



# State of Louisiana

Division of Administration  
Office of the Commissioner

**FOR IMMEDIATE RELEASE**

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## **Standard and Poor's Affirms Louisiana's Bond Rating**

*S&P is the third agency to affirm the state's rating this week*

**BATON ROUGE** – Today, Standard & Poor's Ratings Services (S&P) affirmed Louisiana's AA rating for \$228.31 million in general obligation (GO) bonds. In addition to affirming the state's rating, the agency changed Louisiana's outlook from stable to negative. Earlier this week, Moody's Investors Service and Fitch Ratings also affirmed the state's overall bond rating.

Commissioner of Administration Kristy Nichols said, "The fact that all three rating agencies have affirmed our ratings is great news for the state. In our discussions this week, we made it clear to each agency that we were focusing on creating sustainable reductions in the upcoming budget while reforming our tax credit structure to reduce the impact on higher education and healthcare. These ratings give us the opportunity to address their concerns during the upcoming Legislative session.

S&P attributes Louisiana's AA rating to continued economic recovery, strong financial and budget management framework with a constitutional requirement that requires balanced budgets limiting budgeted expenditures to current revenue and available reserves, and strong legal framework for debt repayment and moderate debt and liability profile. The change in outlook reflects recent revenue declines related to falling energy prices.

Today's overall rating remain unchanged since the last bond issuance and refunding in November. High bond ratings allow the state to save millions by refunding previous bonds at lower interest rates. 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.

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