



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

NEWS RELEASE

Maryland Retains AAA Bond Rating And Plans Savings From Sale Of \$600 Million in Refunding Bonds

FOR IMMEDIATE RELEASE

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ANNAPOLIS (October 14, 2009) - Maryland State Treasurer Nancy K. Kopp announced today that all three bond rating agencies have affirmed the State's strong Triple AAA bond rating in preparation for the upcoming sale of approximately \$800 million of General Obligation bonds on Wednesday, Oct. 21 at the Board of Public Works meeting.

Treasurer Kopp said, "Though we again received Triple AAA ratings from the three major bond rating agencies, as we have for several decades, this recognition of Maryland's fiscal strength does not come easily in this difficult economic climate. Simply, the three rating agencies, who are very familiar with our State's continuous efforts to balance its budget amidst a national recession, believe that Maryland's government leaders are willing to make tough, prudent budgetary decisions in difficult times."

The bond sale will include the sale of \$600 million of refunding bonds to take advantage of current market conditions. Current projections call for about \$23 million in present value savings from the refunding, subject to change due to market conditions.

“Savings are significant anytime. They are particularly so in the current economic environment,” Treasurer Kopp said.

In addition to the refunding, the State expects to issue \$200 million to finance necessary capital projects, such as schools, community colleges, university projects and hospitals. The bonds will be issued as traditional tax-exempt bonds and as taxable Build America Bonds.

“Retention of the Triple A rating allows us to continue to save millions of taxpayer dollars resulting from the low interest rates achieved because of these ratings,” Treasurer Kopp said.

Maryland is one of only seven states to hold the coveted AAA rating, the highest possible rating, from all three bond rating agencies. Standard and Poor’s has rated the bonds AAA since 1961. Moody’s Investors has assigned the bonds a rating of Aaa since 1973, and Fitch Ratings has rated the bonds AAA since 1993.

The Maryland Board of Public Works, comprising Governor Martin O’Malley, Comptroller Peter Franchot and Treasurer Kopp, will preside over the competitive bond sale on Wednesday, October 21, 2009 in the Assembly Room in the Louis L. Goldstein Treasury Building in Annapolis.
