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United States Public Pension Systems Short Nearly \$6 Trillion

Stanford, CA (Nov. 17, 2016). Pension Tracker (<http://pensiontracker.org>), a Stanford Institute for Economic Policy Research (SIEPR) project, estimates total United States public pension debt (a.k.a. unfunded liabilities) in June 2015 at \$5.599 trillion, a 16 percent increase over 2014. The project is directed by Joe Nation, a former state lawmaker, SIEPR researcher, and Professor of the Practice of Public Policy at Stanford.

The study includes the most recent financial data from nearly 300 state pension systems, and it estimates financial data from local pension systems across all 50 states and the District of Columbia.

Among the findings from this update:

- The 2015 U.S. figure of \$5.599 trillion reflects Market Pension Debt and is based on a discount rate of 2.75 percent, equal to the 20-year Treasury yield on June 30, 2015. Most financial economists agree that the Market Pension Debt more closely represent financial realities and pension system liabilities. (Actuarial Pension Debt is described below.)
- The 2015 U.S. pension debt figure is 15.9 percent higher than that estimated in 2014, \$4.833 trillion.
- This increase of \$766 billion in Market Pension Debt is notable since it occurred during a period of economic growth; however, the Market Value of Assets over this same period were virtually unchanged.
- The Market Pension Debt per U.S. household is now \$47,388, an increase of 15.0 percent over the 2014 Market Pension Debt per U.S. household of \$41,219.
- The median Market Pension Debt among all states and the District of Columbia is \$36,740.
- Alaska maintains the highest Market Pension Debt per household at \$110,538 in 2015, a 2.4 percent decrease over the 2014 level of \$113,137.
- California now has the second highest Market Pension Debt per household at \$92,478, a 19.4 percent rise over 2014.
- The lowest Market Pension Debt per household is in Tennessee, Indiana, and North Carolina, with debt per household of \$19,586, \$19,686, and \$22,066, respectively. (The District of Columbia shows the lowest Market Debt per household at \$14,020.)

Data for all states are available at [Pension Tracker](#). Pension Tracker also provides detailed data on local government agency [pensions in California](#). For more information about SIEPR and other SIEPR projects, see <http://siepr.stanford.edu>.

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