



STATE OF CONNECTICUT

TREASURER SHAWN T. WOODEN

## **TREASURER WOODEN ANNOUNCES SUCCESSFUL TRANSPORTATION BOND SALE**

***Highest Level of Retail Orders Ever for a Transportation Bond Sale  
Refunding Saves \$24 Million***

**HARTFORD, CT** – Today, Connecticut State Treasurer Shawn T. Wooden announced that the State’s \$1.1 billion of Special Tax Obligation (STO) Transportation Infrastructure bond sale received strong investor demand from both retail and institutional buyers. A record \$1.4 billion of retail orders for transportation bonds were placed, far exceeding the prior record of \$526 million just last year. The sale will provide \$840 million in new funding for transportation projects around the state at an overall interest cost of 4.10% on the 20-year new money bonds. The issuance of \$313 million of refunding bonds will save \$24 million in interest costs over the life of the bonds.

“The success of this bond sale is a direct result of Connecticut’s improving financial strength, as evidenced by three credit rating upgrades of Connecticut STO bonds last year, which helped generate strong demand from investors. In addition, rising interest rates increased the attractiveness of the bonds as a long-term investment option for a variety of investors.” **said Treasurer Shawn Wooden.**

“These bonds will provide the required state match for federal transportation funding that was expanded with the passage of the federal Bipartisan Infrastructure Law last year. That legislation includes a five-year reauthorization of federal programs with increases to all existing programs plus many new funding programs. The State is now eligible to compete for funds from the \$100 billion available national pool,” said Treasurer Wooden. “These investments will create good paying jobs, help our state modernize infrastructure, and attract business, while improving connections and economic activity with surrounding states.”

### **Priority Given to Orders from Retail Investors**

Consistent with past practice, Treasurer Wooden gave retail investors priority during a dedicated retail order period on Monday, October 17<sup>th</sup>. A record amount of retail orders for transportation bonds were received during this one-day priority period totaled \$1.4 billion. This is second only to the \$1.8 billion of retail orders for General Obligation Bonds earlier this year. Strong retail demand was helped in part by the Positive Outlook from S&P in May 2022 as well as the generally higher overall level of interest rates, which are more attractive particularly to individual investors. In addition, the \$1.1 billion State

bond sale was the largest sale of tax-exempt bonds in the national market this week, which also helped to garner investor focus and attention.

Orders from both retail and institutional investors reached \$3.8 billion, far exceeding the bonds offered and allowing the State to lower its borrowing costs in the final pricing.

### **Funding of Transportation Across the State**

Major transportation infrastructure projects currently being funded by STO bonds include the following:

- I-95 Interchange at Route 161 in East Lyme;
- Route 82 Swing Bridge in East Haddam;
- Replacement of the 1896 Norwalk River Railroad (Walk) Bridge;
- I-84 Improvement Program in Waterbury;
- New rail cars for the New Haven rail line.

“Financing strategic improvements in our transportation infrastructure is a benefit for all of our residents and for the future economic development of our state,” said Treasurer Wooden.

### **Refunding Saves Taxpayers \$24 Million**

The \$313 million of refunding bonds will refinance existing higher-interest bonds for debt service savings of approximately \$24 million over the next ten years. Since Treasurer Wooden took office in January 2019, he has lowered previously issued debt service by \$273 million, including this sale.

“By refunding existing debt for savings, we are able to help reduce the State’s fixed costs for years to come saving taxpayer dollars,” said Treasurer Wooden.

Prior to the sale, the STO bonds were rated by all four major credit rating agencies, as follows: Moody’s Investors Service at “Aa3”, S&P Global Ratings at “AA-”, Fitch Ratings at “AA-”, and Kroll Bond Ratings at “AA+”. S&P Global Ratings has assigned a “Positive” outlook, and the other three credit rating agencies have assigned “Stable” outlooks.

Siebert Williams Shank & Co led the bond underwriting syndicate that sold the bonds. The bond sale is scheduled to close on November 7, 2022.

More information on the State's bonding programs is available at [www.buyCTBonds.com](http://www.buyCTBonds.com)

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### **About the Office of the State Treasurer**

Under the leadership of Connecticut’s State Treasurer Shawn T. Wooden, the Office of the Treasurer is dedicated to safeguarding taxpayers’ money and the state’s financial resources while maximizing returns, minimizing risks, and operating at the highest professional and ethical standards. Through receiving, investing, and disbursing, the Office continues to enhance the State’s fiscal stability, financial literacy, college and disability savings, and its approach to leveraging business partnerships to combat social issues such as gun violence, climate change, and equal opportunities in economic growth. Treasurer Wooden currently serves as President of the National Association of State Treasurers and is the only Black elected State Treasurer in the country and the only Black elected official serving statewide in New England. Learn more about the Office of the Treasurer [here](#) and follow along on [Facebook](#), [Instagram](#), and [Twitter](#)