

# **Bond Case Briefs**

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## **High Coverage and Strong Legal Provisions Contribute to Strong U.S. Lottery Revenue Bond Ratings in 2015, Report Says.**

NEW YORK (Standard & Poor's) Sept. 30, 2015—Even in a period of expansion in casino gambling, national lottery sales continue to grow and to remain stable said a report published today by Standard & Poor's Ratings Services.

"We attribute this to the monopolies states enjoy on lottery sales, relatively modest prices, and consumers' ability to purchase a product instantly at diverse retail establishments," said Standard & Poor's credit analyst David Hitchcock. "We also don't see a lottery ticket bought at a retail checkout counter as necessarily representing direct competition to or from a casino visit," Mr. Hitchcock added.

Standard & Poor's maintains ratings on lottery bonds issued by four states— Arizona, Florida, Oregon, and West Virginia—under its lottery revenue bond criteria (see "Lottery Revenue Bonds," published June 13, 2007, on RatingsDirect). In our sector review, entitled "Why The Odds Favor Continued Strong Credit Quality For U.S. Lottery Revenue Bonds," we discuss the reasons why we rate these bonds 'AA' or higher.

Under Standard & Poor's policies, only a Rating Committee can determine a Credit Rating Action (including a Credit Rating change, affirmation or withdrawal, Rating Outlook change, or CreditWatch action). This commentary and its subject matter have not been the subject of Rating Committee action and should not be interpreted as a change to, or affirmation of, a Credit Rating or Rating Outlook.

The report is available to subscribers of RatingsDirect at [www.globalcreditportal.com](http://www.globalcreditportal.com) and at [www.spcapitaliq.com](http://www.spcapitaliq.com). If you are not a RatingsDirect subscriber, you may purchase a copy of the report by calling (1) 212-438-7280 or sending an e-mail to [research\\_request@standardandpoors.com](mailto:research_request@standardandpoors.com).

Ratings information can also be found on Standard & Poor's public Web site by using the Ratings search box located in the left column at [www.standardandpoors.com](http://www.standardandpoors.com). Members of the media may request a copy of this report by contacting the media representative provided.

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