

# **Bond Case Briefs**

*Municipal Finance Law Since 1971*

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## **State of Kansas [General Government]: Fitch New Issue Report**

Key Rating Drivers Revenue Framework — ‘aa’ Fitch expects the future pace of revenue expansion, absent policy actions, to be generally in line with inflation given Kansas’ slow natural rate of population growth. The state retains complete control over its revenue system, with an unlimited ability to implement recurring revenue increases and levy new taxes and service charges as needed. Expenditure Framework — ‘aa’ Expenditure growth is expected to be in line with, to slightly above, annual revenue growth. Fitch’s expectations factor in the state’s primary spending drivers, which are K-12 education and healthcare, as in other states. Carrying costs are moderate for a U.S. state, ranging near 5% of governmental expenditures over the past several years. Long-Term Liability Burden — ‘aaa’ Long-term liabilities, including debt and pensions, are a low burden on the economic resource base and are in line with the national median for states. The pension liability reflects the KPERS state employee pension plan and the school employee pension plan, which the state supports via school funding appropriations. New issuance plans are modest.

### **ACCESS REPORT**

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