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Report Ranks Every State's Debt, from California's $497 billion to South Dakota's $2 billion.

Study finds state governments have a total of $2.7 trillion in debt, with 26 states exceeding $20 billion in debt each and 10 states over $70 billion.

State governments had $2.7 trillion in debt at the end of 2023, a new Reason Foundation analysis finds. This state debt is equivalent to approximately $8,000 per person nationally.

With $497 billion in liabilities, California had the largest state government debt as of the end of the 2023 fiscal year, the most recent year for which complete data are available.

Four other state governments had more than $200 billion in state debt: New York ($233 billion), Illinois ($223 billion), Texas ($217 billion), and New Jersey ($213 billion). Massachusetts had $120 billion in state liabilities, followed by Connecticut, Washington, Pennsylvania and Florida.

Meanwhile, 10 states—South Dakota, Idaho, Nebraska, Montana, New Hampshire, Utah, Vermont, Rhode Island, Wyoming, and Maine—each had less than $10 billion in debt at the end of 2023, according to Reason Foundation's State and Local Government Finance Report.

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reason.org

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