

The State Pension Funding Gap: 2018

Overall debt at historic high after economic recovery, underscoring need to prepare for downturn

Appendix C: Net amortization details, 2018

In thousands

State	Beginning of year net pension liability	Assumed rate of return (weighted average across plans) [†]	Assumed interest due on 2018 beginning of year debt	2018 normal cost [†]	2018 total expected cost [‡]	2018 employee contributions with interest	2018 employer contribution benchmark [§]	2018 actual employer contributions with interest	Percent of employer benchmark paid	Net amortization
Alabama	\$15,251,096	7.75%	\$1,181,960	\$954,407	\$2,136,367	\$767,179	\$1,369,188	\$1,293,504	94%	-\$75,684
Alaska	\$7,243,003	8.00%	\$579,497	\$242,840	\$822,336	\$128,306	\$694,030	\$556,411	80%	-\$137,619
Arizona	\$27,416,368	7.74%	\$2,122,280	\$1,825,501	\$3,947,780	\$1,347,511	\$2,600,269	\$2,162,496	83%	-\$437,773
Arkansas	\$7,853,261	7.10%	\$557,951	\$534,527	\$1,092,478	\$219,977	\$872,501	\$776,295	89%	-\$96,206
California	\$191,130,787	7.07%	\$13,503,891	\$14,100,694	\$27,604,585	\$6,762,629	\$20,841,956	\$24,116,619	116%	\$3,274,664
Colorado	\$54,596,452	4.85%	\$2,648,807	\$2,185,834	\$4,834,641	\$819,995	\$4,014,647	\$1,903,073	47%	-\$2,111,573
Connecticut	\$34,811,035	7.33%	\$2,550,487	\$905,880	\$3,456,367	\$526,637	\$2,929,730	\$2,840,519	97%	-\$89,212
Delaware	\$1,961,753	6.31%	\$123,883	\$236,947	\$360,830	\$79,153	\$281,677	\$280,407	100%	-\$1,271
Florida	\$40,281,942	6.17%	\$2,483,643	\$2,682,437	\$5,166,080	\$772,653	\$4,393,427	\$3,501,282	80%	-\$892,145
Georgia	\$22,889,927	7.49%	\$1,714,408	\$1,674,041	\$3,388,449	\$826,840	\$2,561,609	\$2,857,440	112%	\$295,831
Hawaii	\$12,950,306	7.00%	\$906,521	\$584,470	\$1,490,992	\$268,354	\$1,222,637	\$876,760	72%	-\$345,878
Idaho	\$1,506,653	7.10%	\$106,972	\$440,220	\$547,193	\$253,207	\$293,986	\$394,422	134%	\$100,436

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Illinois	\$136,881,554	6.96%	\$9,523,705	\$3,351,603	\$12,875,308	\$1,541,872	\$11,333,437	\$8,143,193	72%	-\$3,190,244
Indiana	\$17,326,203	6.75%	\$1,169,519	\$602,253	\$1,771,772	\$62,405	\$1,709,366	\$1,989,838	116%	\$280,471
Iowa	\$6,840,464	7.01%	\$479,728	\$881,056	\$1,360,783	\$505,976	\$854,807	\$777,309	91%	-\$77,498
Kansas	\$9,128,629	7.75%	\$707,469	\$552,423	\$1,259,892	\$436,267	\$823,625	\$921,493	112%	\$97,868
Kentucky	\$42,916,062	4.57%	\$1,962,340	\$1,344,834	\$3,307,174	\$459,624	\$2,847,550	\$1,885,289	66%	-\$962,261
Louisiana	\$18,214,179	7.67%	\$1,396,832	\$754,930	\$2,151,762	\$599,520	\$1,552,242	\$2,117,818	136%	\$565,576
Maine	\$2,995,575	6.88%	\$205,946	\$293,786	\$499,732	\$196,064	\$303,668	\$411,397	135%	\$107,728
Maryland	\$22,584,000	7.36%	\$1,663,262	\$1,358,213	\$3,021,475	\$824,117	\$2,197,359	\$2,110,351	96%	-\$87,008
Massachusetts	\$35,710,159	7.50%	\$2,678,262	\$1,757,434	\$4,435,696	\$1,406,338	\$3,029,358	\$2,674,071	88%	-\$355,287
Michigan	\$32,483,291	7.49%	\$2,432,624	\$850,399	\$3,283,024	\$448,739	\$2,834,285	\$3,675,705	130%	\$841,420
Minnesota	\$37,198,871	5.70%	\$2,118,482	\$2,394,914	\$4,513,396	\$1,140,576	\$3,372,821	\$1,399,477	41%	-\$1,973,343
Mississippi	\$16,783,124	7.75%	\$1,300,692	\$710,195	\$2,010,887	\$595,085	\$1,415,802	\$1,073,116	76%	-\$342,685
Missouri	\$15,774,044	7.58%	\$1,196,427	\$1,233,899	\$2,430,326	\$931,469	\$1,498,857	\$1,582,607	106%	\$83,750
Montana	\$4,080,482	7.69%	\$313,807	\$257,534	\$571,341	\$211,668	\$359,673	\$362,690	101%	\$3,017
Nebraska	\$1,474,474	8.04%	\$118,563	\$361,308	\$479,872	\$249,491	\$230,380	\$320,606	139%	\$90,225
Nevada	\$13,319,492	7.50%	\$998,962	\$1,138,361	\$2,137,323	\$1,024,105	\$1,113,217	\$970,167	87%	-\$143,051
New Hampshire	\$4,965,063	7.25%	\$359,849	\$273,264	\$633,113	\$226,092	\$407,022	\$444,277	109%	\$37,255
New Jersey	\$142,288,433	7.41%	\$10,539,842	\$4,970,779	\$15,510,621	\$2,168,820	\$13,341,800	\$4,691,558	35%	-\$8,650,242
New Mexico	\$16,485,691	6.41%	\$1,056,961	\$879,231	\$1,936,192	\$591,229	\$1,344,963	\$738,207	55%	-\$606,756
New York	\$11,468,876	7.00%	\$802,821	\$3,678,776	\$4,481,597	\$361,411	\$4,120,187	\$4,989,268	121%	\$869,081
North Carolina	\$9,631,900	7.21%	\$694,086	\$2,370,680	\$3,064,766	\$1,383,612	\$1,681,154	\$2,207,884	131%	\$526,731
North Dakota	\$2,987,137	7.06%	\$210,885	\$244,878	\$455,763	\$164,401	\$291,362	\$198,577	68%	-\$92,785

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Ohio	\$39,735,633	7.35%	\$2,920,649	\$3,071,713	\$5,992,362	\$3,055,314	\$2,937,048	\$3,748,626	128%	\$811,578
Oklahoma	\$8,548,375	7.47%	\$638,452	\$763,718	\$1,402,170	\$456,570	\$945,600	\$1,326,526	140%	\$380,926
Oregon	\$13,480,000	7.20%	\$970,560	\$1,108,200	\$2,078,760	\$13,046	\$2,065,714	\$1,439,274	70%	-\$626,440
Pennsylvania	\$66,328,481	7.25%	\$4,808,815	\$2,855,906	\$7,664,721	\$1,470,963	\$6,193,758	\$6,522,941	105%	\$329,183
Rhode Island	\$5,454,061	7.00%	\$381,784	\$152,862	\$534,646	\$96,362	\$438,285	\$433,127	99%	-\$5,157
South Carolina	\$25,482,182	7.25%	\$1,847,458	\$1,103,205	\$2,950,663	\$1,046,631	\$1,904,033	\$1,710,476	90%	-\$193,557
South Dakota	-\$9,075	6.50%	-\$590	\$222,710	\$222,120	\$128,237	\$93,882	\$128,724	137%	\$34,842
Tennessee	\$1,695,312	7.31%	\$123,939	\$853,550	\$977,488	\$348,831	\$628,657	\$1,141,243	182%	\$512,586
Texas	\$55,145,722	6.87%	\$3,787,172	\$6,196,686	\$9,983,858	\$4,210,268	\$5,773,590	\$4,280,858	74%	-\$1,492,733
Utah	\$3,420,315	6.95%	\$237,712	\$642,590	\$880,302	\$37,553	\$842,749	\$1,177,968	140%	\$335,219
Vermont	\$2,283,896	7.93%	\$181,025	\$118,295	\$299,320	\$101,237	\$198,082	\$199,899	101%	\$1,816
Virginia	\$21,480,408	7.00%	\$1,503,629	\$1,888,831	\$3,392,460	\$891,439	\$2,501,020	\$2,554,085	102%	\$53,065
Washington	\$9,883,432	7.37%	\$728,406	\$1,931,582	\$2,659,988	\$1,100,150	\$1,559,838	\$2,827,714	181%	\$1,267,876
West Virginia	\$3,917,091	7.50%	\$293,782	\$281,951	\$575,733	\$164,283	\$411,449	\$678,234	165%	\$266,785
Wisconsin	-\$2,969,118	7.00%	-\$207,838	\$1,860,937	\$1,653,099	\$1,006,427	\$646,671	\$1,065,965	165%	\$419,294
Wyoming	\$2,700,673	6.71%	\$181,154	\$236,862	\$418,016	\$178,956	\$239,060	\$178,228	75%	-\$60,832

Note: Numbers may not be exact due to rounding.

* The assumed rate of return is weighted for the plans in each state by the net pension liability at the beginning of 2018.

† The normal cost refers to the cost of benefits earned by employees in any given year. Also called the service cost.

‡ The total expected cost represents the projected increase in the funding gap before taking employer and employee contributions into account. It is equal to the normal cost plus the assumed interest on the unfunded liability.

§ The employer contribution benchmark is the contribution level employers need to meet in order to keep pension debt from growing.

|| For net amortization, positive numbers mean expected progress in paying down pension debt. Negative numbers mean expected growth in pension debt.

Sources: Comprehensive annual financial reports, actuarial reports and valuations, other public documents, or as provided by plan officials

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