



# Retirement News Highlights

Wednesday, August 4, 2021

---

## Fitch Affirms Maryland's AAA Rating for \$858 Million Bond Sale

By Kevin Kinnally

**Conduit Street**

August 3, 2021

Fitch Ratings affirmed Maryland's AAA bond rating in advance of the upcoming competitive sale of State general obligation (GO) bonds. Fitch Ratings assigned a AAA rating to the following GO bonds, state and local facilities loan of 2021, second series:

- \$540 million series A, tax-exempt bonds (competitive)
- \$75 million series B, tax-exempt current refunding bonds (competitive)
- \$116 million series C, taxable advance refunding bonds (negotiated, forward delivery)
- \$126 million second series D, tax-exempt refunding bonds (negotiated, forward delivery)

The second series A and second series B bonds will be offered via competitive sale on August 11, 2021. It is anticipated that the second series C and second series D bonds are will be offered through forward delivery purchase contracts.

Additionally, Fitch affirmed Maryland's AAA Issuer Default Rating (IDR).

According to the Fitch Ratings analysis:

*Maryland's 'AAA' IDR reflects its broad, diverse and wealthy economy, strong and forward-looking fiscal management, and broad budgetary flexibility. Liabilities are elevated for a state, but carefully managed and moderate relative to available resources.*

*The state's economy benefits from proximity to the nation's capital, although exposure to federal budget changes poses a greater uncertainty for Maryland than for most states given its large federal agency presence and associated private contracting.*

Maryland is one of thirteen states to hold the coveted AAA rating, the highest possible rating, from all three major bond rating agencies. S&P Global Ratings has rated the bonds AAA since 1961, Moody's Investors Service has assigned the bonds a rating of Aaa since 1973, and Fitch Ratings has rated the bonds AAA since 1993.

As is always the case with Maryland's tax-exempt general obligation bonds, the State will use the proceeds to finance important capital projects and improvements, such as public schools, community colleges, university projects, and hospitals.

The Maryland Board of Public Works, which includes Governor Larry Hogan, Treasurer Nancy Kopp, and Comptroller Peter Franchot, will preside over the competitive bond sale on Wednesday, August 11, 2021.

[Back to top](#)