THE TRUTH

Money Needed to Pay Bills
- **$39 billion**

Taxpayer Burden™
- **$18,200**

Financial Grade
D

Ranking
37 out of 50

Maryland's Financial Condition Worsened Despite Federal Funds

Truth in Accounting

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Financial State of Maryland

Despite receiving support from COVID relief grants and other federal programs, Maryland's overall financial condition worsened during the onset of the pandemic. Based upon the state's fiscal year 2020 audited financial report, Maryland had a Taxpayer Burden™ of $18,200, earning it a "D" grade from Truth in Accounting.

Maryland's elected officials have repeatedly made financial decisions that left the state with a debt burden of $39 billion. That burden came to $18,200 for every state taxpayer. Maryland's financial problems stem mostly from unfunded retirement obligations that have over the years. The state had only set aside 70 cents for every dollar of promised pension benefits and 2 cents for every dollar of promised retiree health care benefits.

Maryland did not have enough money set aside to weather the pandemic and the state has been in poor fiscal shape for years. Like all other states, Maryland received federal assistance from the CARES Act and other COVID-19 related grants which came with stipulations on how the money could be spent. The state has not been properly funding its pension and retiree health care promises for years which has led to its financial condition continuing to deteriorate.

The data included in this report is derived from the state of Maryland's 2020 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare states' financial information go to Data-Z.org.

Maryland's Financial Breakdown

Fast Facts

- Maryland had $22.1 billion available to pay $61 billion worth of bills.
- The outcome was a $39 billion shortfall, which breaks down to a burden of $18,200 per taxpayer.
- Maryland's overall financial condition worsened by $5 billion during the onset of the pandemic mostly because pension plan liabilities increased faster than investment income.

THE STATE'S BILLS EXCEEDED ITS ASSETS	
Total assets	$68,476,762,000
Minus: Capital assets	-$40,735,919,000
Restricted assets	-$5,671,482,000
Assets available to pay bills	$22,069,361,000
Minus: Total bills	-$61,033,416,000
Money available (needed) to pay bills	-$38,964,055,000
Each taxpayer's share of this debt	-$18,200

BILLS THE STATE ACCUMULATED	
Bonds	$22,872,164,000
Other liabilities	$11,286,261,000
Minus: Debt related to capital assets	-$12,571,744,000
Unfunded pension benefits	$22,189,551,000
Unfunded retiree health care benefits	$17,257,184,000
Total bills	$61,033,416,000

Grade: **D**	Bottom line: Maryland would need $18,200 from each of its taxpayers to pay all of its bills, so it received a "D" for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden between $5,000 and $20,000 receives a "D" grade.