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[University of California Taps Bond Market for \\$1.7 Billion.](#)

- **Securities price Jan. 23 and 24, carry Aa2 rating from Moody's**
- **Bonds to fund capital projects, refund previously issued paper**

The University of California will tap the municipal bond market Tuesday as it looks to maximize refunding savings and navigate potential funding deferrals outlined in Governor Gavin Newsom's budget proposal for the next fiscal year.

The university is slated to issue roughly \$1.7 billion of general revenue bonds to fund capital projects and refund previously issued paper. According to preliminary bond documents, \$1.59 billion of the bonds will be tax-exempt and \$145 million will be taxable — however the taxable series will be exempt from taxation in the state of California.

The 2024 bonds carry an Aa2 rating from Moody's Investors Service and double-A ratings from Fitch Ratings and S&P Global Ratings. The sale is being managed by Barclays Plc, Bank of America Securities and Jefferies.

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Bloomberg Markets

By Maxwell Adler

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