S&P Global Ratings

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State of Connecticut; Appropriations; General Obligation; General Obligation Equivalent Security; Moral Obligation; Public Coll/Univ - Unlimited Student Fees

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State of Connecticut; Appropriations; General Obligation; General Obligation Equivalent Security; Moral Obligation; Public Coll/Univ - Unlimited Student Fees

Credit Profile		
US$350.0 mil Taxable GO bnds ser 2023A due 05/15/2033		
Long Term Rating	AA-/Stable	New
US$250.0 mil GO rfdg bnds ser 2023B due 08/01/2033		
Long Term Rating	AA-/Stable	New
US$100.0 mil GO bnds ser 2023A due 05/15/2043		
Long Term Rating	AA-/Stable	New
Connecticut GO		
Long Term Rating	AA-/Stable	Affirmed
Connecticut APPROP		
Long Term Rating	A+/Stable	Affirmed
Capital Region Development Authority, Connecticut		
State of Connecticut, Connecticut		
Capital City Econ Dev Auth (Connecticut) GOEQUIV		
Long Term Rating	AA-/A-1/Stable	Affirmed

Credit Highlights

- S&P Global Ratings assigned its 'AA-' long-term rating to the State of Connecticut's $100 million general obligation (GO) bonds, 2023 series A; $250 million GO refunding bonds, 2023 series B; and $350 million GO bonds, 2023 series A (federally taxable).
- At the same time, we affirmed our 'AA-' long-term rating on the state's approximately $18.1 billion in GO debt outstanding.
- We also affirmed our 'AA-/A-1' dual rating on the state's series 2016C GO bonds and on the Capital Region Development Authority's series 2004B bonds, with liquidity support provided by Bank of America.
- We affirmed our 'AA-' rating on debt secured by a special capital reserve fund, which we view to be on par with that of the state GO rating as state-supported GO-equivalent securities, including various issues by the Connecticut Housing Finance Authority, the Connecticut Health & Educational Facilities Authority, and Connecticut Green Bank.
- We also affirmed our 'A+' rating on the state's appropriation-secured debt and our 'A-' rating on obligations secured by the state's moral obligation.
- The outlook on all long-term ratings is stable.

Security

The 2023 series A (tax-exempt), series B (refunding), and series A (federally taxable) GO bonds constitute general obligations of the state, of which the state has pledged its full faith and credit and taxing power toward repayment.

Proceeds from the tax-exempt and federally taxable 2023 series A bonds will be used to finance general government projects and purposes authorized under various bond acts of the state. Proceeds from the 2023 series B bonds will be used to refund all or a portion of the state's 2012 series G, 2013 series C, and 2013 series E GO bonds.

Credit overview

The 'AA-' rating is supported by strong economic metrics, including high per capita income and gross state product (GSP) levels compared with the nation, and the state's strong financial management that incorporates robust financial controls and long-term financial forecasting that factors in conservative revenue growth assumptions and identifies potential out-year budget gaps. The outlook also incorporates our expectation that Connecticut's recent strong financial momentum and build-up of high reserve levels during a period of economic and revenue growth could continue in future biennial budgets, while we also believe the state will demonstrate a commitment to structural budget balance and curbing future fixed cost growth. However, Connecticut has historically exhibited slow economic recoveries following recessions and cyclical finances that have resulted in large structural budget gaps, and when coupled with its very high debt, pension, and other postemployment benefits (OPEB) liabilities, we believe managing these challenges could reduce future budget flexibility when credit cycles turn.

A key factor underpinning our view of the state's recent financial predictability and long-term credit stability has been its enactment of statutory financial and debt issuance controls--imposed within GO bond covenants--since fiscal 2018. On Feb. 9, 2023, the state legislature unanimously passed, and the governor signed into law a five-year extension of these provisions, supporting our view that Connecticut remains firmly committed to these fiscal guardrails for the foreseeable future. The state made some modifications to existing statutory provisions, including freezing the revenue cap to limit appropriations at 98.75% of projected revenue and increasing the budget reserve fund (BRF) cap to 18.00% of fiscal year appropriations from the current 15.00% cap (effective July 1, 2024). At the end of the five-year extension, the legislature is allowed to adopt a resolution with a simple majority if lawmakers wish to discontinue or modify provisions. Without future legislative action, these controls would continue for another five years.

S&P Global Economics believes that the U.S economy will fall into a shallow recession in 2023, although increased credit tightening stemming from recent events in the banking sector elevated the likelihood of a hard landing. Our U.S. GDP growth forecast is 0.7% for 2023 and 1.2% for 2024. We expect U.S. GDP will decline by 0.3% from its peak in first-quarter 2023 to its third-quarter trough. Our lower GDP and inflation forecasts for 2023 and 2024 relate to the Federal Reserve's continued aggressive policy stance to keep interest rates higher until inflation exhibits declines towards its 2% target. See "Economic Outlook U.S. Q2 2023: Still Resilient, Downside Risks Rise," published March 27, 2023, on RatingsDirect. Notwithstanding these downside economic risks, we believe Connecticut benefits from a healthy financial position that could help the state address potential budgetary shortfalls over the near term. Connecticut's BRF balance reached $3.31 billion, or 15% of fiscal 2023 appropriations--the highest level in state history. We view these record-high reserves as significant given the state's more cyclical revenue declines during economic downturns and slower financial recovery compared with other states.

Connecticut's Office of Policy and Management (OPM) and Office of Fiscal Analysis (OFA) released a revised consensus revenue forecast on May 1, 2023, reflecting a projected 4.7% increase in general fund revenue compared with the enacted fiscal 2023 budget plan and 0.9% above the state's Jan. 17, 2023, consensus revenue forecast. Connecticut's pass-through entity, sales and use, and corporate income tax collections have increased in recent months, but net income tax receipts are forecast to decline by a steep $560 million (or 15.9%) through fiscal year-end compared with the state's January 2023 forecast, the result of significantly weaker-than-expected capital gains performance. However, we believe the state's conservative forecasts account for volatility among its economically sensitive revenue sources, including a growth rate for capital gains to be negative 30.2% in fiscal 2023 and negative 10.0% in fiscal 2024. In its multi-year forecast, OPM estimates Connecticut will maintain an actual economic growth rate of general fund revenue of 2.2% in 2024, before returning to growth of 2.9% in fiscal years 2025 and 2026. This revenue growth rate more closely aligns with the state's compounded annual growth rate (CAGR) of 2.2% between 2011-2019.

The governor's general fund budget proposal for the fiscal 2024-2025 totals $44.4 billion, or a 5.0% increase over the 2022-2023 legislatively approved budget. The proposal includes several tax-relief measures, including a permanent reduction in the personal income tax rate for certain income tax brackets (the first state income tax reduction since 1996), increasing the earned income tax and pass-through entity tax credit, which are estimated to reduce revenue by $265.2 million in fiscal 2024 and $540.4 million in fiscal 2025. Proposed spending adjustments include a net reduction in expenditures by $223.8 million for fiscal 2024 and a $357.7 million net increase in appropriations for fiscal 2025, incorporating growth in the state share of Medicaid costs, state employee wages, and education cost sharing. While current year revenue performance appears resilient, we expect further negotiations between the legislature and executive branch on policy priorities before the legislative session adjourns on June 7, 2023. If enacted, we will monitor medium-to-long-term effects of proposed tax reductions on future structural balance and cyclical revenue shifts.

For a fifth consecutive fiscal year, the state projects a year-end surplus, estimated at nearly $1.06 billion as of June 30, 2023. In addition, revenues from the finals and estimates portion of the income tax and pass-through entity taxes are performing above the state's revenue volatility cap (approximately $1.348 billion) and are expected to exceed the current 15% statutory reserve cap in the BRF. As a result, the estimated $2.4 billion excess amount could be transferred to pay down State Employees' Retirement System (SERS) and Teachers' Retirement System (TRS) pension plan liabilities. We estimate that when combined with the $5.79 billion in extraordinary actuarially determined contributions (ADCs) payments between fiscal years 2020-2022, projected year-end pension contributions for fiscal 2023 could directly reduce unfunded pension liabilities across these plans by nearly $8.2 billion, or approximately 20.7% of the total unfunded liability for SERS and TRS. We view this to be a material reduction in unfunded retirement liabilities, although they remain very high. If the magnitude and frequency of excess pension contributions are sustained, and we believe the growth trajectory of its long-term liabilities is meaningfully reduced, we could view these additional pension contributions as a credit strength.

Additional pension contributions in fiscal years 2020, 2021, and 2022 represent near-term progress toward addressing its high and underfunded state pension liabilities, but we believe Connecticut will remain challenged in its efforts to curtail significant fixed-cost pressures beyond the outlook horizon. Combined debt service, pension, OPEB costs comprise a large 29.3% of fiscal 2023 appropriations. When factoring in Connecticut's high proportionate state-only share of entitlement programs (e.g., Medicaid, other social service assistance), all-in fixed costs comprise 50.3% of the state's general fund appropriations, which, in our opinion, could pose a significant barrier to resolving budgetary gaps in future recessions.

Connecticut's 'AA-' rating reflects our view of its:

- High income and GSP levels supported by a broad and diverse economic base, although an aging population and flat population growth could weaken economic growth prospects and long-term revenue potential;
- Active monitoring of revenues and expenditures, including monthly reporting and consensus revenue forecasting three times annually, and the authority of the executive branch to make mid-year adjustments to the budget; and
- Very strong budget reserves sustained at 15% of expenditures for the previous three audited fiscal years, and a projected BRF balance to be maintained at these levels through the end of the fiscal 2022-2023 biennium.

Offsetting factors, in our opinion, include:

- Very high fixed costs, which could pose a substantial impediment to solving future structural budget gaps during economic recessions. Currently combined debt service, pension, OPEB, Medicaid, and other entitlement costs comprise 50.3% of Connecticut's fiscal 2023 budgeted expenditures; and
- High and significantly underfunded pension and OPEB liabilities, although the state adopted more realistic plan assumptions, is funding full annual ADCs to its retirement systems, and prefunding an OPEB trust fund, and it continues to make excess contributions above its revenue volatility cap, which could help hold down the pace of projected future cost increases related to long-term liabilities.

Environmental, social, and governance

ESG credit indicators: E-2, S-2, G-2

In our view, Connecticut's environmental risks have no material influence on our credit rating analysis. We consider Connecticut's social capital risks to have an overall neutral influence on its credit profile as we view recent in-migration trends and agency-level planning that anticipates future service needs help mitigate potential demographic pressures. We view the state's governance risks as neutral influences in our credit rating analysis, although we recognize that future changes to risk-management culture and oversight of the state's high-to-very high fixed costs could constrain expenditure flexibility and financial performance if left unmitigated. We view implemented reforms to the state's pension and OPEB plans and a strong management and policy framework--including forecasting fixed costs and statutory allowances to pre-fund its liabilities--as demonstrating a governance structure supporting the state's ability to manage these fixed costs and other developing risks in the long term.

Outlook

The stable outlook reflects our view that Connecticut will continue its commitment to recently extended statutory financial and debt controls although the rating also incorporates our expectation of potential economic cyclicality could cause fluctuations in reserve balances and overall financial performance as it has during past recessions. The outlook further incorporates our expectation that the state will continue transferring excess revenues above its statutory reserve limit to pay down its high pension and OPEB liabilities, while also moderating GO debt issuance, supporting our view of the state's credit stability.

Downside scenario

We could lower the rating if the state cannot reach consensus on recurring budget solutions that close potential out-year fiscal gaps and prioritize structural stability in its fiscal 2024-2025 biennial budget, or if Connecticut demonstrates a weakened commitment to sustaining its reserve and liquidity position at currently high levels. In addition, pursuant to our state rating criteria, if we believe future tax-supported debt will rise to levels that we view as less sustainable, leading us to calculate most of our debt indicators at one-third or more above thresholds that we view as high, we could lower the rating.

Upside scenario

Although unlikely over the outlook period, we could raise the rating if the state maintains tax-supported bonding needs at levels significantly lower than those of previous fiscal years, while also demonstrating timely and consistent structural adjustments to balance future budgets, maintaining strong reserve levels during good economic times, and making sustainable progress in reducing the state's overall debt burden, pension, and OPEB liabilities from currently very high levels.

Based on the analytic factors that we evaluate for states, on a scale of '1.0' (strongest) to '4.0' (weakest), we assigned a composite score of '2.1' to Connecticut, an anchor of the 'AA-' rating.

Credit Opinion

Connecticut's economic metrics experienced a resurgence in 2022, but near-term recessionary pressures could slow momentum

A forecasted, albeit shallow, economic downturn in 2023 could push Connecticut off course from its recovery to pre-pandemic output and unemployment levels. The state reported a return of its real GSP to pre-pandemic levels in the third quarter of 2022, while Connecticut's employment base has recovered 96.7% of the estimated 279,700 jobs (as of February 2023) lost in the first two months of the pandemic. Connecticut's GSP growth rate in 2022 (2.4%) outpaced the U.S. average of 2.0% over the same period. However, current economic uncertainty could slow hiring and productivity in the state over the near term. IHS Global Markit revised its estimates that the state's GSP could revert to shallower growth of 0.64% in 2023 and 0.95% in 2024, slower than the national rate of nearly 1.46% and 1.45%, respectively. Both Connecticut's and the U.S. labor market remains tight despite signs of weakness in segments of the economy. As of March 2023, the state's unemployment rate was 4.0%, approximately 0.4% above the national average. We will continue to monitor unemployment trends in tandem with other measures of labor market health, including the state's labor participation rate, which characteristically outperforms the U.S. level.

At $84,972 per capita, Connecticut's 2022 personal income was 130% compared with that of the nation and ranking among the highest of all states. In addition, the state's GSP per capita was $88,755, or approximately 116% compared with that of the nation.

An important credit consideration for Connecticut will be the track of its population growth and aging of its prime working-age labor force, as the state faces growing demographic challenges that weigh on economic growth. Population growth over the past 10 calendar years was essentially flat, compared with a compounded annual growth rate of 0.7% for the nation. In addition, the state also has an aging population, consistent with that of the rest of New England, that will likely contribute to slower economic growth and create higher service-level demands that affect finances over time. There is some evidence from Connecticut's real estate market that the state benefitted from in-migration of nearly 20,300 residents during the pandemic. However, a lack of inventory and a dramatic rise in mortgage interest rates could put upward pressure on home sale and rental market prices, which could reduce affordability. Home sales in Connecticut dipped from their peak in July 2022, but existing median sale prices were $349,000 in March 2023, up nearly 4.5% compared with the same month last year. The most significant increases came in southwestern Connecticut, which lies within the New York City metropolitan statistical area. Whether this represents a long-term gain for the state remains unknown. If the state can continue to attract and retain new residents, it could bode well for future economic stability and growth.

On a scale from '1.0' (strongest) to '4.0' (weakest), we assigned a '2.2' to Connecticut's economy.

Revenue growth supports resilient budgetary performance, with structural balance projected to continue in the next biennium

We generally expect the state will maintain budgetary balance that supports stable and strong reserve and cash balances through the end of the fiscal 2022-2023 biennium. Based on current revenue expectations and the extension of fiscal guardrails that support budget predictability, we view the state's projected out-year budget projections to be structurally balanced in the fiscal 2024-2025 biennium. While surplus projections are subject to changes in light of ongoing fiscal 2024-2025 biennium budget negotiations, the state currently forecasts a general fund surplus of approximately $253.8 million, or 1.2% of baseline general fund expenditures for fiscal 2024, and $320.3 million, or 1.4%, for fiscal 2025). In its three-year projections for fiscal years 2026-2028, Connecticut estimates revenue growth will outpace increases in expenditures, potentially supporting structural balance. However, as the economic cycle evolves and its impact on the state's finances materialize, we will monitor new pressures that could create potential structural gaps.

Connecticut's commitment to statutory provisions that reduce budget volatility and the state's ability to manage its budget proactively to sustain structural balance beyond the current biennium, particularly as extraordinary federal funds diminish and a portion of program costs shift back to the state, will remain important to its long-term credit quality.

Due to better-than-expected revenue projections throughout the 2022-2023 biennium, the state adjusted the mid-biennium budget to eliminate the appropriation of $559.9 million of American Rescue Plan (ARP) Act recovery funds in fiscal 2022 and eliminated $314.9 million of ARP funds in fiscal 2023 appropriations for revenue replacement. The state budgeted to use nearly $1.75 billion in the enacted 2022-2023 biennial budget, but it will now use all of its $2.83 billion in ARP funding allocation for one-time purposes.

On a scale from '1.0' (strongest) to '4.0' (weakest), we assigned a score of '1.3' to Connecticut's budgetary performance.

Managing very high debt, pension, and OPEB liabilities remains a long-term credit risk

We view the state's tax-supported debt to be very high by nearly all measures and its elevated debt burden has historically been a constraining factor on the state rating. Total tax-supported debt outstanding totaled $25.7 billion (including GO, transportation, and capital lease debt) as of June 30, 2022. Although we observed modest declines in the state's debt metrics in fiscal 2022 compared with fiscal 2021, Connecticut's debt remains highest among all states at $7,098 per capita, 8.4% of personal income, and 8.0% of GSP. We also calculate debt service at 14.1% of government spending but offset by rapid amortization.

Connecticut reduced the rate of tax-supported debt issuances over the past four fiscal years to an average of negative 1.8% annually (fiscal years 2018-2022) compared with 7.3% annually in fiscal years 2014-2017. In conjunction with the state's rapid amortization of debt, we maintain the view that most of Connecticut's debt metrics will remain below a level that previously resulted in a one-notch override that lowered our anchor rating. The state anticipates GO bond allocations will remain well below authorized levels and issuance will be approximately $1.1 billion in calendar year 2023, well below the peak of $2.68 billion in 2017.

Pension and OPEB liabilities

Connecticut continues to adequately fund its pension liabilities and the state adopted more conservative assumptions, although we view unfunded pension and OPEB liabilities as a significant credit pressure. The state's average pension funded ratio across all plans was approximately 49.5% as of June 30, 2022. Over the past year, the combined three-year average pension funded ratio improved to 48.2% from 46.5%. The total unfunded liability of all plans is about $10,965 per capita, or a very high 12.9% of state personal income.

- The state's net pension liability (NPL) is very high compared with that of peers. We view the state's pension funding discipline as adequate as it annually contributes an amount to major pension plans to cover static funding, but this has not consistently been enough to meet our minimum funding progress metric.
- The continuation of additional pension contributions in 2020, 2021, and 2022 could help to exceed the minimum funding progress and are estimated to reduce annual actuarially determined contributions by $492 million annually.
- The state's OPEB liability is a source of credit pressure as the liability is high compared with that of peers, but recent actions to reduce the liability and pre-funding of an OPEB trust have resulted in a reduction in unfunded liability.

Plans representing a significant portion of the state's NPL include:

- State Employees Retirement System: 48.7% funded with the state's applicable NPL of $21 billion (actuarial valuation date as of June 30, 2022); and
- Teachers' Retirement System: 57.0% funded with the state's applicable NPL of $17.1 billion (actuarial valuation June 30, 2022).

We believe management factors and actuarial inputs do not significantly encumber or improve our view of the state's overall pension funding discipline. In our opinion, changes in recent years to lower the assumed rate of return to 6.9%, use a closed layered amortization method, and transition to a level-dollar funding plan should improve plan liquidity over the long term and stabilize future costs. We recognize the reset in the amortization period to a longer duration was necessary to offset increasing costs. While the changes in assumptions more closely align with our guidance for evaluation of pension risk, the state's large unfunded liability presents a continuing credit pressure.

The state's applicable net OPEB liability for the State Employee OPEB Plan was $19.5 billion, or about $5,416 per capita and approximately 6.5% of personal income, both of which are elevated metrics compared with other state OPEB plans. The plan was 10.1% pre-funded as the state has shown a commitment to increasing contributions above pay-as-you-go levels. The state estimates a new Medicare Advantage contract for retiree health coverage could reduce the state's OPEB liability by as much as $6.1 billion, which could amount to significant savings for the state. Connecticut is also statutorily required to fund one-third of teacher pension OPEB costs, plus the shortfall left after employer and employee contributions. The teachers' net OPEB liability was $1.7 billion, and 9.5% funded.

On a scale from '1.0' (strongest) to '4.0' (weakest), we assigned a score of '3.5' to Connecticut's debt and long-term liabilities.

A five-year extension of statutory reforms could support a resilient government framework across credit cycles

The government framework--including fiscal policy and intergovernmental funding within which each state taxes, spends, and issues debt--influences Connecticut's ability to manage through economic cycles.

Connecticut is required to put certain current statutory spending limitations into bond covenants for GO bonds sold after May 15, 2018. In February 2023, the legislature and executive branch agreed to extend covenants until July 1, 2033--unless a legislative resolution is adopted on or after Jan. 1, 2028, and prior to July 1, 2028, to not continue these covenants beyond June 30, 2028--as an essentially unbreakable contractual obligation. Under state law, the legislature modified the revenue cap, which limits appropriations to 98.75% of forecasted revenues annually, rather than phasing in a reduction to this limit to 98.00% in fiscal 2026 under the original statute. The state enacted other reforms included limitations on the amount of tax-supported debt authorized and issued annually, and a "revenue volatility cap" that requires the state to transfer business pass-through tax, and certain annual income tax revenue receipts above $3.78 billion, beginning fiscal 2024. Year-end surpluses are transferred to the BRF and any excess funds above the 15% statutory reserve cap to make additional payments toward the state's unfunded pension liabilities. The segregation of revenue under the revenue volatility cap was designed to capture expected one-time windfalls from personal income tax and pass-through entity tax revenues to bolster reserves and address longer-term liabilities, while also shielding Connecticut from historically cyclical income tax fluctuations.

Strong financial policies and budgetary management underpin credit stability

We consider Connecticut's management practices strong under our Financial Management Assessment (FMA) methodology. An FMA of strong indicates that, in our opinion, practices are robust, well embedded, and likely sustainable.

Key practices and policies of the state include:

- Consensus revenue estimates by the OPM and the legislature's OFA, as required by statute, on or by Nov. 10, Jan. 15, and April 30 of each year, that must cover a five-year period. In addition to its internal resources, Connecticut bases revenue estimates on outside data from economic forecasting firms. The state's long-term financial planning includes a three-year forecast for the legislature in addition to the biennial budget.

- Statutorily required monthly revenue and expenditure forecasts measured against the budget, conducted by both OPM and Office of the State Comptroller. These two offices generate monthly reports projecting year-end surpluses or deficits.
- A five-year capital improvement plan as part of the state's annual November update.
- Statutes prescribing the investment of state funds and debt management policies that guide amortization and issuance. Dedicated staff monitors investments and generates monthly reports. Connecticut also holds at least quarterly meetings with the investment advisory commission.
- Statutorily authorized BRF at a maximum of 15% of general fund appropriations, with an increase in the statutory maximum to 18% of net general fund appropriations beginning July 1, 2024. State statutes prescribe that all unappropriated general fund surpluses must be transferred into the state's BRF, and that the fund can only be drawn on to fund operating deficits.

If the comptroller reports a projected general fund deficit of greater than 1%, the governor is required to file a deficit-mitigation plan. Although the governor might reduce appropriations, this is limited to 5% of total appropriations and 3% of any fund, with any additional reductions requiring legislative approval. Legislative deliberation relating to interim budget adjustments has contributed to a delay in addressing budget gaps at times. The state is allowed to end the year in a deficit position, which has periodically been addressed with deficit bonds. However, statutory provisions provide that any new budget deficit after fiscal 2013 must be funded in the budget of the year following the next fiscal year. Gap-closing solutions in previous biennia relied on significant nonrecurring measures and substantial use of reserves.

On a scale from '1.0' (strongest) to '4.0' (weakest), we assigned a score of '1.5' to Connecticut's financial management.

Related Research

Through The ESG Lens 3.0: The Intersection Of ESG Credit Factors And U.S. Public Finance Credit Factors, March 2, 2022

Ratings Detail (As Of May 18, 2023)		
Connecticut GO		
Long Term Rating	AA-/Stable	Affirmed
Connecticut GO		
Long Term Rating	AA-/Stable	Affirmed
Connecticut GO		
Long Term Rating	AA-/Stable	Affirmed
Connecticut GO		
Long Term Rating	AA-/Stable	Affirmed
Connecticut GO		
Long Term Rating	AA-/Stable	Affirmed
Connecticut GO		
Long Term Rating	AA-/Stable	Affirmed

Ratings Detail (As Of May 18, 2023) (cont.)		
Connecticut GO		
Long Term Rating	AA-/A-1/Stable	Affirmed
Connecticut GO		
Long Term Rating	AA-/Stable	Affirmed
Unenhanced Rating	NR(SPUR)	Current
Connecticut GO		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (AGM)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (AGM)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (AGM)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (AGM)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (AGM)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (AGM)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (AGM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (AGM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (AGM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (AGM) (SECMKT)		
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Connecticut GO (AGM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (AGM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (AGM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (AGM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed

Ratings Detail (As Of May 18, 2023) (cont.)		
Connecticut GO (AGM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (AGM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (AGM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (BAM)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (BAM)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (BAM)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (BAM)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (BAM)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (BAM)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (BAM)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (BAM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (BAM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (BAM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
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Connecticut GO (BAM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (BAM) (SECMKT)		
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Connecticut GO (BAM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (BAM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (BAM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (BAM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed

Ratings Detail (As Of May 18, 2023) (cont.)		
Connecticut GO (BAM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (BAM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (BAM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (BAM) (SECMKT)		
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Connecticut GO (BAM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (BAM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (BAM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (BAM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed

Ratings Detail (As Of May 18, 2023) (cont.)		
Connecticut GO (BAM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (BAM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (BAM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (BAM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (FGIC) (National)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (MBIA) (National)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut GO (MBIA) (National)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
University of Connecticut PCU_USF (AGM)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Univ of Connecticut PCU_USF		
Long Term Rating	AA-/Stable	Affirmed
Univ of Connecticut PCU_USF (BAM)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Capital Region Development Authority, Connecticut		
State of Connecticut, Connecticut		
Capital Region Dev Auth (Connecticut) GOEQUIV		
Long Term Rating	AA-/Stable	Affirmed
Capital Region Dev Auth (Connecticut) GOEQUIV		
Long Term Rating	AA-/Stable	Affirmed
Capital Region Dev Auth (Connecticut) GOEQUIV		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut Green Bank, Connecticut		
State of Connecticut, Connecticut		
Connecticut Green Bank (Connecticut) GOEQUIV		
Long Term Rating	AA-/Stable	Affirmed
Connecticut Green Bank (Connecticut) GOEQUIV		
Long Term Rating	AA-/Stable	Affirmed
Connecticut Health & Educational Facilities Authority, Connecticut		
State of Connecticut, Connecticut		
Connecticut Hlth & Educl Facs Auth (Connecticut) APPROP		
Long Term Rating	A+/Stable	Affirmed
Connecticut Hlth & Educl Facs Auth (Connecticut) APPROP		
Long Term Rating	A+/Stable	Affirmed
Connecticut Hlth & Educl Facs Auth (Connecticut) GOEQUIV		

Ratings Detail (As Of May 18, 2023) (cont.)		
Long Term Rating	AA-/Stable	Affirmed
Connecticut Hlth & Educl Facs Auth (Connecticut) GOEQUIV		
Long Term Rating	AA-/Stable	Affirmed
Connecticut Hlth & Educl Facs Auth (Connecticut) GOEQUIV		
Long Term Rating	AA-/Stable	Affirmed
Connecticut Hlth & Educl Facs Auth (Connecticut) GOEQUIV (BAM)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut Hlth & Educl Facs Auth (Connecticut) GOEQUIV (BAM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut Hlth & Educl Facs Auth (Connecticut) MORALOB (ASSURED GTY)		
Unenhanced Rating	A-(SPUR)/Stable	Affirmed
Connecticut Housing Finance Authority, Connecticut		
State of Connecticut, Connecticut		
Connecticut Hsg Fin Auth (Connecticut) GOEQUIV		
Long Term Rating	AA-/Stable	Affirmed
Connecticut Hsg Fin Auth (Connecticut) GOEQUIV		
Long Term Rating	AA-/Stable	Affirmed
Connecticut Hsg Fin Auth (Connecticut) GOEQUIV		
Long Term Rating	AA-/Stable	Affirmed
Connecticut Hsg Fin Auth (Connecticut) GOEQUIV		
Long Term Rating	AA-/Stable	Affirmed
Connecticut Hsg Fin Auth (Connecticut) GOEQUIV		
Long Term Rating	AA-/Stable	Affirmed
Connecticut Hsg Fin Auth (Connecticut) GOEQUIV		
Long Term Rating	AA-/Stable	Affirmed
Connecticut Hsg Fin Auth (Connecticut) GOEQUIV		
Long Term Rating	AA-/Stable	Affirmed
Connecticut Hsg Fin Auth (Connecticut) GOEQUIV		
Long Term Rating	AA-/Stable	Affirmed
Connecticut Hsg Fin Auth (Connecticut) GOEQUIV		
Long Term Rating	AA-/Stable	Affirmed
Connecticut Hsg Fin Auth (Connecticut) GOEQUIV		
Long Term Rating	AA-/Stable	Affirmed
Connecticut Hsg Fin Auth (Connecticut) GOEQUIV		
Long Term Rating	AA-/Stable	Affirmed
Connecticut Innovations Inc., Connecticut		
State of Connecticut, Connecticut		
Connecticut Dev Auth (Connecticut) GO (MBIA) (National)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut Innovations Inc (Connecticut) GOEQUIV		
Long Term Rating	AA-/Stable	Affirmed
Hartford, Connecticut		
State of Connecticut, Connecticut		

Ratings Detail (As Of May 18, 2023) (cont.)		
Connecticut GO (ASSURED GTY)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Hartford (Connecticut) GOEQUIV		
Long Term Rating	AA-/Stable	Affirmed
University of Connecticut, Connecticut		
State of Connecticut, Connecticut		
University of Connecticut (Connecticut) GO		
Long Term Rating	AA-/Stable	Affirmed
University of Connecticut (Connecticut) GO		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
University of Connecticut (Connecticut) GO		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
University of Connecticut (Connecticut) GO		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
University of Connecticut (Connecticut) GO		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
University of Connecticut (Connecticut) GO		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
University of Connecticut (Connecticut) GO		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
University of Connecticut (Connecticut) GO (BAM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut Health & Educational Facilities Authority, Connecticut		
Connecticut State University System, Connecticut		
State of Connecticut, Connecticut		
Connecticut Hlth & Educl Facs Auth (Connecticut) GO		
Long Term Rating	AA-/Stable	Affirmed
Connecticut Health & Educational Facilities Authority, Connecticut		
Connecticut State University System, Connecticut		
State of Connecticut, Connecticut		
Connecticut Hlth & Educl Facs Auth (Connecticut) GO		
Long Term Rating	AA-/Stable	Affirmed
Connecticut Health & Educational Facilities Authority, Connecticut		
Connecticut State University System, Connecticut		
State of Connecticut, Connecticut		
Connecticut Hlth & Educl Facs Auth (Connecticut) GOEQUIV		
Long Term Rating	AA-/Stable	Affirmed
Connecticut Health & Educational Facilities Authority, Connecticut		
Connecticut State University System, Connecticut		
State of Connecticut, Connecticut		
Connecticut Hlth & Educl Facs Auth (Connecticut) GOEQUIV		
Long Term Rating	AA-/Stable	Affirmed

Ratings Detail (As Of May 18, 2023) (cont.)		
Connecticut Health & Educational Facilities Authority, Connecticut		
Connecticut State University System, Connecticut		
State of Connecticut, Connecticut		
Connecticut Hlth & Educl Facs Auth (Connecticut) GOEQUIV (BAM)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut Health & Educational Facilities Authority, Connecticut		
Connecticut State University System, Connecticut		
State of Connecticut, Connecticut		
Connecticut Hlth & Educl Facs Auth (Connecticut) GOEQUIV (BAM)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut Health & Educational Facilities Authority, Connecticut		
Connecticut State University System, Connecticut		
State of Connecticut, Connecticut		
Connecticut Hlth & Educl Facs Auth (Connecticut) GOEQUIV (BAM)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut Health & Educational Facilities Authority, Connecticut		
Connecticut State University System, Connecticut		
State of Connecticut, Connecticut		
Connecticut Hlth & Educl Facs Auth (Connecticut) GOEQUIV (BAM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut Health & Educational Facilities Authority, Connecticut		
Connecticut State University System, Connecticut		
State of Connecticut, Connecticut		
Connecticut Hlth & Educl Facs Auth (Connecticut) GOEQUIV (BAM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
Connecticut Health & Educational Facilities Authority, Connecticut		
Connecticut State University System, Connecticut		
State of Connecticut, Connecticut		
Connecticut Hlth & Educl Facs Auth (Connecticut) GO (BAM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
University of Connecticut, Connecticut		
State of Connecticut, Connecticut		
University of Connecticut, Connecticut		
University of Connecticut (Connecticut) GO		
Long Term Rating	AA-/Stable	Affirmed
University of Connecticut, Connecticut		
State of Connecticut, Connecticut		
University of Connecticut, Connecticut		
University of Connecticut (Connecticut) GO		
Long Term Rating	AA-/Stable	Affirmed
University of Connecticut, Connecticut		
State of Connecticut, Connecticut		

Ratings Detail (As Of May 18, 2023) (cont.)		
University of Connecticut, Connecticut		
University of Connecticut (Connecticut) GO		
Long Term Rating	AA-/Stable	Affirmed
University of Connecticut, Connecticut		
State of Connecticut, Connecticut		
University of Connecticut, Connecticut		
University of Connecticut (Connecticut) GO		
Long Term Rating	AA-/Stable	Affirmed
University of Connecticut, Connecticut		
State of Connecticut, Connecticut		
University of Connecticut, Connecticut		
University of Connecticut (Connecticut) GOEQUIV		
Long Term Rating	AA-/Stable	Affirmed
University of Connecticut, Connecticut		
State of Connecticut, Connecticut		
University of Connecticut, Connecticut		
University of Connecticut (Connecticut) GOEQUIV		
Long Term Rating	AA-/Stable	Affirmed
University of Connecticut, Connecticut		
State of Connecticut, Connecticut		
University of Connecticut, Connecticut		
University of Connecticut (Connecticut) GOEQUIV		
Long Term Rating	AA-/Stable	Affirmed
University of Connecticut, Connecticut		
State of Connecticut, Connecticut		
University of Connecticut, Connecticut		
University of Connecticut (Connecticut) GO		
Long Term Rating	AA-/Stable	Affirmed
University of Connecticut, Connecticut		
State of Connecticut, Connecticut		
University of Connecticut, Connecticut		
University of Connecticut (Connecticut) GO		
Long Term Rating	AA-/Stable	Affirmed
University of Connecticut, Connecticut		
State of Connecticut, Connecticut		
University of Connecticut, Connecticut		
University of Connecticut (Connecticut) GO		
Long Term Rating	AA-/Stable	Affirmed
University of Connecticut, Connecticut		
State of Connecticut, Connecticut		
University of Connecticut, Connecticut		

Ratings Detail (As Of May 18, 2023) (cont.)		
University of Connecticut (Connecticut) GO		
Long Term Rating	AA-/Stable	Affirmed
University of Connecticut, Connecticut		
State of Connecticut, Connecticut		
University of Connecticut, Connecticut		
University of Connecticut (Connecticut) GO		
Long Term Rating	AA-/Stable	Affirmed
University of Connecticut, Connecticut		
State of Connecticut, Connecticut		
University of Connecticut, Connecticut		
University of Connecticut (Connecticut) GO (BAM)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed
University of Connecticut, Connecticut		
State of Connecticut, Connecticut		
University of Connecticut, Connecticut		
University of Connecticut (Connecticut) GO (BAM) (SECMKT)		
Unenhanced Rating	AA-(SPUR)/Stable	Affirmed

Many issues are enhanced by bond insurance.