# Bond Case Briefs

*Municipal Finance Law Since 1971*

---

## Connecticut to Lead Light Week in U.S. Municipal Bond Issuance.

March 23 (Reuters) – Connecticut and California will supply roughly one-third of a light, $3.6 billion U.S. municipal bond load in a holiday-shortened week next week, going to market with a pair of deals worth about $1.2 billion.

Connecticut will issue $617 million in two series of general obligation bonds on Wednesday in a deal led by Loop Capital. Across the country, California's Health Facilities Financing Authority will price $606 million in revenue bonds led by Morgan Stanley.

Connecticut's GO issuance received an A1 rating from Moody's Investors Service, which the agency said reflected the state's high income levels and adequate liquidity, while also accounting for high fixed costs for debt service and ballooning pension and debt.

Connecticut's financial crisis reached a crescendo last year when Governor Dannel Malloy slashed spending after he and lawmakers failed to reach a budget deal by a June 30 deadline.

While sides reached a budget deal four months later, the state general fund has a shortfall of nearly $193 million.

California's Health Financing Authority, meanwhile, will issue $606 million in revenue bonds to help construct and expand facilities at its Sutter Health system, part of a $1.29 billion financing plan that is also slated to feature $684 million in taxable fixed-rate bonds.

Next week's load, which totals $3.87 billion when accounting for $184 million in notes, is well below the 2017 weekly average of $7.3 billion, continuing a trend of light muni issuance in the wake of President Donald Trump's tax reform measures.

Also hampering issuance is next week's early close on Thursday, and full close on Friday, in observance of Good Friday.

Puerto Rico will be back in the news next week, as the bankrupt U.S. territory's federally-appointed oversight board will meet on Monday. It is expected to sign off on the island's fiscal turnaround plan, a financial blueprint that will serve as the basis for restructuring talks with creditors holding more than $70 billion in debt.

Already bankrupt when Hurricane Maria hit in September, the island is struggling to recover from its most devastating storm in 90 years. [reut.rs/2G5EB2m ]

Reuters Graphic
Maria sent Puerto Rico's benchmark general obligation bonds plummeting, from around 60 cents on the dollar before the storm, to as low as 20 cents after.

The bonds have begun to recover as the forecast for Puerto Rico's economic recovery has

brightened, though they remain down dramatically from pre-storm levels, closing on Thursday at 35.75 cents on the dollar.

Reporting by Nick Brown Editing by Tom Brown

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com