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STATE OF CONNECTICUT

TREASURER SHAWN T. WOODEN

## **TREASURER WOODEN ANNOUNCES SUCCESSFUL \$500 MILLION TRANSPORTATION BOND SALE**

*Applauds Passage of New Federal Infrastructure Bill; Connecticut Transportation Bonds Help Leverage Historic Federal Transportation Funding*

**Hartford, CT.** – Today, Connecticut State Treasurer Shawn T. Wooden announced that the State's \$500 million Special Tax Obligation (STO) Transportation Infrastructure bond sale achieved the second lowest overall interest cost in the history of the STO bonding program. The bond sale received very strong investor demand from retail and institutional buyers and will provide \$587 million in new funding for transportation projects around the State.

"The success of this transportation bond sale is a direct result of Connecticut achieving historic credit rating upgrades earlier this year," said Treasurer Shawn Wooden. "Connecticut's strong investment grade ratings continue to contribute to strong demand from investors for each of our bond sales."

Orders from both retail and institutional investors reached \$3.1 billion, far exceeding the bonds offered and allowing the State to lower its borrowing costs at the final pricing. The overall interest cost on the twenty-year new money bond sale is 2.145%, the second lowest on any STO bond sale in history. Connecticut's bond pricing spreads relative to municipal bond indices have not been this low since 2007.

"The ability to finance strategic improvements in Connecticut's transportation infrastructure at such a low cost of funds is a benefit to families, communities, and the future of our state," said Treasurer Shawn Wooden. "These results directly translate into saving millions of taxpayer dollars and are another indication that the State successfully implementing and managing smart fiscal policies over the past few years is working and contributing to strengthening our long-term financial sustainability."

Consistent with past practice, Treasurer Wooden gave retail investors priority during a dedicated retail order period on Monday, November 8<sup>th</sup>. Retail orders received during this one-day priority period totaled \$325 million.

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

- I-95 Gold Star Memorial Bridge in New London;
- I-84 Improvement Program in Waterbury;
- I-91/CT 15 Interchange Improvements in Wethersfield and East Hartford;

- New Haven Rail Yard Master Complex;
- The replacement of the Walk Bridge in Norwalk; and
- New rail cars for the New Haven rail line.

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+". All four credit rating agencies have assigned "Stable" outlooks. The STO bond program enjoyed three credit rating upgrades earlier this year.

Raymond James led the bond underwriting syndicate that sold the bonds. The bond sale is scheduled to close on December 1, 2021.

The STO bond sale comes on the heels of the Federal government passing a historic bipartisan Infrastructure Bill, the largest investment in United States infrastructure in decades.

"Connecticut's transportation bonds help leverage federal funds by providing the required state match for federal transportation funding, including the new funding provided in the transformational bipartisan Federal Infrastructure Bill passed last week," said Treasurer Shawn Wooden.

"The Federal Infrastructure Bill will send more than \$6 billion to Connecticut to rebuild our infrastructure and includes critical new funding for our roads, bridges, airports, transit, rail systems, and more," said Treasurer Shawn Wooden. "It authorizes increased funding for existing federal transportation programs for five-years, includes significant new transportation funding programs, as well as expands reliable high-speed internet, improves access to clean drinking water, and prepares us for the future by addressing the impacts of climate change on our infrastructure."

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

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Under the leadership of Connecticut's State Treasurer Shawn T. Wooden, the Office of the Treasurer is dedicated to safeguarding the state's financial resources and taxpayers' dollars, while maximizing returns and minimizing risks for pension beneficiaries and operating at the highest professional and ethical standards. Through investments and cash management, the office continues to enhance the state's fiscal stability, financial literacy, college savings, and its approach to leveraging business partnerships to combat social issues such as gun violence, climate change, and equal opportunity for economic growth. Learn more about the Office of the Treasurer [here](#) and follow along on [Facebook](#), [Instagram](#) and [Twitter](#).