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**APRIL 22, 2014**  
**FOR IMMEDIATE RELEASE**

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**ON EARTH DAY, TREASURY READIES NEXT ROUND OF “GREEN BOND” SALES**  
*Commonwealth to Build on the Success and Innovation of Initial Offering Last Year*

Treasurer Steven Grossman today announced that the Commonwealth is preparing to offer another round of “Green Bonds” to investors, building on the success of Massachusetts’ first-in-the-nation environmentally oriented bond sale last year. The bond sale, announced on Earth Day, will occur this summer and will offer investors an investment option that directly funds environmentally beneficial infrastructure projects.

“Green Bonds were a resounding success when we first offered them, and we anticipate that there will be a very strong appetite for this upcoming sale,” said Treasurer Steven Grossman. “Investors are excited when they see the Commonwealth’s highest-ever bond rating, prudent fiscal management and strong economic outlook, and Green Bonds give them one more reason to enthusiastically invest in Massachusetts.”

Last year’s \$100 million Green Bonds sale was part of an overall \$670 million bond sale that occurred between May 31 and June 4, 2013. These general obligation bonds were assigned ratings of AA+, Aa1 and AA+ from Fitch, Moody’s and Standard & Poor’s respectively.

In the first issuance, Green Bonds proceeds were used to finance projects in the following four categories:

- Clean water and drinking water projects;
- Energy efficiency and conservation projects in state buildings;
- Land acquisition, open space protection and environmental remediation projects; and
- River revitalization and habitat restoration projects.

In addition to funding environmentally beneficial projects, Grossman said that Green Bonds appeal to a wider range of bidders, thereby increasing competition and potentially lowering borrowing costs for the Commonwealth. He said the bonds are appealing to pension funds and endowments that are required to dedicate a portion of their holdings to green initiatives, spurring interest among some large institutional investors that might not otherwise buy Massachusetts bonds. Other issuers of Green Bonds include the World Bank, which since 2008, has issued more than \$4.5 billion in such bonds to finance projects to reduce climate change.

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As part of the Green Bond program, the Commonwealth has committed to releasing quarterly Investor Impact Reports, which contain specific details on how the proceeds from these bonds are used. Grossman said that the Reports are part of an effort to ensure transparency so people can be assured that their investment is going to fund environmentally beneficial projects.

As part of the upcoming sale, Massachusetts bonds will also be made available to retail investors on a priority basis to allow individual investors or their financial advisors to place orders that would be allotted before those placed by institutional investors. To view the most recent Green Bonds Investor Impact Report and to learn more about the previous Green Bonds sale, people can visit [www.mass.gov/treasury](http://www.mass.gov/treasury).

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