

Research

Alaska Municipal Bond Bank GO Rating Lowered To 'AA', Concurrent With State GO Downgrade

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SAN FRANCISCO (Standard & Poor's) Jan. 5, 2016--Standard & Poor's Ratings Services lowered its rating to 'AA' from 'AA+' on Alaska Municipal Bond Bank's (AMBB) debt simultaneous with its downgrade on the state's general obligation (GO) debt. In addition, Standard & Poor's assigned its 'AA' long-term rating, with a negative outlook, to AMBB's \$38.5 million of GO bonds, 2016 series one. The outlook on all the AMBB's debt is negative. The bond bank is a public corporation of, and benefits from certain credit support by, the state of Alaska (AA+/Negative).

"The ratings reflect our view of the strength of the appropriation pledge and the legislature's demonstrated commitment to include the appropriation in the state's annual operating budget," said Standard & Poor's credit analyst Gabriel Petek.

The 2016 series one bonds are the 34th series of bonds issued under the 2005 general bond resolution. The bond bank estimates that, not including the 2016 series one bonds, it will have \$1.02 billion of bonds outstanding. Once the 2016 series one bonds have been issued, the bond bank estimates it will have \$1.02 billion in bonds outstanding.

RELATED CRITERIA AND RESEARCH

- Related Criteria
- USPF Criteria: State Ratings Methodology, Jan. 3, 2011

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- USPF Criteria: Financial Management Assessment, June 27, 2006
- USPF Criteria: Debt Statement Analysis, Aug. 22, 2006
- USPF Criteria: Appropriation-Backed Obligations, June 13, 2007
- USPF Criteria: Methodology: Definitions And Related Analytic Practices For Covenant And Payment Provisions In U.S. Public Finance Revenue Obligations, Nov. 29, 2011
- USPF Criteria: Methodology: Rating Approach To Obligations With Multiple Revenue Streams, Nov. 29, 2011
- USPF Criteria: Assigning Issue Credit Ratings Of Operating Entities, May 20, 2015
- Criteria: Use of CreditWatch And Outlooks, Sept. 14, 2009

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