



STATE OF CONNECTICUT

TREASURER SHAWN T. WOODEN

**TREASURER WOODEN: CONNECTICUT'S BOND OUTLOOK IMPROVED
BY A MAJOR CREDIT RATING AGENCY FOR FIRST TIME IN 18 YEARS**
*Standard & Poor's gives State a Positive Outlook,
Cites Improved Reserves and Fiscal Stability*

March 19, 2019

(HARTFORD, CT) - State Treasurer Shawn T. Wooden announced today that Standard & Poor's has elevated its outlook on Connecticut's General Obligation bonds credit rating from "stable" to "positive," and affirmed the state's outstanding bond rating at "A."

The action is the first positive outlook or credit rating upgrade for Connecticut's GO Bonds since 2001.

It comes less than a week after Wooden, Governor Ned Lamont and Office of Policy and Management Secretary Melissa McCaw made presentations to all four national credit rating agencies at the State Capitol last Wednesday and Thursday.

The presentations highlighted the state's improving economy, fiscal controls on bonding in the Governor's proposed budget, increases in the Budget Reserve Fund and Common Cash Pool, and the Treasurer's plan to restructure the underfunded Teachers' Retirement Fund.

"This positive change in Connecticut's credit outlook is another significant step in the right direction that is drawing notice on a national level," Wooden said. "The next step is to follow through on plans to address our current economic challenges and continue building a stable foundation for future growth and financial sustainability."

Those plans were also cited by S&P in its report on the upgrade.

"Our positive outlook reflects the increased likelihood that Connecticut will preserve recently replenished reserves at what we view as strong levels," the report said, "and that the state's high debt levels could moderate if the governor's proposal for a new debt diet is carried through into policy."

The state is preparing to sell \$850 million of General Obligation bonds during the last week of March. A positive outlook is an indication that a credit rating agency sees a higher likelihood of a credit rating upgrade over the medium term.

The other three credit rating agencies affirmed their credit ratings and outlooks at existing levels, with Moody's at A1 with a stable outlook, Fitch at A+ with a stable outlook, and Kroll Bond Ratings at AA- with a negative outlook.