



State of Louisiana

Division of Administration
Office of the Commissioner

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Commissioner Nichols Announces Sale of State Highway Improvement Revenue Bonds

BATON ROUGE - Today, Commissioner of Administration Kristy Nichols announced the sale of State Highway Improvement Revenue bonds which will generate approximately \$225,000,000 in proceeds for the Quality Surface Program. The bonds were sold in a negotiated sale to a syndicate of underwriters led by Citigroup. These bonds were given a credit rating of "Aa3" from Moody's, "AA-" from Standard & Poor's, and "AA-" from Fitch Ratings. These bonded funds will provide for the repair and resurfacing of nearly 439 miles of Louisiana roadway.

Commissioner Nichols said, "These investments will benefit the people of Louisiana who use these roads every day by making them safer. It is a significant project that will also make our state more attractive for new business investments and help improve the economy of Louisiana's rural areas."

This historic resurfacing program was made possible through legislation sponsored by Governor Bobby Jindal and authored by Representative Fannin allowing for the bonding of the State Highway Improvement Fund (SHIF) revenue stream for Non-Federal Aid routes. SHIF receives dedicated funding from commercial vehicle registration and license fees. The bonded funds, combined with the SHIF's regular funds, will allow the state to improve the quality of its roadways.

"Because of the Governor's legislation and the proceeds received through this fund, we can provide much needed infrastructure improvements and maintenance to these rural roads. Some of these roads have not seen repair in 30 years," said Commissioner Nichols.

Non-Federal Aid routes are made up of mostly rural roads. Unlike major roadways, these routes are not eligible for matching funds from the federal government, meaning that there is less money available to fund projects for rural roads throughout the state.

Since 2008, the Jindal Administration has made transportation and infrastructure projects a top priority by investing an unprecedented \$5.6 billion in Louisiana's infrastructure. These bond issues

have raised a total of \$325 million over the last year which, along with SHIF's regular funds, will have helped to resurface over 1,000 miles rural roadway in the state.