

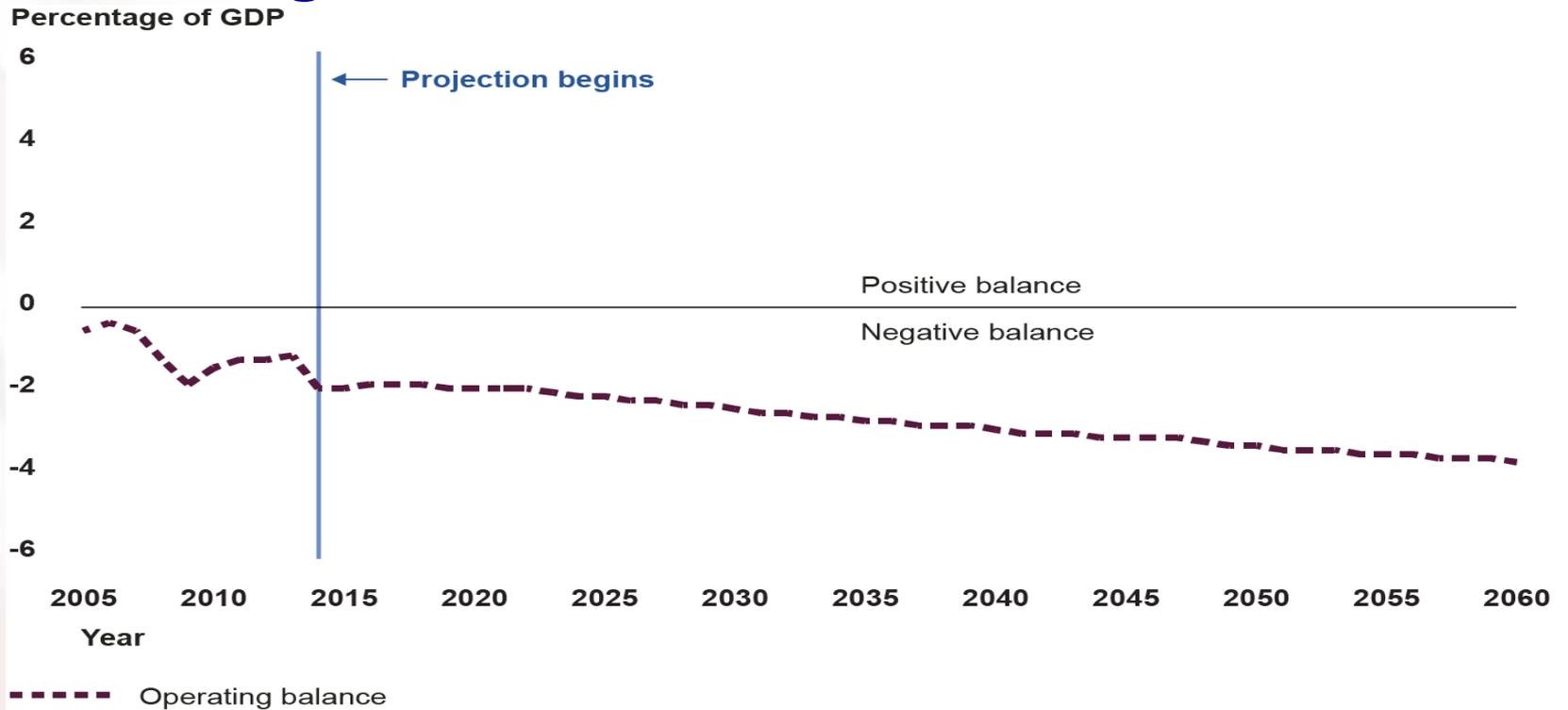


U.S. GOVERNMENT ACCOUNTABILITY OFFICE

State and Local Governments' Fiscal Outlook

2014 Update

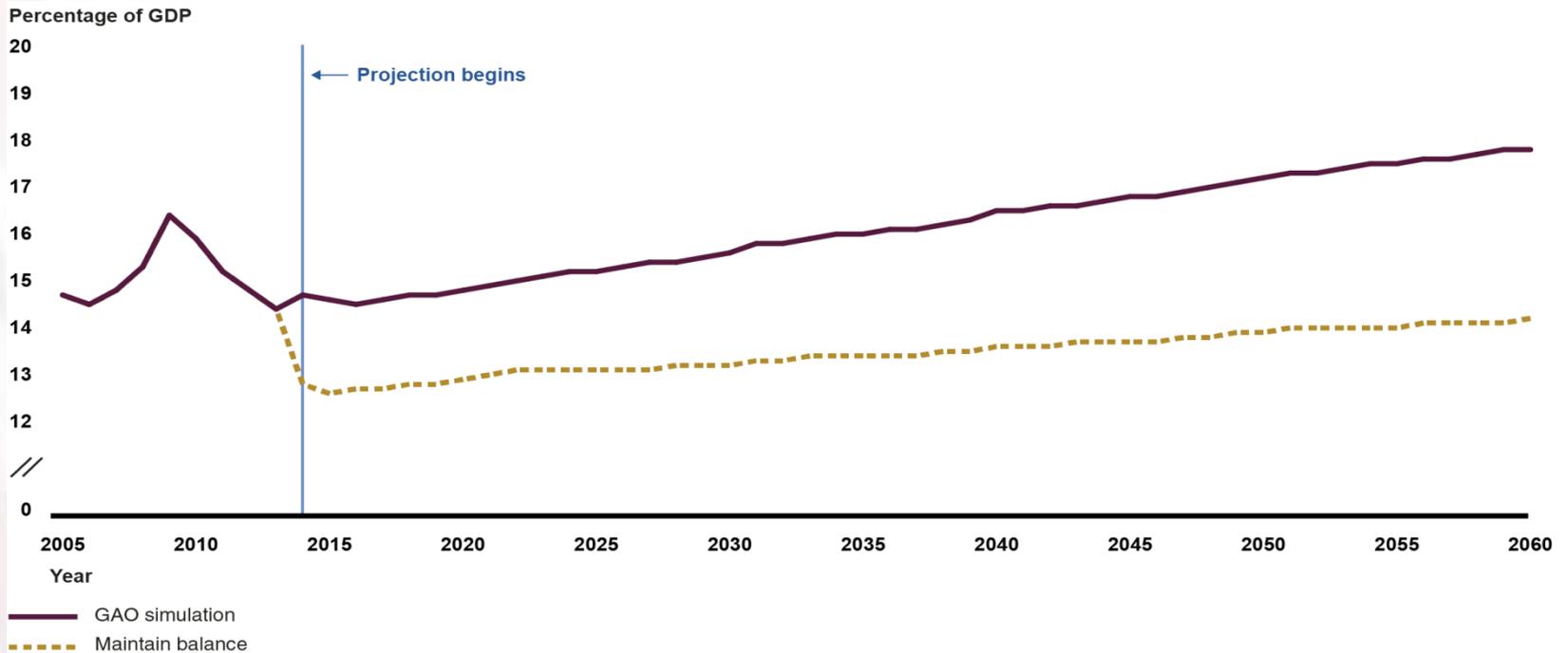
State and Local Operating Balance Measure, as a Percentage of Gross Domestic Product



Sources: GAO calculations using Bureau of Economic Analysis data and GAO simulations, updated December 2014. | GAO-15-224SP

Notes: Historical data for 2005 to 2013 are from BEA's National Income and Product Accounts. GAO's simulations are from 2014 to 2063, using many CBO projections and assumptions, particularly for the next 10 years.

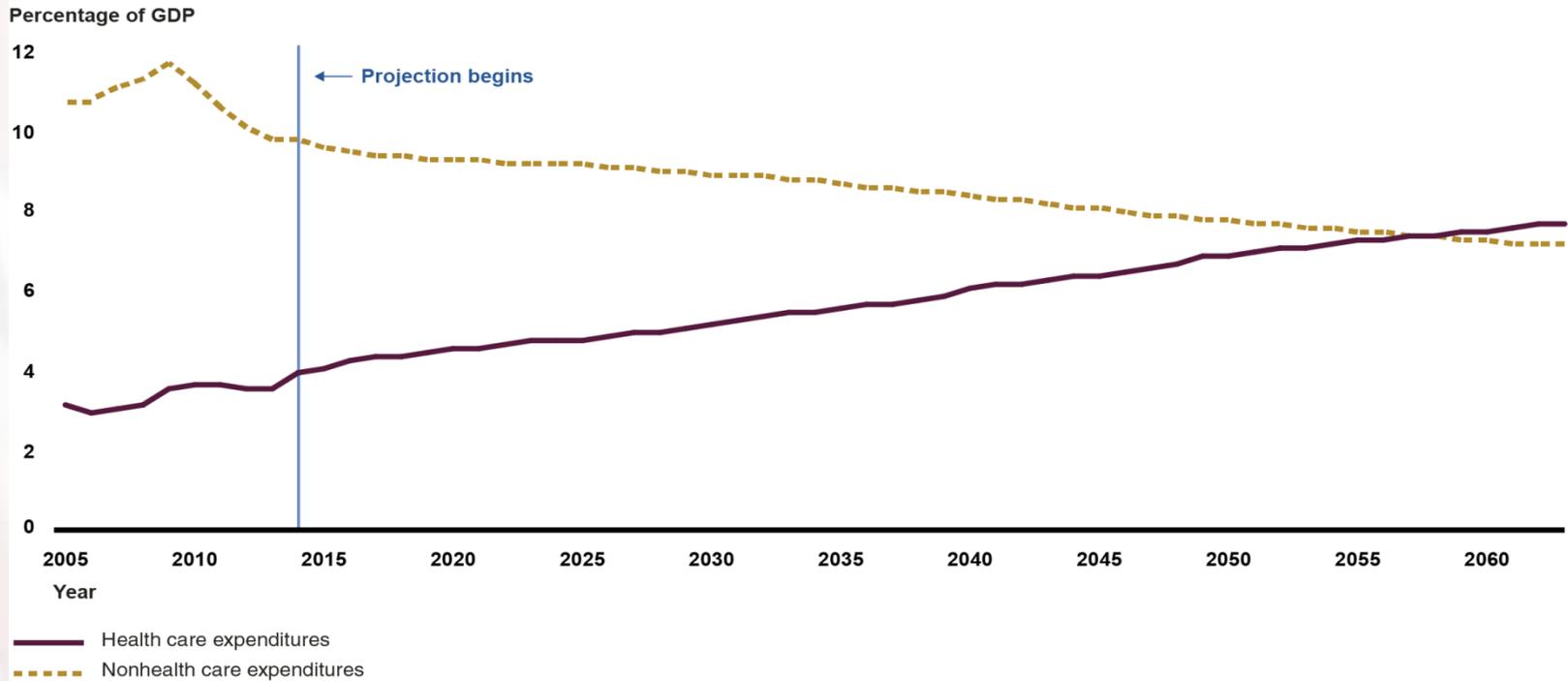
State and Local Government Action Required to Maintain Balance (Expenditure Reductions as a Percentage of Gross Domestic Product)



Sources: GAO calculations using Bureau of Economic Analysis data and GAO simulations, updated December 2014. | GAO-15-224SP

Note: Historical data for 2005 to 2013 are from BEA's National Income and Product Accounts. Our simulations are from 2014 to 2063, using many CBO projections and assumptions, particularly for the next 10 years.

Health and Nonhealth Expenditures of State and Local Governments, as a Percentage of Gross Domestic Product



Sources: GAO calculations using Agency for Healthcare Research and Quality data and Bureau of Economic Analysis data and GAO simulations, updated December 2014. | GAO-15-224SP

Note: Historical data for 2005 to 2013 are from BEA's National Income and Product Accounts. Our simulations are from 2014 to 2063, using many CBO projections and assumptions, particularly for the next 10 years.