



**Maryland State Treasurer's Office  
Nancy K. Kopp, Treasurer**

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**NEWS RELEASE**

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**FOR IMMEDIATE RELEASE**

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**Maryland Has Successful Sale of \$852.1 Million in General Obligation Bonds**

ANNAPOLIS (August 11, 2021) – Maryland State Treasurer Nancy K. Kopp announced that the Board of Public Works (BPW), composed of Governor Lawrence Hogan, Treasurer Nancy Kopp, and Comptroller Peter Franchot, completed the sale of \$852.1 million of General Obligation bonds this morning. The overall interest rate for the bonds was 1.3127% and the bonds generated \$169.3 million in bond premium, which will be used to support various capital costs, as well as \$41.4 million in debt service savings between now and 2029.

Treasurer Kopp commented, “This is an outstanding outcome and a win for all Marylanders. Despite uncertainty about the course of the pandemic and eventual recovery from it, investors have shown that they believe Maryland’s dynamic economy, highly educated workforce, above-average wealth and history of prudent fiscal management still make Maryland’s bonds the highest quality and safest investment possible. The confidence that investors have in Maryland’s fiscal resilience and its ability to weather this crisis, along with the State Treasurer’s Office’s creative and carefully managed approach to bond offerings, has resulted in low borrowing costs for funds that will finance investments in Maryland’s schools, colleges, hospitals, and other vital public infrastructure projects.”

At today’s BPW meeting, the sale for Series A was divided into two bidding groups, with the State receiving 6 bids for the \$259.0 million of Tax-Exempt General Obligation Bonds (Series A Bidding Group 1) and 6 bids for the \$281.1 million of Tax-Exempt General Obligation Bonds (Series A Bidding Group 2). The State also received 11 bids for the \$75.0 million of Taxable General Obligation Bonds (Series B).

In today's competitive sales:

- \$259.0 in Tax-Exempt Bonds (Series A Bidding Group 1), with maturities from 2026 – 2031, sold at an all-in true interest cost of 0.7646%; the winning bidder was J.P. Morgan Securities and the premium was \$80.5 million;
- \$281.1 million in Tax-Exempt Bonds (Series A Bidding Group 2), with maturities from 2032 – 2036, sold at an all-in true interest cost of 1.7891%; the winning bidder was J.P. Morgan Securities and the premium was \$89.4 million;
- \$75.0 million in Taxable Bonds (Series B), with maturities from 2024 – 2025, sold at an all-in true interest cost of 0.6095%; the winning bidder was Wells Fargo Bank, NA.

The BPW members also approved the negotiated sale of two series of refunding bonds, Series C and Series D, which were conducted through a group of underwriters led by BofA Securites, Inc. Series C will close on March 1, 2022, consists of \$113.8 million of Tax-Exempt Forward Refunding Bonds with an all-in true interest cost of 0.8695%, and is generates \$22.4 million in debt service savings. Series D will close on May 3, 2022, consists of \$123.3 million of Tax-Exempt Forward Refunding Bonds with an all-in true interest cost of 1.0359%, and generates \$19.0 million in debt service savings.

Maryland is one of only thirteen states to hold the AAA rating, the highest possible rating, from all three major bond rating agencies. The AAA rating was recently affirmed by Fitch Ratings, Moody's Investors Service, and S&P Global Ratings in anticipation of this bond sale.

The Maryland State Treasurer's Office expects to conduct another bond sale in the spring of 2022.

