S&P Global Ratings

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Research Update:

Massachusetts Series 2025B, 2025C, And 2025D General Obligation Bonds Rated 'AA+'; Outlook Is Stable

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Overview

- S&P Global Ratings assigned its 'AA+' long-term rating to the Commonwealth of Massachusetts' approximately $700 million of 2025 general obligation (GO) bonds consolidated loans, series B, series C, and taxable series D.
- At the same time, we affirmed our 'AA+' long-term rating on Massachusetts' GO bonds outstanding as well as on various other bonds secured by annual appropriations from the commonwealth.
- We also affirmed our 'A+' long-term rating on the Boston Housing Authority's series 2003 housing project bonds (West Broadway Homes IV project), supported by a commonwealth annually appropriated state-operating subsidy, subject to the terms of a trust agreement.
- Finally, we affirmed our 'AA+' long-term ratings on the Massachusetts Bay Transportation Authority's (MBTA) sales tax bonds outstanding, along with our 'AA+/A-1+' dual rating on the MBTA's variable-rate demand purchase debt, our 'A-1+' short-term rating on the authority's commercial paper (CP) program, and our 'AA+' rating on a U.S. Department of Transportation third-lien Railroad Rehabilitation & Improvement Financing (RRIF) loan agreement for the MBTA's commuter rail safety and resiliency program.
- The outlook, where applicable, is stable.

Rationale

Security

Massachusetts' full faith and credit is pledged to the GO bonds and the full faith and credit of the commonwealth is pledged to payment of the bonds.

The proceeds for the 2025B, 2025C, and 2025D bonds will finance or reimburse the costs of various capital expenditures included in the commonwealth's capital investment plan.

Credit highlights

Our rating on Massachusetts reflects its strong economic metrics, with very high per capita income levels compared with the nation, partly due to the strong presence of high-technology (high-tech) companies in the Boston metropolitan statistical area (MSA). The rating further reflects some historical cyclicality in financial results due to volatile revenue sources, although recent strong growth in tax collections and federal aid have led to large operating surpluses and reserves. It also reflects the commonwealth's high debt, pension, and other postemployment benefits (OPEB) liabilities, with a history of funding less than full annual actuarial recommendations to its pension and OPEB funds.

We believe that Massachusetts' economy, with a substantial high-tech presence in the Boston MSA, has been a bright spot, with a substantial proportion of highly skilled workers with strong income levels supporting the commonwealth's revenue growth and strong finances. Strong tax growth is expected to boost the commonwealth's budget stabilization fund (BSF) balance, which statutorily receives both excess general fund revenue as well as capital gains tax above an annual benchmark, along with certain other lesser revenue sources. Strong revenue growth combined with extra federal aid and strong budgetary management practices helped the commonwealth end its past three fiscal years in an extremely strong financial position, with the highest level of reserves in its history. The BSF was $8.5 billion, or 12.8% of operating revenue and other sources as of fiscal year-end June 30, 2024. Fiscal 2025 is projected to end with balances that we still consider strong, with a BSF of $8.2 billion, or a strong 12.3% of budgeted operating revenue and other sources.

Despite the commonwealth's historically strong finances and economy, financial risks remain, which could be exacerbated by recent federal policy and economic uncertainty. We believe Massachusetts has an above-average dependence on cyclical capital gains tax revenue (3.2% of general fund revenues in Fiscal 2024) relative to that of other states. This tax revenue benefits from a strong stock market but could significantly recede during a national economic contraction. However, the commonwealth's process of diverting capital gains tax above the threshold to fund its BSF and pension offset its funding ongoing operations. Increases in Medicaid expenditures is also a potential budgetary concern with the expiration of higher Medicaid reimbursements rates implemented by the federal government during the pandemic. Other long-term pressures include Massachusetts' high debt levels and moderately high pension and OPEB liabilities, compared with those of similarly rated states, which could increase over time. At fiscal year-end 2023, the last audited fiscal year, we calculate the commonwealth had net total tax-backed debt per capita of $5,954 and 7% of personal income, including tax-supported revenue debt.

Fiscal 2024 results show that expenditure and uses exceeded revenue by about $334 million, or 0.5% of expenditures before adjusting for nonrecurring appropriations and were funded using previous-year surplus revenue and federal appropriations that were already set aside. The commonwealth does not anticipate any tax rebates paid for fiscal 2024, as revenue did not exceed the allowable limit as defined by Chapter 62F Massachusetts General Laws based on the fiscal 2024 revenue results.

The commonwealth also faces headwinds in the long term, as very strong revenue performance in previous fiscal years transitions to more subdued revenue estimates across states. Potential national recessionary pressures, when combined with the commonwealth's long-term liabilities, among the highest in the nation, and with a history of underfunding of its pensions, could lead to budgetary pressures as revenue growth softens and tests the commonwealth's commitment to strong BSF levels. S&P Global Market Intelligence forecasts that real gross state product

(GSP) will experience slower growth than the nation overall through 2028, at 5.1%, compared with the nation's real GDP growth of about 7.2%.

U.S. economic growth kept momentum through 2024, although inflation will likely remain above the Federal Reserve's 2% policy target range for longer than previously anticipated. This was our expectation even before recent tariff policy pronouncements by the U.S. government. The administration's shifting policy mix is altering the economic outlook, with our assumptions reflected in a likely downshift in GDP growth, to just short of 2% in 2025 and 2026. (For additional information see, "Global Credit Conditions Special Update: U.S.-China Tariff De-Escalation Brings Some Temporary Relief," published May 15, 2025, on RatingsDirect.) This could erode purchasing power and elevate business and private investment uncertainty and will likely further weaken U.S. growth. Based on S&P Global Market Intelligence's economic forecast for the commonwealth, we anticipate economic output and employment will be muted for the balance of the year, with the potential to soften in 2026 below the national level; we will monitor if this could dampen the commonwealth's revenue growth.

The governor approved a supplemental appropriation budget in February for fiscal 2025, allocating an additional $425 million to support the emergency shelter program and associated services, including more aid to school districts affected by increased enrollment and communities hosting unhoused families and family shelter sites. The enacted legislation also included changes to the commonwealth's right to shelter law, to ensure long-term sustainability of its shelter system. Preliminary expenditure and uses exceed revenue by about $2.2 billion, or 3.3% of expenditures before adjusting for nonrecurring appropriations. The deficits are being funded using previous-year surplus revenue and federal appropriations that were already set aside. The enacted 2025 budget also allows $375 million in capital gains tax revenue above the threshold to be diverted from the BSF to be used for budgeted expenditures, if necessary.

The commonwealth's proposed executive fiscal 2026 budget provides for approximately $59.6 billion in authorized spending, which is about 2.6% higher than revised fiscal 2025 spending, excluding spending of income surtax revenue and projected transfers to the Medical Assistance Trust Fund. The executive 2026 budget also provides for $1.95 billion in spending from income surtax revenue, allocated to investments in transportation, including $500 million to stabilize MBTA operations, and $1.185 billion to investments in education (including early education), universal school meals, kindergarten-through-12th grade programs, and higher education. The budget is based on a consensus revenue estimate of $43.6 billion, composed of a baseline consensus revenue estimate of $41.214 billion and a $2.4 billion estimate of revenue from the 4% surtax on personal income above the surtax threshold, yielding a structural budget balance after adjusting for nonrecurring uses from previously appropriated funds. The commonwealth projects ending BSF balances for fiscal 2026 at about $8.36 billion.

Factors supporting the 'AA+' GO rating include our view of Massachusetts':

- Deep and diverse economy and income levels that are among the highest in the nation, with per capita income at 130% of the nation in 2024;
- History of timely monitoring of revenue and expenditures, and swift action when needed to make adjustments;
- Well-balanced institutional framework that supports predictability, structural balance, and autonomy of raising revenue;
- Strong financial, debt, and budget management policies, including annualized formal debt affordability statements and multiyear capital investment planning;

- Steady financial performance and historically high BSF reserves, equal to about 12.8% of expenditures and position Massachusetts well to manage future fiscal pressures; and
- High debt, pension, and OPEB liabilities which could escalate future costs.

Environmental, social, and governance

We consider Massachusetts' physical risks moderately negative in our credit rating analysis because of the commonwealth's coastal exposure to rising sea levels, with about two-thirds of its population in the Boston MSA and substantial property value in the combined Boston and Cape Cod area, exposing the state to significant economic disruption following a high-impact event. However, the commonwealth has been addressing environmental risks since 2004 through its Clean Energy Climate Plan, which is regularly updated to meet the needs of the commonwealth and has historically maintained a stable management and policy framework to respond to developing risks. We view social and governance risks as neutral in our credit rating analysis.

Outlook

The stable outlook reflects our view of the commonwealth and that Massachusetts' underlying economy, and currently very strong reserves support its rating, despite its economically sensitive revenue and the potential for a nationwide economic slowdown.

Downside scenario

We could lower our rating if we believe Massachusetts will fail to make necessary budget adjustments to maintain structural balance or maintain strong reserves if its revenue weakens. Other factors that could lead to a downgrade include significant increases in debt or other fixed costs, or a significant decline in pension-funded levels due to the commonwealth falling significantly behind required pension funding contribution levels.

Upside scenario

If Massachusetts significantly reduces its pension and debt obligation while demonstrating continued commitment to strong budgetary policies and pension funding discipline, especially during periods of economic contraction, we could raise the rating.

Credit Opinion

Institutional Framework

State finance law requires that the governor submit a balanced budget, and the House and Senate each produce one as well. The final general appropriation act must also be balanced. If there is a revenue shortfall, the governor is required by section 9C of Chapter 29 to reduce agency appropriations or recommend a transfer from the BSF.

Massachusetts has autonomy to raise taxes and has adjusted its tax structure. Medicaid was budgeted for about 32% of total fiscal 2024 spending, while direct local aid accounted for about 13%. Funding levels for major program areas have been adjusted as needed. Massachusetts voters have approved revenue growth limitations, but these have not weakened operations or limited flexibility, in our view. More significant measures to reduce or eliminate major tax sources have been on the ballot but are not yet approved. A 4% income tax surcharge on incomes of more than $1 million (surtax revenue) was approved through a ballot initiative in November 2022, raising the top income tax rate for those making more than $1 million per year, effective tax year 2023.

Massachusetts is a voter-initiative state. Although there have been initiatives that limit the overall growth in state tax revenue and there is a limit on the amount of bonds outstanding and debt service appropriations, these have not substantially altered Massachusetts' ability to manage its budget or fund debt service, in our opinion. While more recent ballot initiatives to reduce or eliminate the commonwealth's major tax sources that made the ballot were not approved, the legislature can amend an initiative. The commonwealth provides a relatively high level of service, in our opinion. Adjustments have been made to programs, but reductions to areas such as education have been limited.

Management

In our view, the commonwealth's management practices are strong, well-embedded, and likely sustainable. Many are related to debt and financial management and are embedded in statute.

Highlights include the following:

- Massachusetts uses internal resources and outside economic forecasting firms to develop a consensus revenue forecast. It has regularly performed monthly revenue estimates and quarterly budget reviews. Legislation approved in 2008 requires that revenue reports are to be submitted semi-monthly to the legislature.
- A five-year CIP (administrative intent, not binding) coordinates all types of debt issuance, informed by a detailed debt affordability analysis that officials update each year.
- The commonwealth has detailed, and frequently reviewed investment policies managed through the office of the treasurer. Quarterly cash flow projections are prepared and submitted to the legislature.
- Massachusetts has a statutorily established BSF that prescribes a mechanism for funding, as well as funding levels, although the mechanism has been weakened periodically by the legislature's decision to adjust deposit thresholds and suspend required transfers into the fund in certain years.

Statute requires the deposit of 100% of consolidated net surplus in any given year into the BSF. The statute also provides that the BSF's maximum amount cannot exceed 25.5% of the current year's revenue. The commonwealth must use any excess for tax reduction. In 2010, the state passed a statutory law that directed excess capital gains tax revenue of more than $1 billion to the BSF, although Massachusetts subsequently suspended or lowered this threshold in fiscal years 2015 and 2016. Legislation in 2012 indexed the $1 billion capital gains excess threshold to the growth in U.S. GDP for each fiscal year beginning with fiscal 2014. The statute also directs 5% of the excess capital gains tax to the state retiree benefits trust fund, and another 5% to pension liabilities. We believe the capture of above-trend capital gains tax enhances the BSF, while decreasing some of the cyclicality of state revenue. An indexed threshold and lower collections in fiscal 2017 eliminated the potential for a transfer in that fiscal year. In 2020, the governor filed a supplemental budget request to retain excess capital gains tax above the threshold in the general fund. Some judgments and settlements must also be deposited into the fund, although this requirement was modified in fiscal 2015 so that only settlements and judgments exceeding the average of the total for the preceding five fiscal years would be transferred to the BSF.

The commonwealth is authorized to issue GO debt, special obligation debt, and federal grant anticipation notes. For direct debt, there is a statutory limit allowing the issue of up to 105% of the previous year's limit. In addition to the above-mentioned statutory requirement, Executive Office for Administration and Finance maintains an annual borrowing limit policy for CIP budgeting, which is designed to keep debt service within 8% of budgeted revenues. The treasurer's office maintains debt management and swap policies that we view as comprehensive. There is a statutory limit on debt outstanding and a limitation, as stipulated by Massachusetts' debt affordability policy published annually with the commonwealth's CIP, which is designed to limit debt service on the commonwealth’s direct debt to no more than 8% of budgeted revenue. These limitations have not impaired flexibility to manage capital and infrastructure requirements. There is no statutory priority for funding debt, but debt service payments are not subject to the warrant requirement applicable to other state spending, and we understand that the comptroller and other state officials have developed procedures to prioritize payments, and that debt service is given the highest priority among various payment obligations.

The commonwealth has detailed, and frequently reviewed investment policies managed through the office of the treasurer. Quarterly cash flow projections are prepared and submitted to the legislature.

Once the budget is approved, the Secretary of Administration and Finance (A&F) monitors expenditures at least quarterly and receives regular monthly updates on revenue receipts. The A&F secretary is required to formally update revenue projections and submit them to the legislature in October. If officials expect projected revenue to be insufficient to meet appropriations, A&F certifies this and pursuant to statute (section 9C of Chapter 29), the governor is required to reduce allotments, submit proposals to raise additional revenue, or make appropriations from the BSF to restore balance. Budget adjustments have historically been implemented regularly and on time, and deficits are not carried forward.

Economy

We believe the Massachusetts economy, anchored by the Boston MSA that includes many higher-education institutions and associated technology companies, represents an important credit strength.

Massachusetts' recent economic experience has mirrored national trends, although per capita income has grown slightly faster than that of the nation, spurred by growth in the high-paying professional, scientific, and technical services sectors, which have suffered less in the recent recession than lower-paying service sectors. While we view the state's economy as slightly more concentrated in education and health services than the nation as a whole, these sectors have remained relatively stable and contributed to relatively high wages compared with the nation. Finance and insurance services accounted for 22% of total state GSP in 2024, according to the Bureau of Economic Analysis, compared with 21% for the nation. Professional and business services accounted for 22%, compared with 15% nationally.

The commonwealth has always had high income levels, with per capita income ranking among the highest across all states. We expect that income will remain well ahead of that of other states, based on a highly educated workforce that has jobs more conducive to telecommuting.

S&P Market Intelligence forecasts real GSP to rise 0.8% in 2025 and grow 5.1% through 2028, lower than the U.S. forecast of 6.3%.

The increasing role of services in the economy reflects growth in research laboratories, computer software, management consulting, other business services, and health care. Higher-education anchors, a high level of federal research funding, and venture capital give the commonwealth a leading edge in emerging industries, such as biotechnology, software, communications equipment, and surgical instruments. S&P Market Intelligence estimates about 10% of state employment is in high-technology-related industries. In addition, Massachusetts has defense-related industries that have ranked high in the value of federal defense and research contract awards.

Financial Performance, Reserves, and Liquidity

Massachusetts has established a formal BSF under statutory law that receives excess capital gains taxes over a threshold amount, adjusted annually to reflect the average rate of growth in U.S. GDP over the preceding five years. Under statutory law, tax revenue collected from capital gains income during a fiscal year that exceeds the threshold is required to be transferred, with 90% to the BSF, 5% to the State Retiree Benefits Trust Fund (for OPEBs), and an additional 5% to the commonwealth's pension liability fund. However, in fiscal years 2015 and 2016, state budgets diverted capital gains taxes that would have otherwise flowed to the BSF to instead pay for general fund budget expenditures.

Fiscal 2024 operating funds tax revenue was 2% higher than the previous year, reflecting muted collections of historically more volatile tax revenue as well as the moderating effects of the pass-through entity but is estimated to be structurally balanced. It enabled maintaining the BSF at the highest levels the fund has historically reached, resulting in a total of $8.5 billion, or 13% of operating funds expenditure.

We view Massachusetts' liquidity as strong, with the historical help of annual cash flow note borrowing although the commonwealth has not issued cashflow notes since 2020. The commonwealth does not engage in interfund borrowing, so the general fund cannot borrow from the BSF without an act of the legislature. In addition, it obtained a line of credit for $1.75 billion from a syndicate of banks, meant to ensure adequate liquidity because of a pandemic-related extension of the time for taxpayers to file their income taxes in fiscal 2020. As of February 2021, the line of credit was reduced to $500 million, and no amount was outstanding under the line, which is scheduled to expire May 1, 2026.

Fiscal 2024 ended with a nonsegregated general fund cash position of $12.3 billion, and according to the March 2025 cash flow statement, the state projects it will end with a general fund cash position of $9.3 billion at fiscal year-end 2025.

We believe the commonwealth's revenue forecasting is good. Massachusetts prepares quarterly revenue updates and uses a consensus revenue forecast for budgeting purposes. The governor is required to recommend midyear budget adjustments, if necessary. We believe that state budgeting has historically been done with an eye toward long-term structural balance, apart from the below-actuarially required contribution (ARC) pension contributions. However, we believe that Massachusetts is a high-service state, with expenditures that can be difficult to reduce at times. Medicaid accounted for 32.4% of budgeted fiscal 2024 total operating expenditures and other uses, while health and human services accounted for 14.0%. Operating funds' debt service accounted for 4.0%, and pension and OPEB costs were budgeted at 8.0% of expenditures.

Debt And Liabilities

Debt

By most measures, Massachusetts' debt burden remains high compared with that of other states. The variable-rate portfolio is less than 1% of total GO debt, and the commonwealth actively manages this under formal debt policies. Within its variable-rate portfolio, the commonwealth has $100 million of direct-placement debt outstanding in structures that we do not believe create an unusual risk.

The current five-year CIP includes projects that maintain debt service below the commonwealth's calculation of 8% of budgeted revenues. The commonwealth’s debt and capital affordability committee conducts an annual debt affordability analysis. The committee includes seven voting members and eight nonvoting members from the legislature and is charged with formally reviewing the CIP and providing an estimate of debt authorization for the year. The current five-year CIP for fiscal years 2025 through 2029 calls for new bonding of $3.1 billion in 2025, slightly higher than in previous years, as part of a total five-year capital budget of $29.3 billion. Our debt calculation includes special tax bonds, supported by statewide tax sources, in the ratios we use to assess total tax-supported debt.

Pensions

We consider the commonwealth's pension funding low but improving, with Massachusetts' recent schedule to fully fund its pensions by 2036 following several years of substantial underfunding. ARC is calculated using previous GASB Statement 27 methodology because the more recent GASB Statement Nos. 67 and 68's actuarially determined contribution (ADC) is arrived at using commonwealth statutory law that is not based on the current year's full actuarial requirement. In fiscal 2024, Massachusetts paid an estimated 95% of ARC. Every year the ARC is not funded, it will continue increasing until full ARC funding is reached. The commonwealth projects it will have fully funded its pension liabilities by fiscal 2036, based on increasing contributions 9.63% per year through 2028 and then declining to 4.00% through 2036, which will increase annual state contributions substantially, to $5.9 billion in 2028 from $4.5 billion in fiscal 2025.

Massachusetts has underfunded its actuarially required annual pension contribution over the years. Pension contributions are statutorily determined based on a funding schedule set every three years, and the state has made contributions in accordance with its schedule set in 2023. The latest schedule targets a fully funded retirement system by 2036 by increasing annual contributions by 9.63% per year through 2028, a steep increase that we believe defers current pension pressure to future years. Contribution increases are scheduled at a slower rate of 4% afterward through 2036. The commonwealth has contributed less than its actuarial annually recommended contribution since 2011, funding an estimated 95% (including supplemental contributions) of its annual actuarial recommendation in fiscal 2023, which could escalate pension costs and introduce additional pressures to future budgets. Experience studies are only conducted every six years, as per statute, which we view as a credit weakness. Although the commonwealth updates portions of the studies more frequently, it has done this as needed rather than on a set schedule.

Massachusetts gradually lowered its retirement funds' investment return assumption in recent years, which we view as positive, although this has slowed improvement in its combined pension-funded ratio and increased funding needs. The commonwealth lowered its assumed actuarial rate of return to 7.00% in 2021 from 8.25% before 2013. However, the currently assumed return level is still above our pension criteria guidance guideline of 6.5%. Massachusetts' current plan assumes it will reach full amortization of the commonwealth's unfunded liability by fiscal 2036, four years ahead of its statutory requirement, assuming actuarial assumptions are met. However, from a funding standpoint, the commonwealth has continued to calculate its contribution by setting funding targets based on percentage increases to contributions rather than adjusting for increases necessary to keep level amortization of the liability. This translates to a back-loaded amortization of the liability.

Furthermore, the commonwealth continues to establish its contribution levels on a three-year lagged budgetary basis, although actuarial valuations are conducted each year. This policy of only adjusting the pension contribution schedule every three years can cause Massachusetts to fall below full ADC funding when actuarial assumptions miss actual experience, such as missed investment returns, or actuarial assumptions themselves have been changed, such as the recent lowering of assumed rates of return. While a three-year lag in resetting pension contributions could provide Massachusetts with a more predictable funding schedule, we believe it also exposes the commonwealth to the risk of never catching up to full ADC funding if its actuarial assumptions prove too aggressive.

OPEBs

The state has sizable OPEBs but has made good funding progress in reducing its OPEB liabilities by putting money aside in an OPEB trust fund.

As of June 30, 2023, Massachusetts' retirement trust had a $13.7 billion net unfunded OPEB liability, which we consider sizable, at $1,920 per capita, although the state cut OPEBs significantly a few years ago due to various reform measures that have been phased in, along with deposits to an OPEB trust fund.

Deposits to the trust fund enable a somewhat higher assumed actuarial discount rate under a blended interest rate assumption that assumes lower rates after trust fund assets are depleted, and which lowers actuarial unfunded liabilities. Massachusetts has dedicated a portion of tobacco settlement revenue toward its OPEB trust fund to provide a permanent funding source, which we consider a credit strength, although the exact deposits have deviated from formula, depending on the year of the enacted budget. The portion of tobacco settlement money dedicated to the OPEB trust fund was scheduled to increase in 10% increments each year until it reaches 100%, although the incremental increase in contributions has been revised since 2016. The actual percentage of tobacco settlement revenue deposited in the OPEB trust fund annually since 2020 has been 10% and is projected for 10% in 2025. In fiscal 2020, legislation suspended the transfer of 5% of capital gains tax into the OPEB trust, but a total of $239.4 million has been deposited between 2021 and 2024.

Massachusetts--Credit summary

Institutional framework (IF)	1
Individual credit profile (ICP)	2.17
Economy	1.0
Financial performance	2
Reserves and liquidity	1
Management	1.35
Debt and liabilities	5.50

Massachusetts--Key credit metrics

	2025e	2024a	2023a	2022a
Economy				
State population ('000s)		7,142	7,075	7,027
Real GSP per capita ($)		88,712	86,994	86,525
Real GSP per capita % of U.S.		130	130	132
State PCPI ($)		93,845	89,650	85,651
State PCPI % of U.S.		130	129	130
State unemployment rate (%)		4.0	3.5	3.6
Financial performance - S&P Global Ratings adjusted				
Operating fund revenues (mil. $)	67,094	66,462	62,970	70,314
Operating fund expenditures (mil. $)	69,308	66,796	61,459	64,213
Operating result (mil. $)	-2,214	(334)	1,511	6,101
Operating result % of revenues	3.3	-0.5	2.4	8.7
Reserves and liquidity - S&P Global Ratings adjusted				
Available reserves (mil. $)	8,227	8,524	8,036	6,938
Available reserves % of operating revenues	12.3	12.8	12.8	9.9
Debt and liabilities				
Net direct debt cost % of revenues	--	6.2	4.9	4.5
Pension and OPEB cost % of revenues	--	5.5	5.3	5.3
Total current cost % of total government revenues	--	11.7	10.2	9.8
Net direct debt (mil. $)	--	43,662	41,103	41,570
Net direct debt per capita ($)	--	6,113	5,809	5,915
Direct debt 10-year amortization (%)	--	40	43	43
Combined NPLs (mil. $)	--	41,164	42,771	41,257
NPLs per capita ($)	--	5,763	6,045	5,871
Combined pension plan funded ratio (%)	--	66.7	63.9	64.3

Financial data might reflect analytical adjustments and are sourced from issuer audit reports or other annual disclosures. Economic data is generally sourced from S&P Global Market Intelligence, the Bureau of Labor Statistics, Claritas, and issuer audits and other disclosures. Local population is sourced from Claritas. Claritas estimates are point in time and not meant to show year-over-year trends. GCP--Gross county product. PCPI--Per capita personal income. EBI--Effective buying income. OPEB--Other postemployment benefits. NPLs--Net pension liabilities.

Ratings List
New Issue Ratings

Ratings List	
US$100.0 mil GO bnds cons loan of 2025 ser D due 06/01/2037	
Long Term Rating	AA+/Stable
US$215.0 mil GO bnds cons loan of 2025 ser B due 06/01/2039	
Long Term Rating	AA+/Stable
US$385.0 mil GO bnds cons loan of 2025 ser C due 06/01/2053	
Long Term Rating	AA+/Stable
Ratings Affirmed	
Pooled	
Massachusetts Bay Transp Auth, MA Sales Tax 1st Lien and Special Assessments 2nd Lien	A-1+
Massachusetts Bay Transp Auth, MA Sales Tax and GO	AA+/Stable
Massachusetts Bay Transp Auth, MA Unlimited Tax General Obligation and Massachusetts TIFIA/RRIF Sales Tax 3rd Lien	AA+/Stable
Massachusetts MA, Commercial Paper Program 2nd Lien	A-1+
Strong Link Massachusetts Bay Transp Auth, MA Sales Tax 1st Lien and Unlimited Tax General Obligation	AA+/Stable
States	
Massachusetts, MA Appropriation Contract	A+/Stable
Massachusetts, MA General Obligation	AA+/Stable
Massachusetts, MA General Obligation Equivalent	AA+/Stable
Massachusetts, MA General Obligation and Metro Hwy Sys, MA Toll Facility Revenues 2nd Lien	AA+/Stable

The ratings appearing below the new issues represent an aggregation of debt issues (ASID) associated with related maturities. The maturities similarly reflect our opinion about the creditworthiness of the U.S. Public Finance obligor's legal pledge for payment of the financial obligation. Nevertheless, these maturities may have different credit ratings than the rating presented next to the ASID depending on whether or not additional legal pledge(s) support the specific maturity's payment obligation, such as credit enhancement, as a result of defeasance, or other factors.