

TABLE 1
Risk Transferred by and Within States Through Usage of POBs
1993 – 2007

State	Dollar Value of POBs Issued by State or Governments within State	Risk Transfer Range*
California	\$11,555,165,026	\$784,356,438 - \$1,010,630,373
Colorado	\$384,167,521	\$19,287,201 - \$23,363,304
Connecticut	\$561,715,000	\$90,021,878 - \$112,434,061
Florida	\$258,914,759	\$17,627,507 - \$23,005,371
Iowa	\$850,000	\$71,771 - \$87,118
Idaho	\$4,365,000	\$302,259 - \$364,080
Illinois	\$10,092,586,511	\$839,162,265 - \$1,242,265,794
Indiana	\$141,560,000	\$9,897,093 - \$12,459,386
Kansas	\$509,113,000	\$42,303,134 - \$60,286,262
Kentucky	\$28,215,000	\$523,953 - \$646,224
Louisiana	\$220,730,000	\$23,592,255 - \$30,497,395
Massachusetts	\$322,494,365	\$33,341,066 - \$44,909,517
Maine	\$134,185,000	\$1,935,460 - \$2,475,177
Michigan	\$1,996,985,000	\$105,882,991 - \$138,855,986
Minnesota	\$91,350,000	\$5,294,395 - \$6,735,870
Missouri	\$28,695,000	\$1,666,226 - \$1,892,551
Mississippi	\$49,790,000	\$1,396,925 - \$1,542,044
Nebraska	\$1,635,000	\$110,884 - \$118,280
New Hampshire	\$60,790,000	\$9,478,240 - \$13,354,091
New Jersey	\$4,670,212,380	\$266,255,250 - \$397,733,338
New York	\$1,205,946,185	\$33,452,288 - \$36,920,140
Oregon	\$4,578,193,129	\$251,073,562 - \$328,839,083
Pennsylvania	\$2,266,643,211	\$193,791,934 - \$288,566,682
Rhode Island	\$90,000,000	\$7,022,017 - \$9,049,817
Tennessee	\$83,500,000	\$8,458,578 - \$11,021,459
Texas	\$712,612,609	\$37,035,343 - \$57,528,926
Wisconsin	\$1,976,395,000	\$57,304,122 - \$99,758,019
Total	\$42,026,808,696	\$2,781,175,856 - \$3,880,656,810

* The range spans the median assumed rate of investment returns for public pension plans – 8% - to the estimated risk-free discount rate, as described in the data section.

These risk transfers are also problematic from an equity perspective. Not only did current taxpayers reap a windfall from future taxpayers when the POBs were issued, but future taxpayers also include those citizens that migrate to and within these states from other jurisdictions. Since these losses are borne by subnational governments (and taxpayers), mobile citizens may be able to avoid these losses, leaving the immobile to bear the financial burden.