



State of Louisiana

Division of Administration
Office of the Commissioner

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Standard and Poor's Report Affirms Louisiana's AA Credit Rating

BATON ROUGE - Today, Standard and Poor's (S&P) affirmed Louisiana's current AA credit rating. In their report, S&P noted Louisiana's continued economic recovery, strong financial and budget management framework, and moderate debt and liability profile. This confirmation came in a report regarding Louisiana's \$73.7 million Unclaimed Property Revenue Bonds that will fund segments of the I-49 South project.

Commissioner Kristy Nichols said, "S&P's report recognizes our progress in improving the structure of the state's budget. Today's affirmation is great news for the people of Louisiana."

The report points out that the "enacted fiscal 2016 budget increased recurring revenue and reduced recurring expenditures to address the budget gap" in a balanced way. S&P believes the state has a strong budgetary framework embedded in balanced budget requirements, frequent revenue and expenditure forecast updates, broad executive powers and a track record for prompt expenditure adjustments to eliminate deficits.

Further, it describes the BP oil spill settlement's "investment in coastal restoration and protection projects as a positive influence on economic activity and long-term prospects for the state."

The Unclaimed Property Revenue Bonds will help fund the transformation of the U.S. 90 corridor into Interstate 49 South. The 160-mile interstate highway will stretch from the I-10/I-49 North junction in Lafayette to the Westbank Expressway in New Orleans. Specifically, the bond proceeds will fund projects for the interstate extension in Broussard and Jeanerette.

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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