



CALIFORNIA STATE TREASURER JOHN CHIANG

# NEWS RELEASE

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## Treasurer Chiang Sells \$2.15 Billion in Bonds

*\$947 million Finances Rail, Medical Research and Housing Projects*

**SACRAMENTO** – State Treasurer John Chiang today announced the completion of the sale of \$2.15 billion in State of California taxable general obligation bonds that will in part provide funding for high-speed rail, stem cell research and housing projects.

The sale included \$947 million in new borrowing authorized by 10 different bond acts and \$1.2 billion to refund outstanding general obligation bonds for debt service savings.

The state received orders from over 160 investors, which included bond funds, insurance companies, money managers, municipal governments, banks and international investors from Europe and Asia.

The latest refunding will save taxpayers \$354 million over the remaining life of the bonds.

“Refunding older, more expensive debt saves millions of dollars over time,” said Chiang. “It frees up future money needed to pay for vital programs that affect the welfare of every Californian.”

Since Treasurer Chiang took office in January 2015, refunding has created a public savings of nearly \$7 billion over the remaining life of the bonds.

Maturities for the bonds ranged from 2020 to 2038, while final yields ranged from 2.53% to 3.94%. The overall true interest cost for the sale was 3.91%.

The bonds were rated "Aa3" by Moody's Investors Service, "AA-" by S&P Global Ratings and "AA-" by Fitch Ratings. The bonds are backed by the State of California's full faith and credit.

J.P. Morgan Securities LLC and Citigroup Global Markets Inc. were joint senior managers for the sale with The Williams Capital Group, L.P. as co-senior manager.

This week's sale was the second general obligation bond sale since Treasurer Chiang launched the new [BuyCaliforniaBonds.com](http://BuyCaliforniaBonds.com) website to provide greater efficiency and

transparency to investors. The new site offers thousands of pages of financial data and documents about the state's bond sales.

**Additional Information:**

Read the second in the Treasurer's series of easy-to-use citizen guides on state bond borrowing: "[California Bonds 101: A Citizen's Guide to State Revenue Bonds.](#)"

And for a guide to the state's general obligation borrowing, download a copy of the Treasurer's "[California Bonds 101: A Citizen's Guide to General Obligation Bonds](#)" booklet.

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