



State of Louisiana

Division of Administration
Office of the Commissioner

FOR IMMEDIATE RELEASE

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Credit Rating Agencies: Louisiana's Financial Outlook Stable

\$432 million in refunding and \$200 million in new bonds approved

BATON ROUGE - Today, Fitch Ratings assigned an "AA" rating, Moody's Investor Service assigned an "AA2" rating, and Standard and Poor's assigned an "AA" rating to approximately \$432 million in refunding of Louisiana general obligation (GO) bonds and \$200 million in new money bonds. All agencies also described Louisiana's rating outlook as "stable."

The assigned credit ratings mean that the state is able to borrow money for projects at low interest rates and save millions by refunding the previous bonds at lower interest rates.

Commissioner of Administration Kristy Nichols, "This news confirms Louisiana's strong financial management policies and will allow us to continue ongoing projects and begin new projects all over the state while keeping costs low for taxpayers."

The projects that will be funded by the new money bond sale include University Medical Center in New Orleans, campus renovations at Grambling State, Louisiana Tech, and LSU, the National World War II Museum and LSU Shreveport's Children's Hospital.

Today's ratings remain unchanged since the last bond issuance and refunding. However, since Governor Jindal took office in 2008, Louisiana has received eight credit rating upgrades among the three major credit-rating agencies. Louisiana's credit ratings are currently the strongest they have been in two decades.

Fitch stated that the rating reflects "the state's focus on spending control amidst challenged financial operations and an economy that, while heavily reliant on natural resources and the volatile energy industry, has shown slow but steady growth since the recession."

Among the factors in its rationale for its assigned rating, Moody's cited Louisiana's "flexibility to address unexpected budgetary developments mid-year," as well as healthy liquidity and a lower unemployment rate relative to the nation.

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