

FOR IMMEDIATE RELEASE

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MASSACHUSETTS BOND RATINGS AFFIRMED WITH STABLE OUTLOOK

BOSTON, MA – Thursday, April 16, 2015 – State Treasurer Deb Goldberg announced today that Moody's, Standard & Poor's and Fitch, maintained their respective bond ratings of Aa1/AA+/AA+ and affirmed stable economic outlooks ahead of the Commonwealth's next competitive offering.

"Maintaining the Commonwealth's already exceptional bond rating is critical to protecting taxpayer dollars and enhancing the fiscal stability of our state," said Treasurer Deb Goldberg. "The rating agencies continue to recognize our strong economic prospects and prudent fiscal management."

"I am pleased that the rating agencies have recognized our decisive and effective actions on the Fiscal Year 2015 and 2016 budgets and the experienced team we have assembled to lead the Commonwealth's fiscal management," said Governor Charlie Baker. "Our cooperation with the Legislature, Treasurer, and other state officials has led to a strong fiscal foundation for our economy. Maintaining the highest bond rating in the Commonwealth's history will provide the access to capital markets we need to begin executing our capital budget plan."

"Three positive reviews of our bond rating is a great day for the Commonwealth. We will continue to grow our economy and invest in our future," said Senate President Stan Rosenberg (D-Amherst).

"Massachusetts' fiscal prudence, timely budgets and inventive yet responsible investments have resulted in the highest bond rating in the state's history," said House Speaker Robert A. DeLeo. "This standing has made Massachusetts a national economic leader and will position the Commonwealth as a top competitor both here and abroad."

The ratings, which continue to stand as the highest in the state's history, place the Commonwealth one notch below the top possible ratings of AAA.

Last week, the Treasurer's Office joined with senior state officials across a range of departments to host the rating agencies in order to introduce the new Baker and Goldberg administrations and present budget and debt plans for the upcoming fiscal year. As a part of those meetings, members of Treasury, the Governor's staff, the Department of Revenue, the State Comptroller's Office, and the State Board of Retirement presented before the ratings analysts.

State general obligation ratings are largely based on four main factors: the state's economy, financial position, debt and financial management, and long-term liabilities. While Massachusetts is considered to have a relatively high debt level, it is explained in part by the heavier role the Commonwealth takes in the financing of local projects, often handled at the county level in many other states. Massachusetts' strong financial management practices and Budget Stabilization Fund levels are generally viewed as credit strengths for the Commonwealth.

The Commonwealth has maintained its current ratings since September 2011 when it was upgraded by S&P.

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