



February 7, 2010

## **Vermont to sell 'citizens' bonds' Feb. 25**

*Free Press Staff Report*

MONTPELIER -- The state is planning to offer for sale about \$20 million in Vermont Citizens' Bonds on Feb. 25. Vermont residents and businesses will have the first opportunity to purchase the general obligation bonds, according to a news release.

The most recent Vermont Citizens' Bonds offering in March 2009 sold out in less than three hours.

Bonds may be purchased in \$1,000 increments and must be bought through a registered broker/dealer, according to the state. The bonds' maturities range from one to 10 years. Any bonds remaining after Vermonters have had the opportunity to invest will then be made available to retail and institutional investors from outside of the state.

Treasurer Jeb Spaulding said in a statement that interested investors should contact a registered broker/dealer "right away" because of the bonds' popularity. He added that interest earnings from the bonds are exempt from state and federal taxes and are sold without commission or trading mark-up.

The sale of bonds to investors is the process by which states borrow money to make critical investments in public infrastructure, according to the release. The money raised by a bond sale pays for the construction and maintenance of a wide range of state buildings and transportation projects.

Moody's Investor Service has rated Vermont bonds as triple-A, the highest rating available to government issuers.