New Hampshire Received ‘C’ Grade for its Fiscal Health

September 2020

New Hampshire’s elected officials have made repeated financial decisions that left the state with a debt burden of $2.2 billion. That burden equates to $3,900 for every state taxpayer. New Hampshire’s financial problems stem mostly from unfunded retirement obligations that have accumulated over the years. Of the $5 billion in retirement benefits promised, the state did not fund $1 billion in pension and $2.1 billion in retiree health care benefits.

New Hampshire did not have enough money set aside to weather the current pandemic and fluctuations in the market. According to rough estimates by Truth in Accounting, New Hampshire is projected to lose $1 billion in revenue as a result of this crisis. The uncertainty surrounding this crisis makes it impossible to determine how much will be needed to maintain government services and benefits, but New Hampshire’s overall debt will most likely increase.

The data included in this report is derived from the state of New Hampshire’s 2019 audited Comprehensive Annual Financial Report and retirement plans’ reports. To compare states’ financial information go to Data-Z.org.

Financial State of New Hampshire

This report shows that New Hampshire did not go into the coronavirus pandemic in good fiscal shape, and it will probably come out of the crisis even worse. Based upon the state’s latest audited financial report, which is dated before the crisis began, New Hampshire had a Taxpayer Burden™ of $3,900, earning it a “C” grade from Truth in Accounting.

New Hampshire Financial Breakdown

Fast Facts

- New Hampshire had $2.4 billion available to pay $4.6 billion worth of bills.
- The outcome was a $2.2 billion shortfall, which breaks down to a burden of $3,900 per taxpayer.
- This means that each taxpayer would have to pay $3,900 in future taxes for which they would receive no related services or benefits.

New Hampshire Financial Breakdown

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Bottom line: New Hampshire needed $3,900 from each of its taxpayers to pay all of its bills, so it received a “C” for its finances. According to Truth in Accounting’s grading scale, any government with a Taxpayer Burden between $0 and $4,900 receives a “C.”

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