

GAO Highlights

Highlights of [GAO-25-107560](#), a report to congressional committees

Why GAO Did This Study

The five permanently inhabited U.S. territories—the Commonwealth of Puerto Rico, Guam, USVI, CNMI, and American Samoa—have borrowed through financial markets to bridge the gap between tax receipts and the financial resources required to fund government programs.

The territories all face challenges to achieving continued economic growth and financial accountability, both of which are key to debt management. GAO has previously reported on some of the common challenges, including (1) the location of the islands, which leads to a high cost of energy and imported goods; (2) increasing vulnerability to frequent and severe episodes of extreme weather; (3) undiversified economies based on few industries with limited job opportunities; and (4) outmigration and population loss.

In 2016, Congress passed and the President signed the Puerto Rico Oversight, Management, and Economic Stability Act. It contains a provision for GAO to review the territories' public debt every 2 years. This is the fifth report in this series.

In this report, for each of the five territories, GAO presents public debt figures and describes risk factors that may affect their ability to repay public debt, among other updates. GAO analyzed audited financial statements for fiscal years 2020 through 2023, as available.

GAO also reviewed demographic and economic data and interviewed officials from the territories' governments.

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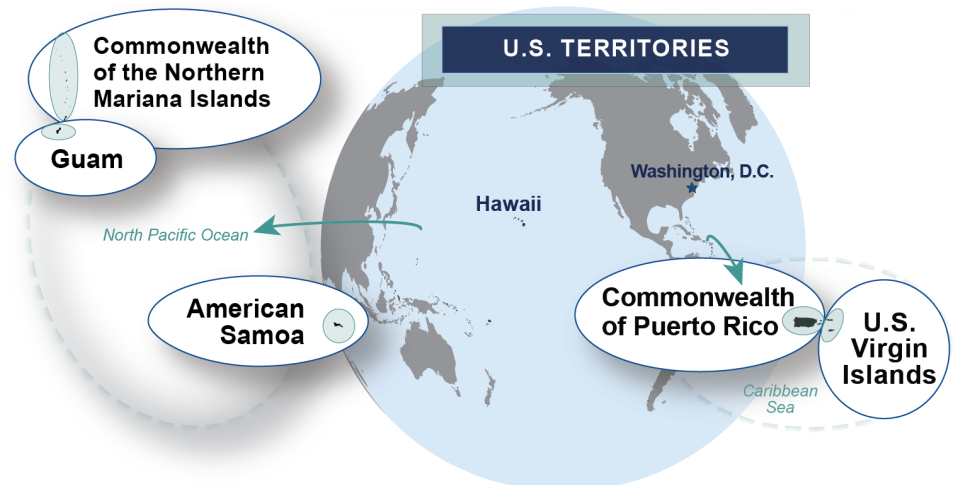
U.S. TERRITORIES

Public Debt and Economic Outlook – 2025 Update

What GAO Found

The U.S. territories' levels of public debt vary, along with the factors that affect each of their capacities for economic growth and debt repayment. To assess their ability to repay debt, GAO used the most recently available audited financial statements. Audited financial statements for some territories are almost 2 years late, and independent auditors have identified issues that raise data reliability concerns for the available statements. These financial reporting limitations can lead to poor financial decisions and lost access to capital markets.

Geographic Locations of U.S. Territories



Sources: GAO analysis, GAO (maps), and Yevhenii/stock.adobe.com (globe icon). | GAO-25-107560

Commonwealth of Puerto Rico: As of June 30, 2022, total public debt outstanding was \$52.8 billion, 47 percent of gross domestic product (GDP). Negotiations and litigation to restructure the electric utility debt are ongoing, and the utility has been struggling to make its pension payments in the meantime.

Guam: As of September 30, 2023, total public debt outstanding was \$2.5 billion. 2023 GDP data are not available, but the fiscal year 2022 total public debt was \$2.6 billion, about 38 percent of GDP. Its tourism industry has not returned to pre-COVID-19 levels, but U.S. military investment is bolstering the economy.

U.S. Virgin Islands (USVI): As of September 30, 2021, total public debt outstanding was more than \$2.2 billion, or 50 percent of GDP. USVI's electric utility has critical financial and operational problems, which create challenges for residents and can inhibit economic development.

Commonwealth of the Northern Mariana Islands (CNMI): As of September 30, 2021, total public debt outstanding was \$121.1 million, about 13 percent of GDP. Its tourism-reliant economy has limited prospects for recovery, and the challenges to meet its financial obligations have deepened.

American Samoa: As of September 30, 2023, total public debt outstanding was \$145.4 million. While 2023 GDP data are not available, the fiscal year 2022 total public debt was \$152.4 million, about 18 percent of GDP. Its continued economic reliance on a single tuna cannery presents risks.