



# State of Louisiana

Division of Administration  
Office of the Commissioner

## FOR IMMEDIATE RELEASE

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### Commissioner Nichols Announces \$500 Million Bond Sale Approval

**BATON ROUGE** – Today, Commissioner Kristy Nichols announced the approval by the State Bond Commission of a borrowing plan that will allow for nearly \$500 million to be used towards statewide projects. Funds generated from the bond sale will be used for economic development and infrastructure improvements, as well as other projects across the state. Higher education will also benefit from the new funding stream.

"Thanks to the approval of this plan, Louisiana will be able to provide funding to many important projects, all of which advance community development and infrastructure needs across the state," said Commissioner Nichols. "This is great news for Louisiana and its citizens."

The state is allowed to borrow money within a recognized debt ceiling, or limit. Louisiana's annual debt-repayment requirement must stay below 6 percent of the state's yearly income. Several factors allowed for the state to have more room beneath that limit this fiscal year. A marked increase in the economic outlook this year, increased revenue forecasts and income projections, and low interest rates have allowed Louisiana to sell more in bonds this year.

The Commissioner said, "The investments that we have made over time are bearing fruit, and the results speak for themselves. We have been able to save the state a great deal of money by refinancing old debt at lower interest rates and by efficiently structuring new debt."

The borrowing plan will consist of the sale of \$500 million in bonds. That money will in turn fund backlogged projects throughout the state. Each project is proposed in coordination with policy makers and the Legislature. They are vetted through FP&C, DOA, and Legislative process.