

GOVERNMENTAL DEBT IN 1947

GOVERNMENTAL FINANCES IN
THE UNITED STATES 1947

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Governmental debt in the United States--Federal, State, and local--dropped \$10 billion during the 12 months ending June 30, 1947, to a level of \$275 billion as of that date. This decrease of 3.6 percent marks the first annual period since before World War I--except for the year 1920, in which a relatively minor decrease occurred--that total governmental debt has not moved upward. The downward trend in Federal Government debt during the 1920's had been more than offset by rising debt of State and local governments; and the huge rise in Federal debt during World War II dwarfed the simultaneous decline in indebtedness of State and local governments.

All of the 1946-47 decrease in governmental debt resulted from a cut of \$11 billion in Federal debt; State and local debt actually increased \$1 billion. Each of these changes represents a reversal of trends for the preceding 6 years, as indicated by the chart below. Also reflected by the chart is the great extent to which changes in governmental debt since 1940 have been dominated by Federal debt trends.

Per capita governmental debt stood at \$1910 in 1947 as compared with \$2,020 in 1946, \$480 in 1940, and \$313 in 1932.

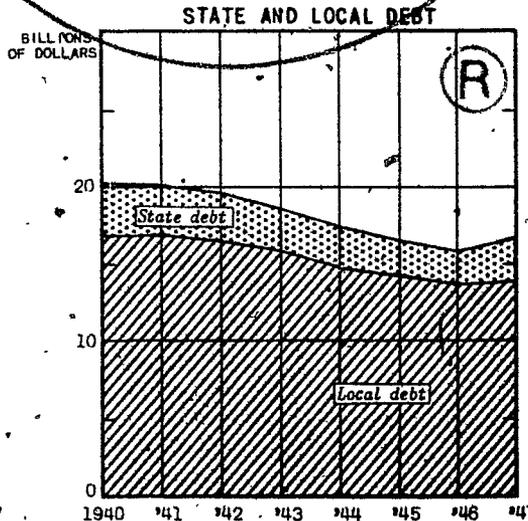
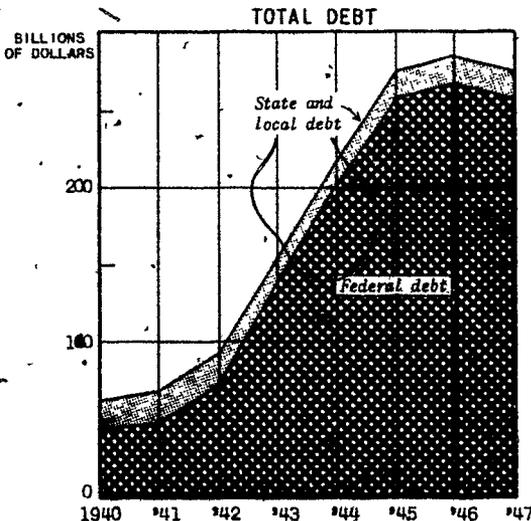
The striking debt changes of the past 15 years are considerably less sharp when related to changes in national income. Governmental debt was 7 times as great in 1947 as in 1932, but national income in the later year was also up sharply, to nearly 5 times the 1932 level. As a result, the percentage relation of governmental debt to national income changed only from 94 percent to 138 percent during this 15-year interval.

Historical trends in absolute and per capita amounts of governmental debt and national income are shown in tables 1 and 2 of this report.

GOVERNMENTAL DEBT TRENDS

Federal debt.--War financing and, earlier, depression deficits, combined to raise Federal debt to an all-time high of \$279 billion on February 28, 1946. By June 30, 1946, the total had dropped off to \$269 billion. The further decrease of \$11 billion brought the total down to \$258 billion on June 30, 1947. At this level, Federal debt still constituted 94 percent of all governmental debt. In 1932, shortly after the beginning of its 16-year period of increase, Federal debt comprised only one-half of all governmental debt.

GOVERNMENTAL DEBT: 1940' - 1947



As Federal debt statistics are publicized in detail in reports of the Treasury Department, they are treated only in summary in this report, which relates mainly to indebtedness of State and local governments.¹

State debt.--In contrast to declining Federal debt, State governments increased their indebtedness approximately one-fourth in 1947. The upward movement in 1947 represents a reversal of the previous 6-year trend and a return to a level of \$3.0 billion for outstanding State debt, a greater figure than for any year since 1942. Large new borrowings by Illinois, Massachusetts, and Michigan to finance veterans bonuses and veterans services were responsible for most of the \$0.8 billion increase in State debt between 1946 and 1947.

As of June 30, 1947, State debt amounted to 6 percent of total governmental debt, or 18 percent of State and local government debt.

Historically State debt mounted steadily through the early part of the century and through the depression years to a peak in 1940 of over \$3.5 billion. During World War II, a rapidly rising level of national income swelled State revenues from sales, income, and other taxes, but wartime restrictions on the availability of manpower and materials prevented a corresponding growth in State expenditure. Substantial amounts of the resulting excess of revenue were utilized for debt retirement so that State debt declined by 33 percent from 1940 to 1946.

In addition to the large increases in fiscal-year-end debt in 1947 in the 3 States mentioned above, the debt of 15 other State governments rose; 29 States effected net reductions in their indebtedness. Table 7 presents debt data for the 1946 and 1947 fiscal years for individual State governments.

County debt.--County governments, which had been able to effect about the same relative reductions as States in their debt during the war years, also increased their indebtedness, but only slightly, in 1947.

County debt was at a peak in the early '30s. By 1940 county debt had already fallen substantially below earlier levels. After 1940 county debt decreased 34 percent to a low point of \$1.4 billion in 1946, rising thereafter to \$1.5 billion by June 30, 1947.

Currently county debt represents about 9 percent of total State and local government debt.

City debt.--Cities--with \$8 billion of indebtedness in 1947--account for the bulk of local government debt and almost half of total State and local debt. City debt, after attaining a level of close to \$10 billion in the early '30s, was relatively unchanged until after 1942.

¹However, a summary analysis of Federal debt trends for the 12 fiscal years 1935 through 1946 appears in the Census Bureau report *Governmental Debt in the United States: 1946* (Final report), pp. 2-3.

Cities were able to reduce their indebtedness substantially during the war (about 17 percent from 1942 to 1946), but, unlike State and other local governments, their debt did not increase in 1947.

At one time, 1912, city debt accounted for 77 percent of all State and local debt. With the more rapid growth of State debt and the development of special districts, city debt has diminished in its relative importance, now accounting for 48 percent of all State and local debt.

Other local debt.--Township debt is a relatively unimportant segment of governmental debt, accounting for only 1 percent of the State and local total in 1947. Township debt trends have been relatively more pronounced but have paralleled in direction county debt trends.

School-district debt trends, also paralleling county trends as to direction, have been relatively less pronounced. Debt of school districts comprised 8 percent of the State and local total in 1947.

One of the most striking developments in local government organization of the past 3 decades has been the growth of the special-district device for the performance of specialized governmental functions. Debt trends for such districts illustrate this growth. Indebtedness of counties, cities, townships, and school districts is currently far below the peak levels of the '30s, but special-district debt in 1947 was almost double the figure for 1932 and 7 percent greater than in 1940.

Development of housing authorities has been responsible for the rise in the level of special-district debt since 1940. Housing authority debt, \$318 million in 1940, was \$641 million on June 30, 1947.

The recent establishment of such large new special districts as the Chicago Transit Authority and the Metropolitan Transit Authority of Boston represent new applications of the special-district device. Indebtedness of these activities is not reflected in the governmental debt statistics in this report, their conversion from private to public operation being subsequent to June 30, 1947. However, 1948 data on governmental debt will be affected by the establishment of these large-scale units of government.

As of June 30, 1947, special-district debt was 16 percent of all State and local debt.

Table 4 presents in detail, by type of government, the trends in debt of State and local governments that are summarized above.

TRENDS IN INTEREST PAYMENTS

Data for interest payments on governmental debt are shown in table 3 of this report. Detailed analysis of the relation between interest and debt data shown here should not be

attempted, but rough comparisons and broad generalizations regarding the data are possible.²

It is apparent that the relatively low interest rates of the past decade have resulted in materially different trends as between interest payments and governmental debt. While governmental debt was over 600 percent greater in 1947 than in 1932, governmental interest payments were only 281 percent greater in the later year.

Trends in interest payments, like those for debt, are currently dominated by the operations of the Federal Government. Federal interest payments accounted for 90 percent of all interest payments on governmental debt in 1947.

There is, of course, a lag between changes in debt and changes in interest costs. Thus, the reduction in Federal debt in 1947 was not reflected in Federal interest payments, which continued to rise in 1947. On the State and local levels, the 1947 upturn in debt for almost all types of governments was in contrast to a continued downward trend in interest payments.

COMPOSITION OF STATE AND LOCAL GOVERNMENT DEBT

Term of debt.--State and local debt in 1947, as shown in table 5, was almost entirely--97 percent--long-term in character. Short-term debt was of significant proportion only for housing authorities, which had temporary loans outstanding amounting to 35 percent of their gross debt.

Net long-term debt.--More than 13 percent of the \$16.2 billion in long-term debt of State and local governments in 1947 was offset by sinking-fund assets. After deduction of such offsets net long-term debt amounted to \$14.0 billion. From 1940 to 1946, the annual decrease in gross State and local debt was accompanied by a rise in the proportion of outstanding debt that was offset by sinking funds. However, the proportion decreased somewhat in 1947 as gross debt turned upward again.

Currently, sinking funds are most significant in relation to State government long-term debt, 20 percent of which is offset by sinking funds. Among the various classes of local governments, the ratio of sinking-fund holdings to long-term debt ranges from 16 percent for cities to 4 percent for special districts.

Table 5 shows trends in long-term debt, sinking-fund offsets, and net long-term debt of State and local governments since 1922.

²As published in this report, interest payments constitute estimates of total expenditure for interest during the fiscal period covered. As such, they will not correspond to average coupon rates on indebtedness outstanding at the end of the fiscal period as they include interest on debt retired prior to the end of the year and only part-year charges on debt issued during the year. Interest payments as reported here also make no allowance for premiums or discounts on debt issued. In addition, it should be noted that, except in table 8, debt statistics in this report include noninterest-bearing long-term debt.

General and enterprise debt.--In 1947, 64 percent of all State and local debt was for general purposes and 36 percent was for enterprises. Almost all enterprise debt, 98 percent, was for city and special-district activities; in cities and special districts, enterprises accounted for 47 percent and 70 percent, respectively, of debt for all purposes. School districts had no enterprise debt and States, counties, and townships accounted for insignificant proportions of total State and local enterprise debt.

Of the general debt of State and local governments, city governments were obligated for 40 percent, State governments for 25 percent, county governments for 14 percent, school districts for 13 percent, and townships and special districts for the balance.

The distribution of State and local debt as between general-government and enterprise purposes by type of government, is shown in table 6.

OWNERSHIP OF GOVERNMENTAL SECURITIES

Sixteen percent of all interest-bearing securities of Federal, State, and local governments, was held by the issuing governments themselves or other governments, as of June 30, 1947. Approximately \$40 billion in government securities was held by the Federal Government and its agencies, and \$3 billion was held by State and local sinking funds and trust and investment funds. Holdings of the Federal Reserve Banks accounted for an additional 8 percent of interest-bearing governmental debt, and private investors held 76 percent.

Ownership of governmental debt is shown in detail in table 8 of this report.

SOURCES AND METHODS

Dates of information.--Federal Government data appearing in this report are as of June 30 of the year specified or, for interest payments, for the fiscal year ended June 30 of the year specified.

State and local data are for differing dates, as indicated by headnotes to the tables involved. For years subsequent to 1940, two sets of data are presented as to outstanding debt--data as of fiscal year closing dates (tables 5, 6, and 7) and data as of June 30 of the year specified (tables 1, 2, 3, 4, and 8).

Where fiscal year information is presented for State and local governments, the 1944-1947 figures are for fiscal years: (a) closed during the 12-month period ended on June 30 of each year for States, cities having populations under 25,000, townships, school districts, and special districts; and (b) closed during the preceding calendar year for counties, and for cities having populations over 25,000. Earlier data are for fiscal years closed in the 12-month period ended June 30, 1942 and for fiscal years ended during the calendar years 1932 and 1922.

Sources of basic data.--Federal government data for this report and data relating to ownership of governmental securities, except State and local government holdings, are from reports of the U. S. Treasury Department.

Fiscal year data for State and for local governments are from the following sources: States: Annual Census Bureau reports on State finances, data for which are compiled at State capitals by Census Bureau representatives. The 1947 data for State governments in this report, however, are based on replies to mail questionnaires and are subject to revision when field compilation of data for 1947 is completed.

Cities having populations over 25,000: Annual Census Bureau reports on city finances, data for which are compiled directly by Census Bureau representatives for cities having populations over 250,000 and collected by mail canvass or from State sources for cities having populations from 25,000 to 250,000.

Counties: Annual Census Bureau reports on county finances, data for which are derived from reports collected for a selected sample of county governments by mail canvass or from State sources. Townships: Annual mail-canvass surveys of township debt for sample townships throughout the Nation.

School districts: Compilations of school data of the U. S. Office of Education and data obtained from State agencies which compile public school statistics.

Special districts: Special tabulations from the Housing and Home Finance Agency's Public Housing Administration for housing authorities, special tabulations from the Department of Interior's Bureau of Reclamation for reclamation districts, and a sample-based canvass of debt of other special districts.

June 30 data are arrived at as follows: States: For the States whose fiscal years close on dates other than June 30, June 30 figures are collected by mail questionnaire.

Cities having populations over 25,000 and Counties: Reports of June 30 data from a stratified sample of city and county governments are used to extrapolate June 30 statistics from fiscal year data.

Large special districts: For special districts (other than housing authorities and reclamation districts) having indebtedness of over \$5 million, both fiscal year and June 30 data are collected by mail canvass.

Other governments: For small cities (those having populations under 25,000), townships, small special districts, and all school districts, fiscal year data are used without adjustment in the tables containing June 30 data. All statistics for housing authorities and reclamation districts are as of June 30 or for the year ended June 30.

Method of estimating.--As described under "Sources of Basic Data" above, fiscal year debt information is collected for the Federal Government, all State governments, all cities having

populations over 25,000, housing authorities and reclamation districts; and no estimation of totals for these governments is required, except for occasional missing items.

Estimates of June 30 data for cities with populations over 25,000 are made by applying to fiscal year totals ratios of fiscal year debt to June 30 debt derived from reports for both dates from a stratified sample of cities.

For school districts, debt statistics are based on information obtained from the U. S. Office of Education and from State agencies. In the case of a number of States for which 1947 debt figures were not available, estimates were made on the basis of debt statistics for prior years, supplemented with data as to trends of school-district debt in similar States.

For cities having populations under 25,000, townships, and special districts (other than those enumerated above) estimates of debt are made by applying, to "benchmark" data for these units from the 1942 Census of Governments, ratios of change from 1942 to 1947 computed from reports for both periods of a stratified sample of units. Sample units were selected on a random basis in each instance, except in the case of special districts having debts less than \$5 million and townships having populations under 25,000, where the sample includes a greater-than-average proportion of units with relatively large amounts of debt.

County debt estimates have been made as described in the Census Bureau's report Summary of County Government Finances in 1946, from which county debt figures for this report have been taken. Extension of county debt estimates to June 30 is made as described above with respect to cities having populations over 25,000.

Factors affecting estimates.--The estimates presented in this report based on sample data are subject to sampling variation that may cause them to differ somewhat from the results that would have been obtained from a complete canvass of all units. The estimate of State and local government gross debt is subject to a relative sampling variation of approximately 1.9 percent and the estimate of local government gross debt to a relative sampling variation of approximately 2.3 percent.¹ Estimates for sub-classifications of debt and for particular types of local governments have a somewhat higher relative sampling variation, there being a tendency for relative sampling variation to be greater for figures of smaller magnitude.

In addition to the effects of sampling variation, the estimates may be affected by the failure of some governmental units to report.

¹In repeated surveys using the same sampling and estimating procedures, the chances are that 2 estimates out of 3 would be within the specified percentage of the results that would be obtained from a complete enumeration; 19 out of 20 would be within double that percentage.

Such nonresponse may introduce a bias into the estimates because of possible selectivity in the reporting governments. Intensive efforts have been made to reduce the possible effects of such bias by concentrating on obtaining reports from all units in the sample, particularly the large ones. However, no effort has been made to measure or adjust for any possible bias due to nonresponse.

Both the estimates and the completely reported data are affected by the quality of the basic reports of debt received from the governmental officials themselves. Explicit

definitions and instructions to officials, intensive examination of reported data and comparison with other sources, and supplementary correspondence with reporting officials are used to promote completeness and uniformity of reporting.

ACKNOWLEDGMENT

The cooperation and assistance of State and local government officials who provided information for this report is gratefully acknowledged.

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TABLE 1.--GROSS DEBT OF FEDERAL, STATE, AND LOCAL GOVERNMENTS: SELECTED YEARS 1902 TO 1947

Data for years beginning with 1940 are as of June 30, and hence, may differ from information for diverse closing dates of fiscal years (as shown in tables 5, 6, and 7). Earlier data are as of ends of fiscal years.

Year	Total	Federal ¹	State and local ²		
			Total	State	Local
GROSS DEBT OUTSTANDING (Amounts in millions)					
1947	\$275,075	\$258,286	\$16,789	\$2,972	\$13,847
1946	265,509	269,422	*15,887	2,358	13,564
1945	275,234	258,682	*16,552	2,425	14,164
1944	218,429	201,003	*17,426	2,768	14,703
1943	155,341	136,696	*18,645	2,909	15,783
1942	92,064	72,422	*19,642	3,211	16,479
1941	69,143	48,961	*20,182	3,413	16,812
1940	63,177	42,968	*20,209	3,526	16,720
1932	39,060	19,487	*19,573	2,907	16,680
1922	33,219	22,963	10,256	1,163	9,093
1912	5,692	1,194	4,498	423	4,075
1902	3,373	1,178	2,195	270	1,925
PERCENT DISTRIBUTION, BY TYPE OF GOVERNMENT					
1947	100.0	93.9	6.1	1.1	5.0
1946	100.0	94.4	5.6	.8	4.8
1945	100.0	94.0	6.0	.9	5.1
1944	100.0	92.0	8.0	1.3	6.7
1943	100.0	88.0	12.0	1.9	10.1
1942	100.0	78.7	21.3	3.5	17.9
1941	100.0	70.8	29.2	4.9	24.3
1940	100.0	68.0	32.0	5.6	26.5
1932	100.0	49.9	50.1	7.4	42.7
1922	100.0	69.1	30.9	3.5	27.4
1912	100.0	21.0	79.0	7.4	71.6
1902	100.0	34.9	65.1	8.0	57.1
INDEX, 1940 = 100					
1947	435.4	601.1	83.1	84.3	82.6
1946	451.6	677.0	78.6	66.9	81.1
1945	435.7	602.0	81.9	68.8	84.7
1944	345.7	467.8	86.2	78.5	87.9
1943	245.9	318.1	92.3	82.4	94.4
1942	145.7	168.5	97.2	91.1	96.6
1941	109.4	113.9	99.9	96.8	100.6
1940	100.0	100.0	100.0	100.0	100.0
1932	61.8	45.4	96.9	82.4	99.8
1922	52.6	53.4	50.7	31.0	54.4
1912	9.0	2.8	22.3	12.0	24.4
1902	5.3	2.7	10.9	7.7	11.5

¹Debt of the United States Government; includes general treasury obligations incurred on behalf of Federal agencies and excludes Federal agency debt incurred outside of general treasury.

²Comprises debt both for general purposes and for government enterprises.

*Total is less than the sum of amounts shown in "State" and "Local" columns because of the exclusion of State debts incurred for loans to local governments, which duplicate local obligations held by State governments.

TABLE 2.--PER CAPITA GROSS DEBT OF FEDERAL, STATE, AND LOCAL GOVERNMENTS AND PER CAPITA NATIONAL INCOME: SELECTED YEARS 1932 TO 1947

Year	Per capita debt ¹					National income		Percent of debt to national income				
	Total	Federal	State and local			Per capita ¹	Amounts ² (in billions)	Total	Federal	State and local		
			Total	State	Local					Total	State	Local
1947	\$1,910	\$1,794	\$117	\$21	\$96	\$1,390	\$200.1	137.5	129.1	8.4	1.5	6.9
1946	2,020	1,908	112	17	96	1,262	178.2	160.1	151.2	8.9	1.3	7.6
1945	1,972	1,853	119	17	101	1,510	182.8	150.6	141.5	9.1	1.3	7.7
1944	1,582	1,456	126	20	106	1,320	182.3	119.8	110.3	9.6	1.5	8.1
1943	1,138	1,001	137	21	116	1,233	168.3	92.3	81.2	11.1	1.7	9.4
1942	684	538	146	24	122	1,014	136.5	67.4	53.1	14.4	2.4	12.1
1941	519	368	152	26	126	779	103.8	66.6	47.2	19.4	3.3	16.2
1940	480	326	153	27	127	61.3	77.7	52.9	24.9	4.3	20.8	
1932	313	156	157	23	134	334	41.7	93.6	46.7	46.9	7.0	40.0

¹Based on estimated population, including armed forces overseas, as of July 1 in the specified years--except 1940, for which population was enumerated as of April 1.

²Source: National Income Supplement to Survey of Current Business, July 1947, and later monthly issues of Survey of Current Business. Data are for calendar years, except for 1947. The 1947 figure is the estimated total for the second quarter, seasonally adjusted, at an annual rate.

TABLE 3.--ANNUAL INTEREST PAYMENTS ON DEBT OF FEDERAL, STATE, AND LOCAL GOVERNMENTS: SELECTED YEARS 1932 TO 1947

Data for 1944-1947, inclusive, are for fiscal years: (a) closed during 12-month period ended on June 30 of each year for the Federal Government, for States, for cities having populations less than 25,000, and for townships, school districts, and special districts; and (b) closed during calendar years 1946, 1945, 1944, and 1943 for counties and for cities having populations over 25,000. Earlier data are for fiscal years closed during 12-month period ended on June 30, 1942, and for fiscal years ended during calendar year 1932. Table includes data both for general debt and for enterprise debt.

Type of government	Interest payments						Percent 1947 is of--		
	1947	1946	1945	1944	1942	1932	1946	1942	1932
Total	\$5,483	\$5,322	\$4,245	\$3,266	\$1,967	\$1,459	103.0	278.7	381.0
Federal	4,958	4,747	3,622	2,610	1,260	599	104.4	395.5	827.7
State and local	525	575	623	656	707	840	91.3	74.3	62.5
State	72	84	95	102	123	114	85.7	58.5	63.2
Local	453	491	528	554	584	726	92.3	77.6	62.4
County	53	61	67	73	78	127	86.9	67.9	61.7
City	282	299	316	328	345	419	94.3	81.7	67.3
Township, school district and special district	118	131	145	153	161	180	90.1	73.3	65.6

TABLE 4.--GROSS DEBT OF STATE AND LOCAL GOVERNMENTS: SELECTED YEARS 1902 TO 1947

Data for years beginning with 1940 are as of June 30, and hence, may differ from information for diverse closing dates of fiscal years (as shown in tables 5, 6, and 7). Earlier data are as of ends of fiscal years. Tables include data both for general debt and for enterprise debt.

Year	Total	State	Local					
			Total	County	City	Township	School district	Special district
AMOUNT								
1947	\$16,789	\$2,972	\$13,847	\$1,481	\$8,097	\$178	\$1,355	\$2,756
1946	15,887	2,358	13,564	1,417	8,101	166	1,283	2,597
1945	16,552	2,425	14,164	1,545	8,411	178	1,363	2,667
1944	17,426	2,768	14,703	1,694	8,624	202	1,465	2,718
1942	19,642	3,211	16,479	1,848	9,806	273	1,701	2,853
1940	20,209	3,526	16,720	2,156	9,899	290	1,813	2,562
1932	19,573	2,907	16,680	2,775	9,909	433	2,170	1,393
1922	10,256	1,163	9,093	1,367	5,810	130	1,127	639
1912	4,498	423	4,075	393	3,447	80	119	36
1902	2,195	270	1,925	205	1,612	57	46	5
PERCENT OF TOTAL DEBT OUTSTANDING								
1947	100.0	17.7	82.3	8.8	48.1	1.1	8.1	16.3
1946	100.0	14.8	85.2	8.9	50.9	1.0	8.1	16.3
1945	100.0	14.6	85.4	9.3	50.7	1.1	8.2	16.1
1944	100.0	15.8	84.2	9.7	49.4	1.2	8.4	15.6
1942	100.0	16.3	83.7	9.4	49.8	1.4	8.6	14.5
1940	100.0	17.4	82.6	10.6	48.9	1.4	9.0	12.7
1932	100.0	14.8	85.2	14.2	50.6	2.2	11.1	7.1
1922	100.0	11.3	88.7	13.5	56.6	1.3	11.0	6.2
1912	100.0	9.4	90.6	8.7	76.6	1.8	2.6	.8
1902	100.0	12.3	87.7	9.3	73.5	2.6	2.1	.2
INDEX, 1940=100								
1947	83.1	84.3	82.6	68.7	81.8	61.4	74.7	106.8
1946	78.6	66.9	81.1	65.7	81.8	57.2	70.8	101.4
1945	81.9	68.8	84.7	71.7	85.0	61.4	75.2	104.1
1944	86.2	78.5	87.9	78.6	87.1	69.7	80.8	106.1
1942	97.2	91.1	98.6	85.6	99.1	94.1	95.8	111.4
1940	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1932	96.9	82.4	99.8	128.7	100.1	149.3	119.7	54.4
1922	50.7	33.0	54.4	64.3	58.7	44.8	62.2	24.9
1912	22.3	12.0	24.4	18.2	34.8	27.6	6.6	1.4
1902	10.9	7.7	11.5	9.5	16.3	19.7	2.5	.2

*Total is less than the sum of amounts shown in "State" and "Local" columns because of the exclusion of State debts incurred for loans to local governments, which duplicate local obligations held by States; the excluded amounts are \$30 million in 1947, \$35 million in 1946, \$37 million in 1945, \$45 million in 1944, \$48 million in 1942, \$37 million in 1940, and \$14 million in 1932.

TABLE 5.—LONG-TERM DEBT, SINKING-FUND OFFSETS, AND NET LONG-TERM DEBT OF STATE AND LOCAL GOVERNMENTS: SELECTED YEARS 1922 TO 1947

Data for 1944-1947, inclusive, are for ends of fiscal years: (a) closed during the 12-month period ended on June 30 of each year for States, for cities having populations less than 25,000, and for townships, school districts, and special districts; and (b) closed during calendar years 1946, 1945, 1944, and 1943 for counties and for cities having populations over 25,000. Earlier data are as of June 30 for 1940 and for fiscal year endings for 1932 and 1922. Table includes data both for general debt and for enterprise debt.

(Amounts in millions)

Year	Total				State	Local					
	Amount	Index 1940=100	Percent of—			Total ¹	County	City	Township	School district	Special district
			Gross debt	Long-term debt							
Long-term debt:											
1947	\$16,178	85.8	96.7	100.0	\$2,869	\$13,538	\$1,426	\$7,965	\$166	\$1,294	\$2,487
1946	15,796	81.8	97.0	100.0	2,345	13,484	1,496	8,166	166	1,220	2,436
1945	16,350	84.7	96.8	100.0	2,523	13,864	1,604	8,561	180	1,273	2,446
1944	17,282	89.5	96.5	100.0	2,784	14,577	1,756	8,732	200	1,380	2,489
1940	19,314	100.0	95.6	100.0	3,280	16,057	2,036	9,511	280	1,899	2,531
1932	17,905	92.2	91.0	100.0	2,502	15,317	2,548	9,157	343	1,987	1,282
1922	9,578	49.6	95.4	100.0	1,106	8,472	1,282	5,477	101	965	627
Sinking-fund offsets to long-term debt:											
1947	2,153	101.0	12.9	15.5	579	1,603	148	1,281	9	76	89
1946	2,164	101.5	13.3	13.7	608	1,589	138	1,305	10	62	74
1945	2,128	99.8	12.6	13.0	612	1,553	145	1,262	8	82	58
1944	2,187	101.6	12.1	12.5	663	1,543	144	1,245	8	99	47
1940	2,132	100.0	10.5	11.0	669	1,486	144	1,161	16	108	57
1932	1,924	90.2	9.8	10.8	473	1,465	150	1,146	10	136	24
1922	1,566	75.5	15.3	16.2	227	1,339	114	1,131	7	74	13
Net long-term debt²											
1947	14,024	81.6	83.8	86.7	2,290	11,734	1,277	6,684	157	1,218	2,598
1946	13,632	79.3	83.7	86.3	1,737	11,895	1,358	6,861	156	1,158	2,362
1945	14,220	82.8	84.2	87.0	1,910	12,310	1,460	7,099	172	1,191	2,388
1944	15,115	88.0	84.4	87.5	2,121	12,994	1,612	7,487	192	1,281	2,422
1940	17,182	100.0	85.0	89.0	2,611	14,571	1,892	8,350	264	1,591	2,474
1932	15,881	92.4	81.1	89.2	2,029	13,852	2,398	6,011	333	1,851	1,258
1922	8,012	46.6	78.1	83.7	879	7,133	1,168	4,346	94	811	614

NOTE: State government data for 1947 are subject to revision.
¹Totals are less than the sum of amounts shown in "State" and "Local" columns because of the exclusion of data for indebtedness and sinking-fund offsets relating to State debts incurred for loans to local governments, which duplicate local obligations held by State governments.
²Long-term debt less sinking-fund offsets to long-term debt.

TABLE 6.—GENERAL AND ENTERPRISE DEBT OF STATE AND LOCAL GOVERNMENTS: 1947

Data are for the ends of fiscal years: (a) closed during 12-month period ended on June 30, 1947, for States, for cities having populations less than 25,000, and for townships, school districts, and special districts; and (b) closed during calendar year 1946 for counties and for cities having populations over 25,000.

(Amounts in millions)

Purpose and term	Total ¹	State	Local					
			Total	County	City	Township	School district	Special district
Gross debt	\$15,734	\$2,950	\$13,814	\$1,463	\$8,093	\$178	\$1,355	\$2,725
General	10,733	2,716	8,047	1,448	4,281	157	1,355	806
Long-term	10,401	2,640	7,795	1,410	4,153	146	1,294	792
Net long-term	9,028	2,083	6,945	1,262	3,568	137	1,218	780
Enterprise	6,001	234	5,767	15	3,812	21	...	1,919
Long-term	5,777	229	5,543	15	3,812	21	...	1,695
Net long-term	4,998	208	4,788	15	3,117	20	...	1,636
PERCENT DISTRIBUTION BY TYPE OF GOVERNMENT								
Gross debt	100.0	17.6	82.4	8.7	48.3	1.1	8.1	16.5
General	100.0	25.2	74.8	13.5	39.8	1.5	12.6	7.5
Enterprise	100.0	3.9	96.1	.2	63.5	.3	.0	32.0
PERCENT DISTRIBUTION BY PURPOSE OF DEBT								
Gross debt	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
General	64.1	92.1	58.3	99.0	52.9	88.2	100.0	29.6
Enterprise	35.9	7.9	41.7	1.0	47.1	11.8	0.0	70.4

NOTE: State government data for 1947 are subject to revision.
¹Totals are less than the sum of amounts shown in "State" and "Local" columns because of the exclusion of State debts incurred for loans to local governments, which duplicate local obligations held by State governments.
²Percent distribution by type of government is based on State and local total including duplicating debt.

TABLE 7.—DEBT OF STATE GOVERNMENTS OUTSTANDING AT END OF FISCAL YEAR, BY STATE: 1947¹

(Data for 1947 are preliminary. Amounts are in thousands.)

State	Gross debt		Long-term debt			Short-term debt	Sinking-fund offsets to long-term debt	Net long-term debt		
	Total		General	Enterprise	Total				Full faith and credit	Nonguaranteed
	1947	1946								
Total	\$2,950,091	\$2,370,208	\$2,716,505	\$233,586	\$2,868,930	\$2,534,368	\$334,562	\$81,161	\$578,567	\$2,290,363
Alabama	59,995	63,522	52,670	7,325	59,995	56,294	3,701	...	12,226	47,769
Arizona	8,626	5,794	8,626	...	8,626	6,534	2,092	...	378	8,253
Arkansas	128,702	134,619	128,702	...	128,702	124,901	3,801	...	8,968	119,734
California	176,680	170,044	111,299	65,381	176,680	134,432	42,248	...	87,832	89,848
Colorado	17,865	19,482	17,865	...	17,865	590	17,264	11	119	17,785
Connecticut	28,433	22,835	13,148	15,285	28,183	28,183	...	250	12,898	15,285
Delaware	4,019	4,250	4,019	...	4,019	4,019	...	...	90	3,929
Florida	1,232	1,262	1,232	...	1,232	...	1,232	...	314	918
Georgia	7,891	8,358	7,797	94	7,891	4,141	3,750	...	4,141	3,750
Idaho	200	355	200	...	200	28	172	...	52	148
Illinois	398,229	1,663,333	398,229	...	398,229	394,520	3,709	...	8,263	389,966
Indiana	8,871	7,210	8,871	...	8,871	...	8,871	...	3,130	5,741
Iowa	1,774	1,241	1,774	...	1,774	22	1,752	...	122	1,652
Kansas	8,971	10,279	8,971	...	8,971	8,971	...	...	1,819	7,152
Kentucky	5,533	5,656	5,323	210	5,533	2,810	2,723	...	228	5,305
Louisiana	176,653	158,034	149,659	27,194	176,653	165,056	11,797	...	7,200	169,653
Maine	15,300	16,696	14,730	570	15,300	14,800	1,000	...	244	15,056
Maryland	28,097	34,699	23,192	4,905	28,097	16,895	11,202	...	2,735	25,362
Massachusetts	177,797	84,369	158,507	19,290	102,297	102,297	...	75,600	7,916	94,881
Michigan	225,539	29,954	225,539	...	225,539	198,773	26,766	...	731	224,808
Minnesota	59,297	66,247	59,297	...	59,297	59,297	...	...	12,059	47,238
Mississippi	77,030	65,747	77,030	...	77,030	18,770	58,260	...	17,136	59,894
Missouri	57,650	63,545	57,650	...	57,650	57,400	250	...	6,805	51,045
Montana	8,973	12,674	5,136	3,837	8,973	3,124	5,849	...	833	8,140
Nebraska	925	850	925	...	925	...	925	...	10	915
Nevada	...	...	...	...	...	...	...	...	...	...
New Hampshire	11,424	12,550	8,752	2,671	11,413	10,173	1,240	11	3,656	7,757
New Jersey	81,326	72,419	81,326	...	81,326	81,326	...	...	24,614	56,712
New Mexico	24,686	21,232	24,686	...	24,686	22,072	2,614	...	230	24,456
New York	515,392	540,681	515,392	...	515,392	515,151	241	...	154,766	360,626
North Carolina	92,336	101,868	92,336	...	92,336	90,957	1,379	...	68,458	23,878
North Dakota	18,313	19,912	18,313	...	18,313	18,250	63	...	17,396	917
Ohio	9,183	10,292	7,783	1,400	9,183	6,695	2,488	...	405	8,778
Oklahoma	26,470	27,261	26,470	...	26,470	20,376	6,094	...	20,742	5,728
Oregon	23,662	18,233	19,162	4,500	18,273	15,776	2,497	5,389	14,672	3,601
Pennsylvania	120,829	125,629	74,829	46,000	120,829	74,829	46,000	...	34,994	85,835
Rhode Island	43,847	24,417	42,985	862	43,847	43,847	...	...	4,147	39,700
South Carolina	71,532	75,595	44,938	26,594	71,532	44,938	26,594	...	4,489	67,043
South Dakota	20,580	23,460	20,580	...	20,580	20,314	266	...	2,059	18,521
Tennessee	77,339	76,500	77,339	...	77,339	75,363	1,976	...	2,669	74,670
Texas	19,942	12,187	19,942	...	19,942	4,110	15,832	...	2,015	17,927
Utah	1,594	1,896	1,594	...	1,594	1,229	365	...	1,237	357
Vermont	1,564	2,682	1,564	...	1,564	1,564	...	...	...	1,564
Virginia	20,542	22,530	20,542	...	20,542	14,288	6,254	...	15,788	4,754
Washington	10,283	11,894	6,343	3,940	10,283	5,988	4,295	...	4,847	5,436
West Virginia	69,000	68,226	65,472	3,528	69,000	63,995	5,005	...	5,839	63,161
Wisconsin	3,159	3,731	3,159	...	3,159	...	3,159	...	...	3,159
Wyoming	2,606	2,901	2,606	...	2,606	1,770	836	...	...	2,606

¹Data are for State fiscal years ending on June 30 of the specified year, except for 7 States with earlier closing dates (in the same calendar year—May 31 for Pennsylvania, March 31 for New York and Washington; in the previous calendar year—December 31 for Ohio, September 30 for Alabama and Wyoming, August 31 for Texas). Total amounts shown in this table, therefore, do not agree with State total amounts shown in table 1, which are as of June 30, 1947 for all 48 States combined. For the seven States having fiscal years ending prior to June 30, gross debt as of June 30, 1947 was as follows (preliminary figures, in millions): Alabama \$58.8, New York \$537.6, Ohio \$9.2, Pennsylvania \$120.8, Texas \$20.8, Washington \$10.3, and Wyoming \$2.3.

TABLE 8.—INTEREST-BEARING SECURITIES OF FEDERAL, STATE, AND LOCAL GOVERNMENTS, BY TYPE OF OWNERSHIP
SELECTED YEARS 1940 TO 1947

Data are as of June 30 for each year and include interest-bearing governmental securities both for general purposes and for enterprise purposes.

(In millions)

Type of government issuing securities	Total	Governmental ownership			Other ownership		
		Total	Federal (including agencies)	State	Local	Federal reserve banks	Private ¹
Total:							
1947.....	\$272,922	\$42,754	\$33,279	\$5,640	\$3,835	\$21,872	\$208,296
1946.....	225,297	38,336	29,597	4,959	3,780	23,783	223,178
1945.....	274,067	33,478	25,431	4,152	3,895	21,792	218,797
1944.....	219,706	26,423	19,866	3,222	3,397	14,901	178,382
1940.....	69,964	12,608	8,403	1,607	2,598	2,467	54,889
Federal Government:							
1947.....	255,113	39,855	32,808	4,836	2,211	21,872	193,386
1946.....	268,111	35,511	29,121	4,205	2,185	23,783	208,817
1945.....	256,357	30,117	24,934	3,106	2,077	21,792	204,448
1944.....	199,543	22,082	18,920	1,871	1,291	14,899	162,562
1940.....	42,376	7,223	6,803	174	246	2,458	32,695
Federal agencies:²							
1947.....	1,279	2	2	...	...	...	1,277
1946.....	1,560	9	9	...	...	...	1,551
1945.....	1,417	7	7	...	...	...	1,410
1944.....	2,969	362	362	...	...	2	2,605
1940.....	7,697	1,121	1,121	...	...	9	6,567
State and local governments:							
1947.....	16,529	2,897	469	804	1,624	...	13,633
1946.....	15,626	2,816	467	764	1,595	...	12,810
1945.....	16,293	3,354	490	1,046	1,818	...	12,939
1944.....	17,194	3,979	582	1,351	2,046	...	13,215
1940.....	19,891	4,264	479	1,433	2,352	...	15,627

¹ Includes investments of Territories and Possessions in Federal and State and local governmental securities, aggregating \$62 million in 1947, \$70 million in 1946, \$75 million in 1945, \$30 million in 1944, and \$4 million in 1940.

² Excludes interagency debt and agency obligations held by the United States Treasury which are included in the Federal Government debt.

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DEFINITIONS OF TERMS

DEBT.--Bonds, notes, judgments, mortgages, and all other instruments and evidences of long-term indebtedness, whether backed by the full faith and credit of the issuing government or nonguaranteed, and all interest-bearing short-term indebtedness. Except as otherwise specified, debt figures include indebtedness for enterprise purposes as well as general debt.

DEBT OUTSTANDING.--Debt outstanding as of the date specified. Included are obligations the retirement of which had been authorized and for which amounts were reserved or were in transit but which had not yet been redeemed.

ENTERPRISE DEBT.--Debt incurred for the purpose of financing government-owned enterprises, i.e., water, electric, gas, and transit systems, and other large commercial activities for which separate and relatively complete accounts are kept.

GENERAL DEBT.--Debt incurred for general-government purposes, rather than to finance government-owned enterprises.

GROSS DEBT.--Long-term and short-term debt issued by or in the name of a governmental unit or any of its agencies, including nonguaranteed debt.

47311

INTEREST.--Costs for the use of credit capital, including all interest paid by any fund on both long- and short-term indebtedness.

LONG-TERM DEBT.--Debt payable more than one year after date of issue. Tax anticipation warrants outstanding more than one year are considered short-term debt if payable from a specific tax levy.

NET LONG-TERM DEBT.--Total long-term debt less sinking-fund offsets to such debt.

SHORT-TERM DEBT.--Interest-bearing debt payable within one year from date of issue, such as bond anticipation notes and tax anticipation notes and warrants.

SINKING-FUND OFFSETS.--Assets of reserve funds, however designated, specifically held for redemption of long-term debt. Included are balances for payment of matured obligations not yet presented and balances in refunding bond accounts held pending completion of refunding transactions. Excluded are amounts held by sinking funds in excess of the specified debt for which accumulated and any separately recorded amounts held for payment of interest.

CENSUS BUREAU REPORTS ON PUBLIC FINANCE

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