State-Imposed Local Fiscal Rules Dataset*

By

Benedict S. Jimenez, Ph.D.
Professor of Public Budgeting, Finance, and Management
Email: bjimenez@gsu.edu
Andrew Young School of Policy Studies
Georgia State University

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Prof. Benedict S Jimenez, Ph.D.

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General description of dataset:

The dataset contains information on fiscal rules imposed by state governments on municipal governments in the U.S. State-imposed local fiscal rules include balanced budget requirements (BBR), debt limits (DL), and tax and expenditure limits (TEL).

Sample:

The dataset covers all 50 states

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Data gathering:

To identify and catalog state-imposed local fiscal rules, the project involved legal research, focusing on primary legal sources. Primary legal sources include state constitutions, state statutes, regulations, and case law. Two search methods were used. The first was a simple search process where researchers examined the list of major categories of state statutes and looked specifically for key laws related to local governments (e.g., local government code), local revenues and taxes, local debt, and local budgets. The second is through keyword search via Boolean searching. Boolean search combines keywords and logical connectors (such as and, not and or) and proximity connectors (such as within, pre, adj) to develop search statements that relate multiple search terms together.

Data source description:

The research team accessed primary legal sources through Westlaw, which is an electronic database containing indexes and the complete text of legal documents. Westlaw organizes legal materials into specific databases specifically federal materials (cases, statutes, legislative materials, administrative regulations and other sources at the federal level), state materials (cases, statutes, legislative materials, administrative regulations and other sources by state), and practice areas (which categorize documents by areas such as commercial law, environmental law, insurance law, tax law, and several other categories).

Data dictionary:

Variable name	Variable label	Variable description
Basic information		
name	Name of state	Name of state
statename	State postal abbreviation	Two-letter abbreviations for states
d_state	State FIPS code	FIPS codes are numbers which uniquely identify geographic areas. The number of digits in FIPS codes vary depending on the level of geography. State-level FIPS codes have two digits
Balanced Budget Requirement		
bbr_stmuni	State-imposed balanced budget requirement for municipal governments	State-imposed local balanced budget requirement applies to municipal governments
bbr_statutory	Statutory balanced budget requirement	Statutes are laws enacted by legislative bodies, such as state legislatures. Statutory balanced budget requirements, thus, are based on laws enacted by state legislatures.
bbr_constitutional	Constitutional balanced budget requirement	A state constitution is the governing document of a U.S. state, comparable to the United States Constitution, which is the governing document of the United States. Constitutional balanced budget requirements are based on state constitutional provisions.

bbr_preparation	Proposed budget required to be balanced	The chief executive must submit a balanced budget proposal to the city legislative body, the most common form of which is the city council.
bbr_adoption	Adopted budget required to be balanced	The city legislative body adopts a balanced budget.
bbr_implementation	Budget must be balanced at the end of the budget implementation period	The government must balance the budget by the end of the budget period, typically a fiscal year. This means that no deficit can be carried over to the next fiscal year.
Debt Limit		
dl_stmuni	State-imposed debt limit for municipal governments	State-imposed local debt limit applies to municipal governments
dl_statutory	Debt limit is statutory	Statutes are laws enacted by legislative bodies, such as state legislatures. Statutory debt limits are based on laws enacted by state legislatures.
dl_constitutional	Debt limit is constitutional	A state constitution is the governing document of a U.S. state, comparable to the United States Constitution, which is the governing document of the United States. Constitutional debt limit are based on state constitutional provisions.
dl_numerical	Numerical or percentage-based debt limit	The debt limit is expressed in dollar amounts or as a percentage of assessed property value, millage rate amount, expenditures, or in some other way
dl_referendum	Referendum-based debt limit	A general vote by the electorate on a single question (such as whether a local government can issue debt) which has been referred to them for a direct decision.
dl_supermajority	Council supermajority vote-based debt limit	A supermajority is a requirement for a proposal (such as whether a local government can issue debt) to gain a specified level of support in a legislative body, which is greater than the threshold of more than one-half used for a majority. A supermajority can be two-thirds or three-fifths of a legislative body. In municipal governments, the most common legislative body is the city council.
dl_stapprove	State government approval-based debt limit	States can require local governments to seek approval from state agencies before local governments can issue debt.
Tax and Expenditure Limit		
tel_stmuni	State-Imposed tax and expenditure limit for municipal governments	State-imposed local tax and expenditure limit applies to municipal governments
tel_statutory	Tax and expenditure limit is statutory	Statutes are laws enacted by legislative bodies, such as state legislatures. Statutory tax and

		expenditure limits are based on laws enacted by state legislatures.
tel_constitutional	Tax and expenditure limit is constitutional	A state constitution is the governing document of a U.S. state, comparable to the United States Constitution, which is the governing document of the United States. Constitutional tax and expenditure limits are based on state constitutional provisions.
tel_assessment	Property tax assessment increase limit	Assessment increase limit controls the rate at which the assessed value of properties can be increased
tel_rate	Property tax rate limit	Property Tax Rate Limit controls the growth or increases in the aggregate property tax rate.
tel_levy	Property tax levy (revenue) limit	Property Tax Levy (Revenue) Limit controls the amount of revenue that can be generated through the property tax, independent of the property tax rate.
tel_revexp	General revenue and/or general expenditure limit	General Revenue Limit controls the amount that revenues can increase from the previous year. Often tied to inflation rate, income, or population growth rates. General Expenditure Limit controls the amount that expenditures can increase from the previous year. Often tied to inflation rate, income, or population growth rates
tel_disclosure	Full disclosure or truth in taxation requirement	Truth-in-Taxation Limit generally requires some public notice or discussion before the enactment of the tax rate or levy increases.