Abstract - States and many localities face the direst fiscal situation that they have encountered in the last 60 years or so, with revenues falling or stagnant while expenditure demands continue to grow. This divergence in incomes versus outgoes means that most states face recurring operating fund deficits that must be closed by one means or another. There is a multitude of means to accomplish such closure. The focus here is on the ways in which this can be done other than by actually raising tax rates or reducing spending. Rather, balance is achieved through changes in the balance sheet, in changing the assumptions that underlie the budget, in altering the timing and recognition of various flows, or in redefining what constitutes revenues and expenditures in a budget or, for that matter, the budget itself. Thus, budgets can be given the appearance of balancing. However, temporizing sleights of hand become fewer in number and more expensive to implement when deficits prove to be structural in nature and outflows persistently exceed inflows. Illusionary budget balancing in the face of structural problems entails long–term costs and compound fiscal stress over time. How one views these results depends very much on one’s political objectives.

WHY A MAGIC SHOW?

State deficits are in the news. For three years, states have been mired in the slough of fiscal despond, taking increasingly frantic steps to close their budgetary gaps. With each passing year, the prospects for recovery have become more bleak, as cash balances decline and impending deficits mount.1 Credit ratings on state bonds have been slipping due to the weakened economies and budgetary performance (Standard & Poors, 2003). Relatively few states have chosen to increase major taxes or make major spending cuts (Governing, 2003; Bond Buyer 2003). Rather, most have shuffled a deck of fiscal cards to stave off such drastic actions (Russakoff, 2003; National Association of State Budget Officers, 2002a).

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1 Measures of deficit are hard to compare since the states have different fiscal years and many have biennial fiscal periods where the deficit refers to what the gap is for a two–year interval. Nonetheless the magnitudes of the problem are discernable. As of March 2003, various sources were putting state deficits at roughly $50 billion to $85 billion, definitional niceties aside. General fund balances have waned from about $50 billion to $14 billion (Russakoff, 2003; National Association of State Budget Officers, 2002a).
This paper is not about the causes of the current fiscal miseries nor the possible remedies, which are examined elsewhere (Tannenwald, 2002; McGranahan, 2002; Jenny, 2003). Rather, it is about the deck of cards available to give the illusion of balance where it does not exist.

The most transparent and more difficult ways to balance budgets, aside from running down accumulated reserves, are either to increase cash revenues or decrease cash outlays. However, those steps are painful and politically unpopular and there is a multitude of other ways to achieve a “budgetary balance.” These range from relative straightforward, if dubious changes in how a budget is defined and put together, to acts of skillful financial artifice worthy of an Enron. Much of the focus in this paper will be at the state level, but illusory devices used by local governments are often similar to those used by the states. Furthermore, the local units are often adversely affected by the deficit reduction actions of the states, as the deficit hot potato is passed down the line. It should be also noted that budget balancing always has to do with the future. Past deficits, depending on the accounting treatment, either can be buried in the balance sheet or come around next period as an additional claim on next period resources. To paraphrase the theme song of the musical “Annie,” tomorrow is always only a fiscal period away and it is tomorrow that counts in budgeting.

DEFINITIONS ARE IMPORTANT

Before reviewing the devices, it is useful to review some definitions. Since the definition of a budget is itself subject to legislative word-smithing and change, measuring a budget deficit is tricky business. States vary in what they mean by the budget as a financial plan and the budgeting process. Moreover, the “anticipated” deficit in a budget is subject to speculation in the first place. In most states, the budget is presented by the Governor, who will typically define needed spending for the next fiscal period. That may be determined by a current-services baseline figure plus or minus programs that have been previously enacted or removed by legislative action or that the executive proposes. In the context of that plan, there typically is identified on the revenue side either an anticipated shortfall or surplus of revenues based on the existing revenue system (including pre-enacted changes that are pending) and, again, what the executive recommends be done. Starting with this executive budget (balanced perhaps by recommended actions or maybe just left unbalanced), the legislature sets off on its own balancing (or unbalancing) activities.

At the end of the legislative session, a budget is adopted and it usually is formally balanced in the sense that the spending figures match up with the “available resources.” How that is accomplished can be a wild ride where the legislature both runs the race of balancing

2 Short-term borrowing that takes place within the fiscal period can be added, but that which occurs between fiscal periods, while usually possible, is either not possible for budgeting purposes and is otherwise frowned upon if “planned.” In other words, short-term borrowing between fiscal periods for operating purposes needs to be “unplanned” in the sense that other resources did not show up on time or outlays were greater than anticipated.

3 Scope is an issue. The focus is usually on the general fund, which is essentially the “not elsewhere classified” account that reflects revenues that carry no restrictions on use (or for expenditures that are not otherwise restricted as to sources that can be used). But states have their own definitions as to what is meant by restriction. States can be running deficits on the general fund and surpluses in the restricted funds, a point of considerable interest to the budget balancer. While states have been drifting toward a GAAP-based financial reporting model (largely accrual), that model is not the way they budget (or calculate deficits), which is typically on a cash or modified-accrual basis. See GAO (1993a) and GAO (2002).
and, also, decides when it is over—that is, when the budget is balanced. So, most state budgets are formally balanced, by one means or another, at the end of the session.

A “balanced” budget once adopted can subsequently veer into imbalance so that unanticipated surpluses or deficits appear during the fiscal year as expected revenues fail to materialize or spending surges. States have various cures for these unanticipated intra–fiscal period deficits, including either mandating or permitting the executive to cut spending or reconvening in special sessions to figure out what to do. Some do nothing and tackle the problem at the next session.

The “budget balancing” one hears about in most cases is the general fund operating budget that accounts for non–restricted tax revenues and general government costs of operations. States typically have a number of other funds of either a restricted nature or enterprise funds. These can in fact number into the hundreds in some states. But normally, the general fund is the biggest, usually representing 50 percent of total spending and is claimant on most tax revenues. The existence of the other funds is an important component in many budget–balancing prestidigitations.

**Nature of the Budgetary Deficit**

A critical issue in judging the rationality of various balancing measures depends on whether the budget imbalance to be dealt with is structural or cyclical. This is not an easy call in the short term, although with relatively conservative revenue estimation techniques, most states should have a good idea if they are skating on thin ice. Fixing a cyclical deficit is easier and temporizing adjustments can help one pass through the cycle, since today’s shortfalls will be covered by tomorrow’s surpluses. Use of accumulated reserves is a good example. However, the determination that the budgetary problem is cyclical (and temporary) relies on assumption that the state’s economy, revenues and service demands will soon return to a “normal” pattern, usually assumed to be a replay of recent (favorable) history. It appears that state and local governments tend to lag the downturn in the business cycle and to recover about 12 to 18 months after the cyclical trough has passed (National Association of State Budget Officers, 2002b).

Structural deficits, where there are long–term imbalances, are another matter, where long–term or permanent changes in outlays and revenues are required. Generally, the idea is that given existing and planned spending commitments, the existing revenue system (including already enacted changes) under the assumed conditions will not generate sufficient revenues to meet spending commitments. Structural deficits are much more difficult to engineer around and, barring fiscal good luck, are likely to lead to large–scale expenditure cuts or major tax increases. It is the realization that structural problems are emerging in the state systems that is pressing them, three years into the slowdown, to make major program reductions and, in some instances, significant tax increases.

**Not Too Much New Under the Sun**

The techniques for giving the appearance rather than the substance of a balanced budget have been outlined in John Mikesell’s popular text on fiscal administration (Mikesell, 2002):

- Over–estimation of revenues (otherwise known as “Rosy Scenario”). This simply amounts to planning for more revenues given the revenue system than are likely to be realized. This can occur innocently enough when past experience has been happy and expert opinion seems to
justify faith in an imminent rebound, which was clearly much of the thinking in fiscal years 2001 and 2002. But overestimation of revenues can be meretricious when expected revenues are simply invented to fill the gap.

- **One–shots:** the sale of an asset or the proposed sale of an asset or the capitalization of an “unrecognized asset.” This technique requires resorting to the government’s balance sheet to come up with cash. Since governments are usually asset–rich, there are a multitude of devices that can be employed. But, the idea of using the proceeds to balance the operating budget is usually thought contrary to prudent management and clearly runs counter to the concept of balancing recurring revenues with recurring expenditures.

- **Inter–fund manipulations and internal borrowing.** Here again, the diversity of financial structures in government can permit funds to be moved around. Remembering that fund structures and restrictions (excepting, perhaps, those that are covered by bond covenants with private bondholders or established under the terms of a referendum) are statutorily determined, the accounting rules can be changed and funds tapped. This may involve a “loan” that is intended to be made up or just a “gift.” Transportation and highway trust funds, which are large and have ample inflows, are inviting targets. Along similar lines, such funds can be used to pick up costs that otherwise were assigned to the general fund. For example, funds used to assist local school construction may be diverted to paying the employer retirement contributions to teachers. Again, the list of opportunities and uses is long.

- **Acceleration of revenues and delays in spending.** These are the classic means of making adjustments in both the timing of accounting recognition and substantive timing of payments. The statutory prominence of cash accounting techniques in tallying the budget continues to give rise to deferring payments (like payroll or state aid) to the next fiscal period and accelerating tax collections into the present period. These practices can be done on a grand scale by changing the tax year or the unit’s fiscal year.

- **Capitalization of current costs and borrowing to cover them.** Capital outlays have a unique position in government finance since they are recognized as suitable for debt financing. This allows governments to operate outside the current period budget constraint and to borrow for purposes of capital improvements. Again, the restrictions on borrowing are largely based on statutory definitions and so there can be temptations to stretch the envelope of what constitutes capital costs. In some cases, the definition is stretched to allow particular tax sources to be used. This effect is reinforced by the desire to remove capital spending items from current period operating expenditure needs and to substitute debt–financing for current period funds.

- **Anticipated future savings (e.g., reductions in waste, fraud, and abuse).** Perhaps the most blatant of the chimerical devices is simply to indicate that future economies (as yet unspecified) will be enjoyed. While savings from planned reorganizations or shedding functions may be appropriate, the non–specific budget plug to capture future efficiencies seems to border on the illusory.
Not included in the above list are the transparent, substantive, and usually painful means of balancing current budgets—namely, raising taxes and fees and reducing expenditures. Also not included is that short–term borrowing done for the avowed purpose of closing the operating budget gap or the use of available fund balances and “rainy day” funds. These methods can best viewed as “shock absorbers” in either adjusting to cyclical shortfalls or time–buying expedients while solutions to structural imbalances can be worked out. In some cases, direct borrowing to cover operating deficits is not permitted as a matter of restrictions on the uses of debt proceeds, a fact that is sometimes seen as enforcing balanced budget requirements. But, as discussed below, this prohibition need not be real hindrance, if there is not a pledge of the state’s credit. The more exotic, interesting and, some would argue, more damaging methods are discussed below in more detail.

**Better to be a Borrower**

Over the past two years state and local governments have been borrowing like their life depended on it. In many cases, it has. In 2001, the governments borrowed a record $340 billion and in 2002, borrowings weighed in at $420 billion (Bond Market Association, 2003). Short–term borrowing (less than 1–year maturity) during the period roughly doubled from $40 billion to $80 billion between 2000 and 2002. Much of the short–term borrowing is for purposes of meeting cash needs (albeit some of it to take advantage of very low short–term rates for routine capital spending purposes). But more important are two phenomenon. There has been greater use of debt financing by states and localities to fund capital projects (and, accordingly, to remove them from current–revenue financing) and the refunding of outstanding issues in the current low–interest rate environment.

Both the ability to access the debt markets and having debt outstanding represent considerable opportunities for hard–pressed government to use budget–balancing techniques. While refinancing can provide genuine savings that reduce the costs of future debt service, others can involve restructurings that provide cash to meet current services but that also entail greater annual debt service burdens in the ensuing years.

Figure 1 illustrates annual debt service options under a restructuring of liabilities. There are several options in changing the

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**Figure 1.** Restructuring Debt Service
time profile of debt and the debt service due on the present fiscal period. Line a–a illustrates the initial debt service schedule of outstanding debt and line b–b the debt service were that debt to be refinanced at lower interest rates that reflected the refinanced debt’s original schedule. However, debt refinancing can usually be done in such ways as to change the profile of the debt service payments. In the case of line c–c the interest savings are front–end loaded, meaning that the debt service is restructured to load the savings into the early years. This technique, known as “scooping,” means moving forward the savings that are available to either reduce the debt service or even to accomplish a net payment to the borrower. But that is not all that can be done. The debt sold often can be structured to delay the payment of interest and principal until the following fiscal period. This is illustrated by line d–d. Of course, these “reshaping” strategies will tend to push the debt further out (more years maturity) and backend–loading the debt service costs.

Although the reconfiguration of debt can be done in any interest rate environment, substantive savings depend on interest rate conditions, including not only lower borrowing rates but also, in the case of advanced refundings, adequate rates of return on the escrow investments. The point is that there are several stratagems that can be used in both refundings and new bond issues to reduce the early years of debt service and, under some circumstances, to create lump cash sums that can be used to lower operating deficits. A conservative interpretation would be that substantive savings occur when the interest cost reduction is realized throughout the remaining life of outstanding debt and that front–end loading the future interest savings to meet current operating outlays amounts to the liquidation of an unrecognized asset.

Real Smoke to Go with Those Mirrors

There are a multitude of examples of the one–shot solution to closing the deficit. Asset sales to the private sector or among funds or governments have long been a cure for either nominally balancing the budget or actually meeting cash needs. The leading example at present has been the use of the tobacco settlement funds. At the end of the 1990s, the states received a windfall in the form of the Tobacco Master Settlement Agreement, which had 46 states and the four major tobacco companies settling state lawsuits by the promise that the states would get $206 billion over a 25–year period. The states started getting the money in 1999 and through 2002 had gotten about $13 billion. The settlement monies were a substantial boon and in 2002 were equal to about 1.8 percent of state budgets (GAO, 2003).

The states were immediately courted by bankers to “securitize” the future payments through the sale of bonds that were secured on future receipts. As the fiscal crises of the early 2000s deepened, the prospect of selling bonds and taking the payments in a lump sum became increasingly attractive. Although there were discussions about dedicating the funds to health purposes and anti–tobacco campaigns, the funds were available for general purposes.

4 It may be possible to front–end load all of the savings on the refinancing into the first year, and to actually end with a net cash payment. One way to do this is coupon the bonds above market interest rates and sell them at a premium that is paid upfront.

5 An example is “long–couponing” where the first interest payment date is pushed into the next fiscal period by having a longer than customary six–month period. Principal payments can also be deferred and early interest capitalized. Too much of this early realization of savings is frowned upon by the rating agencies. The agencies are also not keen on simply refinancing debt to stretch into the future. Debt originally sold to help bail out New York City in 1975 has been recently extended to a final maturity of 2034, thus not finally maturing until almost 60 years after being originally incurred (Cooper, 2003).
But the settlement seal is not without risks and the sooner the bonds were dished off to investors in terms of securitized debt, the better. While several states were lining up to sell bonds, they were given a considerable scare when a state of Illinois court ruled against Philip Morris and indicated that it needed to post an $11 billion bond. The company, which is paying out 40 percent of the master settlement funds, said it could not do that and keep paying settlement monies. Although the court later relented and reduced the amount, investors got a taste of how shaky the securitization was and numerous issues were postponed.

The tobacco funds created a rather curious issue for state bookkeepers. Once the settlement was reached they were an “unrealized asset.” While the counting of the annual payment as a current revenue was legitimate, the issue was what was the treatment of the capitalized amount? Clearly it was an asset and therefore the entire amount should not be treated as current revenue. But that did not dissuade several states from using them to plug current spending holes, a short-term fix that denied future uses. The use of tobacco funds borrowings to fill current operating gaps did not go unnoticed by the rating agencies. By November of 2002, five states that had used a capitalization of tobacco funds to meet current operating deficits had been downgraded or were placed on the negative watch lists of the major agencies (Fuerbringer, 2002).

Raid the Pension Funds

Pension systems, their assets, and the requirements to make employer contributions, afford an important and frequently used means of closing deficits. There are several variations on the theme. These range from having the pension formally lend money to the government employer, reducing or skipping periodic employer payments (borrowing “informally”), and adjusting various actuarial assumptions to accommodate lower contributions. Even encouraging early retirement can help by lowering payroll and contributions, while having the pension fund pick up the sped-up obligation.

While the pension funds represent great pots of money, they have their own problems. Reflecting large losses in the value of their equity holdings, public employee pension assets declined by approximately $300 billion between 2000 and 2002, a situation that normally calls for increasing contributions made to them (Petersen, 2003). Thus, the very times that find governments in deficit can also find the pension funds in a down-market and facing asset losses.

An interesting example of using the pension systems to help bridge the budgetary gap is found in Illinois. In the late 1980s, the state of Illinois, faced with an earlier gap, borrowed from the employee pension systems and agreed to return the money over 30 years at an interest rate of 8 percent. As part of a budget-balancing program, the Governor has proposed to refinance the loans from the pension system using the sale of general obligation bonds. There are some complexities. These “pension bonds” must be financed on a taxable basis under the internal revenue code. It is proposed that the bonds may be sold at 6 percent rate of interests and that they will be used to offset the debt that the state has to the pension system (Shields, 2003).

Unlike the present debt (which is internal), the bonded debt of Illinois will not be as susceptible to delays of payment or subsequent renegotiations. If the savings are taken up-front to cover the operating deficit, they are lost to future taxpayers.

* An appropriate use from an accounting standpoint would have been to use them to reduce debt or to replace anticipated borrowing. The sale of the capitalized value was tantamount to selling off any other state asset.
that, everything else being equal, will end up paying the same level of employer contributions. While it is true they will be no worse off than before, they are deprived of a share of the future savings that would have accrued to them were the debt simply refinanced at lower costs.

Spin-ups and Slow Pays

A classic ploy is to rearrange payment dates to meet budgetary needs. The government may accelerate the dates that taxes are due (known as spin ups) or delay paying its bills (slow pays), such as holding on to tax refunds due this fiscal year until the following fiscal year. The large transfer payments to local governments provide numerous examples of how the fiscal pressure can be sent down the line. In New Jersey, the state delayed payments to the local school districts into the next fiscal year in order to create a $300 million windfall to balance the state’s 2003 budget. The problem was that this caused the districts to have deficits at the end of their fiscal year (they of course had budgeted the receipt of the aid) and triggered the result that many would not be able to meet their June payrolls. The state then went back to the drawing board and cobbled together a plan to allow the school districts to borrow needed funds with the state picking up the interest cost (Cooper, 2003). Such are the ways that a state can borrow short-term to cover a deficit through agents, in this case, the school districts. Unless the state is lucky, the new payment schedule and the local borrowing on its behalf will continue next year.

Interfund Borrowing

As noted earlier, an attribute of state governments (and many local ones as well) is that there are a number of funds over which the government has control. Thus, another device that can be used is to take advantage of the fact that governments typically have a number of funds and that these may have assets (cash reserves) available for use by the general operating fund. The idea is either to borrow funds that may be used to cover deficits or to shift expenses from the general government fund into the other funds. There are many direct and indirect ways to accomplish this. One technique is to simply decide that general government services are used by the fund and to charge it more overhead or that a particular activity once supported by the general funds is now to be done by the restricted fund.

One of the balder ways to bolster “revenues” is simply to transfer funds from the other fund to the general fund. Another and perhaps more defensible method is to borrow from the other fund, with some expressed intention to repay the funds, perhaps even with interest. A recent example is found in two states that are grappling with a budget deficit. Maryland and Virginia have turned to their transportation funds for $500 million and $170 million respectively, to raise cash, evidently with no definite plan to replenish the funds. In both cases, there is evidently no legal protection for the funds from raids by the general fund. Unless there is constitutional requirement or a pledge to bondholders, such funds are merely products of statutory law and the legislature can change its mind to suit the circumstances. The funds, in turn, may be replenished by borrowing against future revenues, including federal highway aid payments.

Interfund borrowing can be of considerable use at the local level and may go on for years to cover sustained operating. In the case of Indio, California, the city, which experienced a number of reversals and demonstrated no desire to raise taxes

to cure the problem, was able to accumulate a $1.2 million operating deficit (equal to 10 percent of its operating budget) by running deficits seven years in a row. Checks did not bounce because the city simply tapped into the $25 million it had as cash investments in other funds (Kemmet, 1993). Of course, someday those other funds are to be spent for other purposes. Well, that is a problem for tomorrow’s budget.

**Special Funds and Taxing Districts**

Akin to inter-fund borrowing is the creation of new funds or even governments to accomplish aims, even including the funding of an accumulated operating deficit. For example, in 1987 the State of Louisiana created a statewide special district, The Louisiana Recovery District, for purposes of financing its accumulated operating deficits. The district was empowered to issue $1.3 billion in bonds that were secured on the authority to levy a one-cent sales tax. The District was attacked on the basis that Louisiana constitutional law required the assumption of state debt and both a levy of a sales tax and borrowing at the local level were subject to voter approval. However, the Louisiana Supreme Court dismissed the legal challenges, holding that the District was neither part of the state nor a local government and thus was thus not subject to the constitutional restrictions.8

The Louisiana approach is not *sui generis*. It is the basis for much public sector financing in crisis where a new or even an existing revenue source will be carved out of the general fund to meet a specific need. For example, a new or existing tax can be sequestered into a “special fund” and then capitalized by borrowing against its future revenues. Presto—new moneys are made available and there has been no borrowing on the general fund. Like the dilution of existing stock when options are granted, the state’s fiscal deck can be re-fashioned to meet a new need pretty much at the volition of the legislature.9

**Longer-term Issues**

Practitioner journals in state and local public finance have been addressing how finance professionals should contend with the hocus pocus that conceals the hard realities of current operating deficits amid the practical realities of partisan politics (Miranda and Picur, 2003). The passion of the day has been to cut taxes and downsize government and many elected officials are of that persuasion. The national government scene provides little hope for rethinking that stance, as tax cuts are offered up as the cures for whatever ails the republic and are enacted with “after-burner” provisions for taxes to revert to old levels at the end of the period. Thus, what to some are fiscal illusions are matters of fundamental political doctrine to others.10

Temporary devices to balance budgets may do little harm and, in fact, appear defensible in the face of temporary slumps in revenues or spikes in spending such as can occur in business cycles. There having been a decade without such cycles, it is understandable that their reoccurrence

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8 See Briffault (1996) chapter 2 for a thorough discussion of state budget balancing techniques of an illusory nature.
9 The courts are loath to get involved in taxpayer or bondholder actions regarding either the balancing of budgets or the dilution of security.
10 Chicanery may have deeper motivations. The continued existence of an unresolved deficit can be a political tool used by those intent on effectively destroying revenue capacity and ultimately starving government down to acceptable size (Rosenbaum, 2003). Fiscal devices that hide deficits and delay the terrible day of judgment deepen the pit and reinforce the conviction that prudent government finance is an oxymoron. By the same token, visible and painful cuts in public spending may be the strategy of those that favor increasing revenues to provide for expenditures.
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takes some getting used to. At the outset, no one is sure of the depth or duration of a downturn and “buying time,” though bookkeeping adjustments seems reasonable on a number of grounds. Certainly the use of accumulated fund balances and rainy day funds to buffer a cyclical downturn is defensible. However, as the recessionary setbacks have waxed into what appear to be structural deficits, the insulation has worn very thin and fiscal sleights of hand becomes harder to justify (and to engineer).

Many states are now faced with persistent problems of revenue deficiencies that are not self-correcting. In large part, this is because of the peculiar nature of the last boom and the consequent narrowing of many tax bases and the abandonment of others that occurred during the several years of prosperity. States now have to make the hard decisions of actually cutting spending and raising taxes, with the former course evidently being the more popular route. There are some bright spots, nonetheless. Generally states are not heavily indebted and, with interest rates at their lowest point in years, they have access to the credit markets. Even in the face of slipping credit ratings, borrowed money is cheap by historical standards. However, borrowing to consume today involves higher debt service in the future and means less available for future consumption given a level of tax burden.

Over the longer run, states will need to deal with revenues systems that are more elastic than was true in the past and expenditures that are increasingly responsive to economic and changing demographic conditions (Jenny, 2003). States may need to condition themselves to a new paradigm where counter-cyclical borrowing replaces the more conservative and traditional approach of using built-up fund balances or raising taxes to generate more revenues. Situations where states, emulating federal government practices, routinely borrow to cover operating deficits and then simply roll debt over with the hope of paying some of it off in good times, may be the next stop in the intergovernmental fiscal evolution.

Those that see states as critical to delivering vital services to various dependent groups in society or to meeting the needs of an increasingly urban and complex environment will be distressed by their faltering fiscal fortunes. However, those that believe that effective way to curb and, better yet, size-back the leviathan see the present rigors with an un-moistened eye. Stress means government assets can be sold off and services shed, which over time will lower both the cost and intrusiveness of government. Whatever one’s persuasion on these issues, there can be no doubt that the present fiscal crisis, however it may be fig-leafed with near-term account shuffling, is genuine and epoch making.

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