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Fitch Updates U.S. Tax-Supported Rating Criteria.

Fitch Ratings-New York-18 April 2016: Today Fitch Ratings has published its updated U.S. Tax-Supported rating criteria report. Rating changes as a result of the criteria implementation are expected to be minimal.

Notable aspects of the new criteria include:

- Published assessments of four key rating factors will drive rating outcomes in the context of the economic base: revenue framework, expenditure framework, long-term liability burden and operating performance.
- Most Fitch-rated state and local government tax-supported issuers will have Issuer Default Ratings, which are equivalent to unlimited tax general obligation ratings.
- Scenario analysis will provide a framework for consistently communicating Fitch's forward-looking view regarding the issuer-specific impact of a cyclical downturn on revenues and the options available to address the resulting budget gap. This approach conveys a range where a rating would likely remain stable or for potential rating changes.
- This through-the-cycle analysis incorporates the Fitch Analytical Sensitivity Tool - States & Locals (FAST). FAST generates a revenue scenario based on a common GDP stress, grounded in historical data for each issuer. FAST provides insight into an issuer's revenue trends through the cycle and allows for peer analysis. FAST is not a forecasting tool.

In addition to the updated criteria report, Fitch has released three related reports, all of which are available at www.fitchratings.com or by clicking the links below. [One report summarizes industry feedback](#) received during the comment period for the criteria exposure draft, which commenced on Sept. 10, 2015, and Fitch's response to that feedback.

The second report is a [user guide](#) that describes how Fitch will administer the criteria. This guide is in response to requests by market participants during the exposure draft period.

Finally, Fitch has released a report describing FAST, in addition to the tool itself. (For more information see 'Fitch Launches Analytical Sensitivity Tool - State & Local Govt's V2.0' at www.fitchratings.com.)

Access to the tool and all criteria-related documents is available through the website on a complimentary basis for three months. Registration is required.

Fitch will host a conference call to discuss the final criteria on Thurs., April 21 at 2:00 EST. To receive dial-in details for the call, please register here: <http://dpreister.com/10084380>.

The updated '[U.S. Tax-Supported Rating Criteria](#)' published today replaces the following criteria reports:

- 'Tax-Supported Rating Criteria' (August 2012)
- 'U.S. State Government Tax-Supported Rating Criteria' (August 2012)
- 'U.S. Local Government Tax-Supported Rating Criteria' (August 2012)
- 'Rating Guidelines for State Credit Enhancement Programs' (April 2013)
- 'Rating Guidelines for Moral Obligations' (April 2013)