



## **Kentucky's bad blue-state habits: Forbes reports Kentucky 8th among states with most debt.**

Andrew McNeill

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There is a significant disconnect between Kentucky's general categorization as a "red state" with the evidence revealing our bad "blue state" habits.

In previous posts, we discussed Kentucky's high levels of government spending and how Kentucky is rated among the poorest rated blue states by national ratings agencies.

A late-2020 article from Forbes provides further evidence that Kentucky - politically a red state - is blue, too. The article reported:

*There are 13 states whose net positions are negative, meaning, they have more total liabilities and deferred inflows of resources than they do total assets and deferred outflows of resources.*

It is important to note that the Forbe's calculation includes pension liabilities but also accounts for non-pension debt. For our "Lost Decades" report, we developed a table showing the massive run-up in general fund debt service over the last ten years.

The "Lost Decades" also provided:

*Kentucky occupies the Mercatus Center's fiscal-rankings space reserved for New Jersey, Connecticut and Illinois. According to the Cato Institute, our government debt at about 25% of adjusted personal income is extremely high, ranking Kentucky second-worst in the country after New York.*

The Forbes article ranked Kentucky 8th among the states with the most debt in 2020.

Kentucky is the only "red state" in the top 10. Another reminder that "red-state" Kentucky is blue, too.