



# State of New Mexico

## *Office of the Governor*

**Bill Richardson**  
Governor

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### **Governor Bill Richardson argues for stronger bond ratings**

SANTA FE - Governor Bill Richardson met today with two bond-rating agencies to make the case for upgrading New Mexico's credit rating.

"While New Mexico's bond rating is already very strong, I'm making the case that we deserve an upgrade," Governor Bill Richardson said. "We continue to create thousands of jobs and form new businesses, while maintaining strong financial reserves that topped \$406 million."

Governor Richardson and Finance Secretary James Jimenez met today with representatives of Moody's Investor's Service and Standard & Poor's Rating Services in New York, NY. Standard & Poor's currently rates New Mexico general obligation bonds at AA+, the second highest level of rating. Moody's rates the state's GO bonds at Aa1.

Standard & Poor's, in a public finance report card issued last week, noted that, "New Mexico has maintained strong reserve levels throughout the national economic slowdown in contrast to many other states."

Governor Richardson, who last met with the financial analysts 18 months ago, pointed out that New Mexico's financial outlook continues to improve as the state creates new jobs and forms new businesses. The Governor updated analysts on many of his job-creation initiatives, including tax reform that has led to tax relief across income levels; education reform and accountability; the "GRIP" program; and his "Invest New Mexico" program.

The Governor presented the following highlights during today's meetings:

- State reserves increased from \$245 million, or 6.3 percent of expenditures in 2003, to an expected \$406 million, or 9.3 percent, in 2005.
- New Mexico's reserve levels are higher than seven of the 10 states with the highest bond ratings, including Georgia, Maryland and Minnesota.
- Job growth continues to outstrip the national rate
- Job growth occurring across all sectors, including manufacturing
- Personal income growth of 6.1 percent in 2004 vs. 2.8 percent the previous year
- Unemployment rate at 5.2 percent continues to be equal to, or lower than the national rate

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