

Governor M. Jodi Rell today sent legislative leaders a copy of a new report from Moody's Investor Services in which the bond rating agency downgrades the outlook for Connecticut's General Obligation bonds from stable to negative. Moody's is revising its outlook for eight other states, the Governor noted. Governor Rell, who also sent the report to rank-and-file members of the Legislature, called the downgrade "an alarm signal that we clearly cannot afford to ignore."

"Being forced to pay higher interest rates on our bonds would have serious and lasting financial effects in both the near- and long-term," Governor Rell said. "Moody's feels, as I do, that the budget relies far too much on debt and one-shot revenues to prop up continued unaffordable levels of spending. When that is combined with our already high per capita debt load, the state of the economy and other factors, it threatens to make our bonds less attractive to investors."

For more information, please visit

<http://www.ct.gov/governorrell/cwp/view.asp?A=3675&q=449704> .