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New York State Authority to Sell $1.29 Billion of Municipal Bonds.

The Dormitory Authority of the State of New York plans to sell almost $1.29 billion of municipal bonds backed by money collected from the state's sales tax.

The Series 2024A bonds will be available in three separate tranches as part of a competitive sale scheduled for Wednesday, according to a preliminary offering statement posted on MuniOS. Public Resources Advisory Group is acting as an advisor on the sale.

Bonds being sold in Bidding Group 1 and Bidding Group 2 total about $430.3 million and $437.8 million, respectively, and pay an interest rate of 5%. The securities being offered in Bidding Group 3 total about $419 million and will be offered at a minimum interest rate of 5% and a maximum rate of 5.25%.

Proceeds from the sale will be used to finance, refinance and reimburse some or all of the costs related to certain capital projects. That includes work done as part of the Consolidated Local Street and Highway Improvement Program, and projects for the Metropolitan Transportation Authority.

The Dormitory Authority is one of three entities authorized to issue state sales tax revenue bonds. The state estimates it will collect about $19.1 billion in sales tax receipts during the 2024-2025 fiscal year. That is up from about $16.5 billion in the 2021-2022 fiscal year.

Moody's Ratings assigned the bonds a rating of Aa1.

Provided by Dow Jones

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