



**Maryland State Treasurer's Office
Nancy K. Kopp, Treasurer**

NEWS RELEASE

FOR IMMEDIATE RELEASE

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**Maryland Has Successful Sale of
\$1.33534 Billion in General Obligation Bonds**

ANNAPOLIS (August 16, 2017) – Maryland State Treasurer Nancy K. Kopp announced that the Board of Public Works (BPW), composed of Governor Larry Hogan, Comptroller Peter Franchot and Treasurer Kopp, successfully completed the sale of \$1,335,340,000 of General Obligation Bonds today in two series.

Competitive sales for Series A and Series B occurred at this morning's BPW meeting. The State received bids for the \$550,000,000 of Tax-Exempt General Obligation Bonds (Series A) and the \$785,340,000 of Tax-Exempt Refunding Bonds (Series B).

In today's competitive sales:

- \$550 million in tax-exempt bonds in Series A sold at a true interest cost of 2.285%; the winning bidder was Citigroup Global Markets Inc.; and the net premium was \$94,089,802;
- \$785.3 million in tax-exempt refunding bonds in Series B sold at a true interest cost of 1.657%; the winning bidder was Bank of America Merrill Lynch; and the debt service savings, on a present value basis, is estimated to be \$75.8 million.

There were six bidders on Series A and five bidders on Series B.

Treasurer Kopp commented “The State of Maryland has done very well today. Clearly investors see our AAA bonds as a high quality investment, especially given the very volatile times facing our nation and the U.S. economy. This confidence translates into the State paying lower debt service costs, which is good news for Maryland taxpayers. In addition, our successful sale of tax-exempt refunding bonds will save Maryland taxpayers almost \$76 million (on a present value basis) in debt service costs. Overall, Maryland’s citizens benefit from the investment in Maryland’s schools, colleges, hospitals, and cultural projects that will be supported with these bond proceeds.”

Maryland is one of only 11 states to currently hold the AAA rating, the highest possible rating, from all three major bond rating agencies. The AAA was affirmed by Fitch Ratings, Moody’s Investors, and S&P Global Ratings as recently as August 3, 2017, in anticipation of this bond sale.

The Maryland State Treasurer’s Office expects to conduct another bond sale in February or March, 2018.
