

Bond Case Briefs

Municipal Finance Law Since 1971

S&P U.S. States 2025 Outlook: Eyes On Washington, Focus On Budgets

Sector View: Stable

- States' credit fundamentals have strengthened, providing financial headroom to navigate potential challenging coming budgetary conditions. In the fiscal 2026 budget cycle, states face increasing costs following a period of inflationary pressure, past wage adjustments, waning federal support, and changes in state-level tax policy.
- This is happening against the backdrop of an expected moderation in the national economy and uncertainty of federal policy implications. Nevertheless, we expect state credit quality to hold fast.

[Continue reading.](#)

7 Jan, 2025

Copyright © 2025 Bond Case Briefs | bondcasebriefs.com