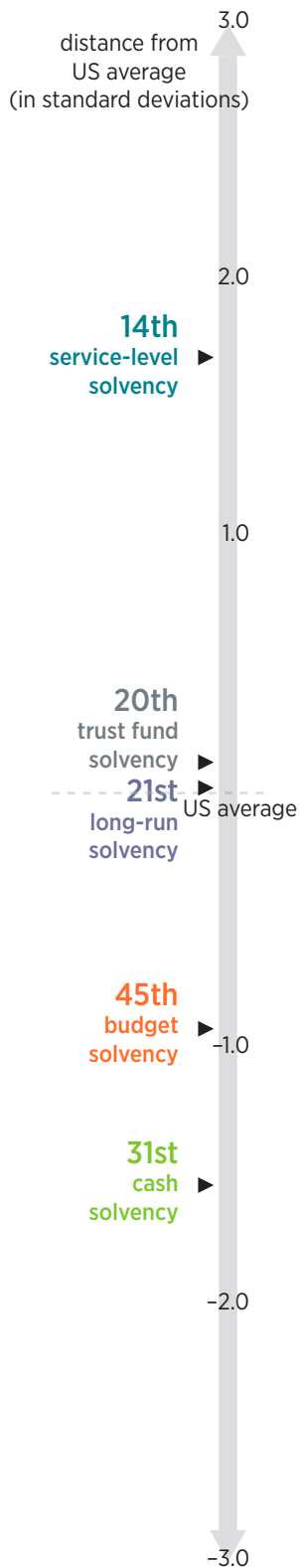
PENSION LIABILITY

	Unfunded pension liability	Funded ratio	Market value of unfunded liability	Market value of funded liability ratio
Kansas	\$8.54 billion	67%	\$38.68 billion	31%
National average	\$20.62 billion	74%	\$105.50 billion	36%

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

	Total unfunded OPEB	Funded ratio
Kansas	\$0.21 billion	0%
National average	\$12.97 billion	12%

1. Florida
2. North Dakota
3. South Dakota
4. Utah
5. Wyoming
6. Nebraska
7. Oklahoma
8. Tennessee
9. Idaho
10. Montana
11. Missouri
12. Alabama
13. Ohio
14. Nevada
15. North Carolina
16. Indiana
17. Alaska
18. Virginia
19. South Carolina
20. Arkansas
21. Oregon
22. Georgia
23. Texas
24. Minnesota
25. New Hampshire
26. Washington
27. Hawaii
28. Iowa
29. Wisconsin
30. Colorado
31. Delaware
- 32. Kansas**
33. Arizona
34. Mississippi
35. Maine
36. Michigan
37. Connecticut
38. Rhode Island
39. New York
40. Vermont
41. New Mexico
42. West Virginia
43. California
44. Louisiana
45. Pennsylvania
46. Maryland
47. Kentucky
48. Massachusetts
49. Illinois
50. New Jersey



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
Kansas	1.22	2.32	2.35	0.98	-\$76	0.00	0.35	\$2,128
National average	2.68	3.66	3.93	1.04	\$150	-0.17	0.61	\$4,272

	Tax-to-income ratio	Revenue-to-income ratio	Expenses-to-income ratio	Pension-to-income ratio	OPEB-to-income ratio
Kansas	0.05	0.10	0.10	0.29	0.00
National average	0.06	0.13	0.13	0.35	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. (Kansas ranks 31st.)
- **Budget solvency** measures whether a state can cover its fiscal year spending using current revenues. Did it run a shortfall during the year? (Kansas ranks 45th.)
- **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? (Kansas ranks 21st.)
- **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? (Kansas ranks 14th.)
- **Trust fund solvency** measures how much debt a state has. How large are unfunded pension liabilities and OPEB liabilities compared to the state personal income? (Kansas ranks 20th.)

For a complete explanation of the methodology used to calculate Kansas’s fiscal health rankings, see Eileen Norcross and Olivia Gonzalez, “Ranking the States by Fiscal Condition,” 2017 ed. (Mercatus Research, Mercatus Center at George Mason University, Arlington, VA, July 2017).