RANK

21

OREGON

SUMMARY

On the basis of its fiscal solvency in five separate categories, Oregon is ranked 21st among the US states for its fiscal health. On a short-run basis, Oregon has between 2.71 and 3.59 times the cash needed to cover short-term obligations. Revenues exceed expenses by 8 percent. On a long-run basis, net assets are 13 percent of total assets. In FY 2015, Oregon's net position declined by $9.14 per capita partly due to the reporting of unfunded pension obligations. Long-term liabilities are 39 percent of total assets, or $3,112 per capita. Total primary government debt is $11.29 billion, or 6.5 percent of state personal income. Oregon's trust fund solvency is among the weakest in the country. Unfunded pension obligations, on a guaranteed-to-be-paid basis, are $97.6 billion, or 56 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
Oregon	**$7.12 billion**	**$11.29 billion**	**$173.17 billion**	**6.5%**	**$2,801**
National average	$6.09 billion	$12.71 billion	$305.43 billion	3.7%	$1,804

PENSION LIABILITY

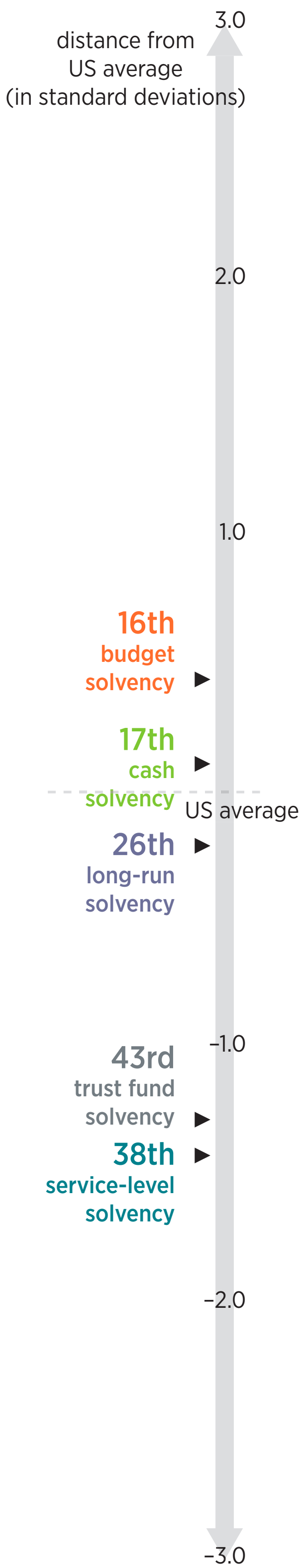
	Unfunded pension liability	Funded ratio	Market value of unfunded liability	Market value of funded liability ratio
Oregon	**$17.76 billion**	**76%**	**$97.60 billion**	**36%**
National average	$20.62 billion	74%	$105.50 billion	36%

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

	Total unfunded OPEB	Funded ratio
Oregon	**$0.14 billion**	**75%**
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

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
Oregon	**2.71**	**3.35**	**3.59**	**1.08**	**−$9.14**	**0.13**	**0.39**	**$3,112**
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
Oregon	**0.06**	**0.15**	**0.14**	**0.56**	**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. (Oregon ranks 17th.)
- **Budget solvency** measures whether a state can cover its fiscal year spending using current revenues. Did it run a shortfall during the year? (Oregon ranks 16th.)
- **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? (Oregon ranks 26th.)
- **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? (Oregon ranks 38th.)
- **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? (Oregon ranks 43rd.)

For a complete explanation of the methodology used to calculate Oregon'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).