

Bond Case Briefs

Municipal Finance Law Since 1971

Overpromising has Crippled Public Pensions. A 50-State Survey.

Introduction

The real problem plaguing public pension funds nationwide has gone largely ignored. Most reporting usually focuses on the underfunding of state plans and blames the crises on a lack of taxpayer dollars.

But a Wirepoints analysis of 2003-2016 Pew Charitable Trust and other pension data found that it's the uncontrolled growth in pension promises that's actually wreaking havoc on state budgets and taxpayers alike.[1] Overpromising is the true cause of many state crises. Underfunding is often just a symptom of this underlying problem.

Wirepoints found that the growth in accrued liabilities has been extreme in many states, often growing two to three times faster than the pace of their economies.[2] It's no wonder taxpayer contributions haven't been able to keep up.

[Continue reading.](#)

Wirepoints

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