



Moody's Investors Service

Testimony of Laura Levenstein
Senior Managing Director
Moody's Investors Service

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I. Introduction

Good morning Chairman Frank and members of the Committee. I am Laura Levenstein, and I am the Senior Managing Director at Moody's Investors Service ("**Moody's**") for the Global Public, Project and Infrastructure Finance Group. On behalf of my colleagues at Moody's, I would like to thank the Committee for inviting me to provide Moody's views in this legislative hearing. I have confined my comments to the draft Bill that contains proposals concerning credit rating agencies (the "**draft Bill**") and Moody's ratings of municipal bonds. More specifically, my comments are on the version of the draft Bill that Committee staff provided to us with the invitation to testify at today's hearing.

We understand that the draft Bill, if adopted, would require every nationally recognized statistical rating organization ("**NRSRO**") to define clearly its rating symbols, apply them consistently for all types of bonds¹ and have its credit ratings for bonds address the risk that investors will not receive payment in accordance with the bonds' terms of issuance. Broadly speaking, the draft Bill seeks to promote ratings comparability between municipal and non-municipal bonds.

Throughout our history, Moody's has sought municipal market investors' and issuers' views on which attributes would make our municipal bond ratings most useful, and we have adjusted our rating system to respond to the changing needs of market participants over time. For many years, investors and issuers in this market indicated that they wanted our ratings to draw finer distinctions among municipal bonds, which generally have had lower credit risk when compared to Moody's-rated corporate or structured finance obligations.

It was not until 2008 that a larger portion of the market indicated that they sought comparability between municipal and non-municipal ratings. Taking into account these views, Moody's announced in early September 2008 our intention to recalibrate our long-term municipal bond ratings to our global ratings in order to enhance comparability between municipal and non-municipal ratings. In mid-September, an extraordinarily severe market dislocation was triggered by events unrelated to our announcement. Because of the severe turmoil that resulted from that dislocation, we decided it would be prudent to suspend the recalibration process until the market stabilized because we were concerned that pursuing our plans during such turbulence could unintentionally lead to confusion and/or further market disruption. The temporary suspension of the recalibration process remains in effect today because of ongoing volatility in credit markets. We remain committed, however, to implementing our plans and are monitoring market conditions closely as we look for an appropriate time to begin the recalibration process.

¹ The draft Bill refers to "securities and money market instruments". To streamline the discussion of the draft Bill in my testimony I use the term "bonds" instead to refer generally to fixed income instruments (including securities and money market instruments).

The draft Bill, therefore, mandates a ratings approach that is consistent with what we plan to adopt in response to market feedback regarding our municipal ratings. We believe that applying the draft Bill as introduced would not require us to change our planned approach to rating long-term municipal bonds because we intend to move forward with the recalibration process when the market stabilizes.

I would like to take this opportunity, however, to raise a few issues about the draft Bill that Congress and/or the Securities and Exchange Commission (“SEC”) may wish to consider either now, or as part of the rule-making process. To put Moody’s views on the draft Bill in context, I will first provide some background information on Moody’s and the nature of our credit ratings, and then provide an overview of the U.S. municipal market,² current credit market conditions and Moody’s approach to rating municipal bonds. I also will discuss our ongoing dialogue with participants in municipal bond markets about how best to ensure that our ratings meet the evolving needs of these participants and our plans to recalibrate our U.S. municipal bond ratings to our global ratings. Finally, I will provide Moody’s comments on the draft Bill.

II. Background on Moody’s Investors Service

A. History of Moody’s and the Nature of Moody’s Credit Ratings

The credit rating business has its roots in the American tradition of the marketplace of ideas. In 1909, American entrepreneur John Moody published a manual, *Analyses of Railroad Instruments*, which introduced a system of opinions about the creditworthiness of railroad bonds. Today, we are one of the world’s most widely used sources for credit ratings, research and analysis.

Moody’s credit ratings provide predictive opinions on one characteristic of an entity or fixed income obligation – creditworthiness. Our ratings are designed to rank bonds according to their relative credit risk and do not take into consideration factors such as the direction of future market prices, an investor’s investment objectives, or the investor’s risk parameters. Ratings are not statements of fact about past occurrences or guarantees of future performance and they do not constitute a recommendation to buy, sell, or hold a security.

We publicly disseminate our credit ratings through press releases and also make them available on our website. They are made simultaneously available to all market participants regardless of whether or not they purchase products or services from Moody’s. The public availability of ratings helps promote the transparency and efficiency of financial markets, and allows the market and all users of ratings to assess independently the aggregate performance of our rating system.

B. Moody’s U.S. Public Finance Ratings and Research

Moody’s first began rating municipal bonds in 1918. Today, Moody’s publishes ratings and research on a highly diverse group of issuers and securities, including bonds

² The information contained in my testimony is based on the bonds that Moody’s has rated in the municipal market. A large number of municipal bond issuances are not rated by Moody’s and therefore our comments should not be construed as being applicable to the entire universe of municipal issuance.

issued by states, cities, counties, school districts, special local government entities and pooled groups of issuers. Bonds may be backed by, among other things, taxes, leases, appropriations and/or land development fees. Many, but far from all, of these rated bonds are backed by a government issuer's "general obligation" pledge, meaning that all of the government issuer's pledged, tax revenue-producing powers are promised to satisfy the debt, including the government issuer's ability to levy taxes sufficient to pay such debt. These bonds are sometimes called "General Obligation" or "G.O. bonds".

We also assign ratings to another large and diverse group of bonds issued by public authorities and non-profit organizations, which we collectively refer to as enterprises. These issuers back their debt with a combination of tax revenues and user fees to, for example, finance colleges and universities, hospitals, housing agencies and a wide range of public infrastructure projects such as airports, ports, public power utilities, transportation facilities and water-sewer systems.³

We assign our ratings in accordance with published analytical methodologies, which are available on our website, www.moodys.com, and we update our methodologies to remain current with evolving credit trends. We also publish numerous New Issue Reports and Update Reports each year, as well as in-depth analyses of high-profile issuers, rating methodologies, sector outlooks, and special comments.

III. Overview of the U.S. Municipal Finance Market

The municipal bond market has long been a critical arena for state and local governments to raise funds for major capital improvements, such as building roads, bridges, sewer systems and mass transit projects, to name a few. In this section of my testimony, I will discuss several important features of this market that, either historically or currently, have distinguished it from other markets.

A. Lower Overall Credit Risk than Other Credit Securities Markets

Historically, one of the most distinctive features of the U.S. municipal bond market has been the lower overall credit risk of most municipal bonds relative to other types of bonds. This has been especially true for G.O. bonds.⁴ Four of the principal reasons for this are summarized below.

- *Municipalities typically are perpetual entities providing essential public services.* They do not need to generate a return on equity but merely to break even or generate a small surplus in order to continue operating.
- *Municipalities have the power to levy taxes or impose tax-like charges* for those essential services and can secure their bonds with a "general obligation" pledge.

³ We use the term "municipality" to refer to state and local governments as well as local authority issuers, which collectively comprise the overwhelming proportion, by number, of issuers in the U.S. public finance market. References to the "municipal market" or "municipal bonds" do not encompass tax-exempt industrial development bonds issued by corporations or bonds technically issued by governmental entities but backed solely by corporate entities such as financial institutions.

⁴ Bonds issued by municipal authorities or other public sector authorities to finance healthcare, housing, higher education or certain types of infrastructure projects exhibit credit risk that is more comparable to that of similarly rated corporate bonds.

- *Unique bankruptcy laws* for municipal entities contribute to the lower credit risk of these bonds. For example, involuntary bankruptcy filings are not permitted, the municipality's debts can be adjusted but it cannot be liquidated, and the municipality's powers are not affected by the filing. It can continue operating during a bankruptcy, giving it the ability to raise revenue and make payments on any defaulted debt.
- *A municipality in financial distress might never reach default* because there are many avenues of relief available to most municipalities and, in some cases, a higher level of government, e.g., the state or a third party credit provider, might take steps that prevent default on outstanding obligations. While very few Moody's-rated bonds have experienced payment defaults, numerous issuers have experienced financial distress.⁵

Many other state and local government-related bond issuers, such as most water and sewer authorities and public university systems, have shared these low-risk characteristics because they possess dependable revenue streams and are very likely to receive financial support from their sponsoring authorities in the event of distress. By contrast, some tax-exempt issuers (such as not-for-profit hospitals and private universities) increasingly share certain "corporate-like" characteristics, in the sense that they are governed independently, they compete in a market for the users of their services to generate revenues and they receive fewer direct governmental subsidies.⁶

B. Evolving Interests of Municipal Bond Market Investors

In our experience, investors purchasing municipal bonds historically have done so with different perspectives and risk appetites than investors in corporate bonds, and our municipal ratings evolved to reflect those differences. For example, unlike corporate bond investors, municipal investors generally have been more risk-averse and have looked for tax-free alternative investment opportunities to U.S. Treasuries. Moreover, many of these investors historically were active solely in U.S. public finance markets and did not cross over to invest in other sectors. As a result, they have been less diversified in their investment portfolios, more concerned about the safety and liquidity⁷ of their investments, and in the case of individuals, often more dependent on debt service payments as a reliable source of income.

In particular, municipal investors generally have been highly intolerant of any diminished value or reduced liquidity in their investment portfolios, which can occur as a result of an issuer's financial distress even if the bonds do not default. Despite the low risk of default, valuation fluctuations may occur when a municipal issuer faces financial stress, because attempts either to resolve financial problems or have a third-party rescue

⁵ In times of financial distress municipalities often can generate an internal solution to restore financial balance without involving a third party. However, there generally is a great deal of uncertainty with respect to the timing and content of the ultimate outcome.

⁶ There have been, however, some instances of governmental intervention to support these types of issuers when they are in financial distress.

⁷ Historically, less active issuers often addressed investors' concerns about the liquidity of their investments by obtaining bond insurance.

the issuer or its bonds usually occur only after lengthy political and policy negotiations. Consequently, municipal investors historically have looked to Moody's credit ratings for an opinion on the likelihood that a municipal bond issuer will experience financial stress.

In the late 1990s, however, we began to see municipal bonds increasingly traded by a wider range of multi-disciplinary investors who were active in the taxable and tax-exempt municipal markets as well as other bond markets. In addition, a number of larger issuers began issuing cross-border taxable bonds, which were targeted to foreign investors with limited knowledge of the U.S. municipal market. As I discuss in more detail in Section IV.C below, these developments led Moody's to start exploring the utility of recalibrating our U.S. municipal ratings to our global ratings in order to enhance comparability between municipal and non-municipal bond ratings.

C. Overview of Current Credit Market Conditions

Some tentative signs are beginning to emerge that may indicate that a slowdown in the deterioration of macro-economic conditions has begun in some countries, including the United States. Nevertheless, global credit markets and economic conditions are likely to remain stressed and affected by significant uncertainties throughout 2009. The downturn we are experiencing is unusual in several important respects in terms of its impact on municipal issuers. For example, this recession is now the longest running recession in the United States since the Great Depression. Moreover, while prior recessions in the U.S. were mostly regional in nature or industry-based, this recession has now encompassed every state in the nation. Job losses, depressed consumer spending and declining housing prices have reduced governmental revenues from income taxes, sales taxes, corporate taxes and property taxes. Consequently, this recession is longer, broader and deeper than prior, recent recessions.

Meanwhile, the severe disruption in the availability of short-term liquidity that developed in 2008 is continuing and has created significant, new challenges for many municipal issuers. Some issuers are finding it difficult to access short-term markets, facing rising interest costs or changing debt amortization terms, dealing with the consequences of financial counterparties that default or are downgraded, and/or are finding it difficult to obtain credit enhancement.

Many issuers can alter their behavior and undertake alternative plans of action to mitigate the impact of the current and near-term environment and maintain their strong credit ratings. A number of significant uncertainties, however, continue to affect credit market conditions for U.S. public finance issuers. These include uncertainties regarding:

- the duration and severity of the economic downturn;
- when the current disruption to public finance credit markets will be resolved;
- the potential for unanticipated changes to market access for certain issuers;
- the weakening liquidity of some states and municipalities, which is exacerbated by the ongoing disruption to some issuers' access to capital markets;
- the availability of credit and/or liquidity facilities;
- the declining credit quality of certain key counterparties; and

- how the deployment of the federal fiscal stimulus will benefit particular public finance issuers.

In this environment, Moody's has been continuing its ongoing surveillance of rated municipal issuers, keeping market participants informed about issuer-specific, sector-specific and broader trends that have the potential to affect long-term credit fundamentals, refining our rating methodologies and reporting on trends in ratings performance.

IV. Moody's Approach to Rating Municipal Bonds

A. Key Analytical Factors for Municipal Ratings

As I stated earlier, Moody's assigns ratings on a number of different types of municipal bonds. Broadly speaking, the issuers of these bonds can be divided into two categories: (1) state and local governments; and (2) enterprises. Moody's ratings of municipal bonds issued by state and local governments are based upon the analysis of the primary factors relating to municipal finance: the economy, finances, debt, governance/management strategies, and the bonds' structural features.

- *Economy*: Depending on the entity, we look at the breadth and diversity of the affected economy including its growth trends and comparative economic position to similar entities. For competitive non-profit organizations, we also look at market conditions that affect revenues, such as patient and student market trends.
- *Finances*: We analyze information contained in audited financial statements as well as current budget information and compare this information to sector statistics for comparable entities.
- *Debt*: Debt ratios are calculated to adjust for size (debt per capita) and wealth (debt to personal income or debt as a percent of full value), and are compared to sector medians.
- *Governance/management strategies*: We assess the type of governance, including legal powers to manage finances and any legal constraints on taxing, borrowing or spending.
- *Structural features of the bonds*: In addition to the fundamental credit analysis, Moody's analyzes the structure of the transaction, *e.g.*, the strength of the legal pledge of collateral to bondholders, the rights of other creditors and the nature and extent of external support.

All of these factors are important in assessing the entity's degree of financial flexibility to meet fiscal challenges and specific debt obligations. In each case, the factors are evaluated individually and for their interrelation with and impact on the other factors in the context of the municipality's ability to repay its debt and its relative degree of fiscal strength or stress.

Moody's also rates enterprise bonds, such as bonds relating to the construction or improvement of airports, toll roads, water and sewer facilities, public power plants, and bonds issued by healthcare institutions, housing authorities, and higher education institutions. These enterprise ratings incorporate many of the same factors noted above but also take into account the financial and business activity characteristics of the public

enterprise. For example, an analysis of bonds relating to the construction and operation of a toll road would look at vehicular traffic, competitive position (*e.g.*, the existence of competing toll-free roads), the local economy served by the toll road, the coverage of debt service by toll revenue and the obligation of the entity to raise tolls to ensure sufficient revenue to pay debt service on the bonds.

B. Comparing Moody's Municipal Rating System with Moody's Global Rating System

Investors in corporate or structured bonds typically have looked to Moody's ratings for an opinion on whether a bond or issuer will meet its payment obligations. Our opinion takes into account both the probability of default and the expected loss if a default occurs. Historically, however, this analysis alone has not been as helpful to municipal investors. This is because, if municipal bonds had global ratings, the great majority of our ratings likely would fall within just two rating categories: Aaa and Aa. This would make it more difficult to differentiate among various municipal bonds, which is something that many investors indicated to us that they wanted our rating system to do.

Accordingly, Moody's municipal bond ratings developed so that they distinguished more finely among the various municipal bonds and ranked one against the other on the basis of intrinsic financial strength. Because the risk and potential severity of loss historically has been relatively low for governmental issuers, Moody's municipal ratings, taking into account the factors described in subsection A above, principally have focused on the risk that an issuer will face financial stress.

C. Moody's Planned Recalibration of Our Municipal Ratings

As I noted in Section III above, beginning in the late 1990s, Moody's began to observe a growing number of "cross-over", multi-disciplinary investors becoming active in both the taxable and tax-exempt municipal markets as well as non-municipal bond markets. Consequently, to ensure that our ratings were continuing to meet the needs of market participants, Moody's consulted the market and made several changes to reflect this evolution in, and feedback from, the market.

- ***In 2001***, Moody's met with over 100 market participants to understand their views on the need for and value of globally consistent ratings.⁸ The vast majority of participants surveyed indicated that they valued our municipal ratings in their current form. Additionally, many market participants expressed concerns that any migration of municipal ratings to be consistent with our global ratings would result in considerable compression of ratings in the Aa and Aaa range, thereby reducing the discriminating power of the rating and transparency in the market. However, a segment of the market indicated that they would value a greater ability to compare municipal credits to other bonds in other markets.

⁸ See *Special Comment: Moody's Municipal Default Study Highlights and Next Steps*, June 2002 (Document 75249).

- **In 2002**, we published a default study that highlighted the limited default experience in the Moody's-rated market for public finance bonds,⁹ and we noted that some taxable bonds were starting to be placed outside of the United States. To accommodate the latter trend, we began:
 - 1) offering entities issuing tax-backed or essential service revenue-backed taxable bonds outside the U.S. the opportunity to request that, in addition to our municipal ratings, a global rating also be assigned; and
 - 2) providing broad guidance on how our municipal ratings would translate into our global ratings. In particular, we stated that it would be reasonable to conclude that nearly all Moody's-rated general obligation and essential service revenue bonds would be rated at or near the top of the global scale.
- **In 2006**, we published a *Request for Comment* asking market participants whether they would value greater transparency about the conversion of our municipal ratings to global ratings. We received over 40 written responses and had telephone and in-person discussions with many other market participants. Generally, the majority indicated that they valued the distinctions the municipal ratings provide in terms of relative credit risk, but that they would endorse the expansion of assigning complementary global ratings to taxable municipal bonds sold inside the U.S.
- **In 2007**, based on the feedback described above and to further improve the transparency of our long-term municipal bond ratings, we:
 - 1) implemented a new analytical approach for arriving at the complementary global rating, thereby enabling investors to compare municipal bonds to corporate bonds while maintaining the existing municipal ratings that investors and issuers told us they valued; and
 - 2) announced that, when requested by the issuers, we would assign a global rating to any of their taxable bonds, regardless of whether the bonds were issued within or outside the United States.¹⁰
- **In 2007 and 2008**, the market continued to evolve. In early 2008, prompted by recent market events and developments in market sentiment, Moody's again proposed recalibration of its municipal ratings to align them with our global ratings and actively reached out to a wide range of constituency groups to ensure that the feedback we received represented all users of credit ratings.¹¹ The comments we received on our *Request for Comment* publications and in our outreach efforts showed that a larger portion of the market sought comparability between municipal ratings

⁹ It is important to note, however, that the time period studied did not include a period of extreme financial distress such as the Great Depression and the study covered only Moody's-rated bonds. Default experience in the unrated portion of the market is considerably higher.

¹⁰ To put the demand for global ratings by municipal issuers into context, since we first began offering global ratings for taxable securities in 2002, approximately 25 issuers requested that Moody's assign a global rating to their bonds.

¹¹ See *Request for Comment: Assignment of Global Ratings to Tax-Exempt Municipal Obligations*, March 2008 (Document 108116); *Special Comment: Assigning Global Scale Ratings to Municipal Tax-Exempt Obligations*, April 2008 (Document 108470); and *Announcement: Moody's Extends Comment Period on U.S. Public Finance Rating Scale*, June 2008 (Document 109143), all of which are available at moodys.com.

and those in other sectors.¹² Feedback from nearly 200 market participants – including issuers, bankers, financial advisors, trade associations and major institutional investors with substantial positions in U.S. municipal bonds – indicated that:

- 1) recent market conditions had resulted in a greater interest in rating comparability between municipal and non-municipal bonds; and
- 2) ratings that facilitate such comparability would be preferable.

On September 2, 2008, therefore, we announced our intention to recalibrate our municipal ratings. In mid-September, however, and for reasons unrelated to our announcement, global credit markets experienced a sudden and severe dislocation that sent shock waves around the world. As a result, on October 7, 2008, we announced that conditions in the credit markets would delay our planned recalibration of U.S. public finance ratings. This delay was required because we recognized that proceeding with our plans in the midst of such credit market turmoil could unintentionally lead to confusion and/or further market disruption. The temporary suspension of the recalibration process remains in effect today because of ongoing volatility in credit markets. Nevertheless, Moody's remains committed to our plan to apply our global ratings to U.S. public finance bonds, and we intend to move forward swiftly with the recalibration process once macro-economic conditions and credit markets stabilize. Meanwhile, Moody's has maintained its surveillance of U.S. public finance ratings, taking rating actions as appropriate based on our long-standing approach to municipal credits.

V. MOODY'S COMMENTS ON THE DRAFT BILL

We understand that the draft Bill, if adopted, would amend the Securities Exchange Act of 1934 (the "Act") to, among other things, require every NRSRO to:

- define clearly its rating symbols;
- apply those symbols consistently for all types of bonds; and
- have its credit ratings address the risk that investors in bonds may not receive payment in accordance with the terms of issuance.

Other provisions in the draft Bill indicate that the proposed amendments are not intended to prevent an NRSRO either from: (i) considering additional credit factors in certain circumstances; or (ii) establishing ratings that are complementary to the ratings described above and created to measure a discrete aspect of a bond's risk.

We understand that the draft Bill seeks to promote comparability between municipal and non-municipal bond ratings. In this respect, the Draft Bill is consistent with the feedback we received from a large number of the users of Moody's long-term municipal bond ratings. Our plan to recalibrate our municipal bond ratings to our global ratings is intended to enhance ratings comparability between municipal and non-municipal ratings. Accordingly, we do not believe that application of the proposed requirements in the draft Bill poses problems for our planned approach to rating long-

¹² See *Announcement: Moody's to Recalibrate its U.S. Municipal Bond Ratings to the Company's Global Rating Scale*, September 2008 (Document 110987), available at moody.com.

term municipal bonds because we plan to move forward with our ratings recalibration process.

The draft Bill, however, does raise some issues that Congress and/or the SEC may wish to consider, either in the legislative or rule-making process. I have outlined briefly some possible issues for consideration without attempting to provide a comprehensive list:

- The draft Bill mandates that the recently expressed preferences in the municipal market be frozen in time. This, in turn, could make it more difficult in the future for NRSROs to respond to evolving credit markets and needs of investors, issuers and other users of credit ratings.
- This legislative crystallization of recently expressed market preference could make it more difficult for NRSROs, and rating agencies interested in becoming NRSROs, to innovate and compete on the basis of providing credit ratings that meet market participants' evolving needs.
- While Moody's has concluded that it is appropriate for us to recalibrate our long-term municipal bonds to our global ratings, other NRSROs may have a different view. Congress may wish to consider whether a "one size fits all" approach to this issue should be mandated.
- While we believe that the draft Bill would not require us to change our planned approach to rating long-term municipal bonds, we note that the proposed amendments involve, for the first time in the United States, substantive regulation of the content of credit opinions and rating methodologies.
- The leaders of the G-20 declared in April 2009 that credit rating agencies "should differentiate ratings for structured finance products."¹³ A question arises about how to reconcile the requirements in the draft Bill with the obligations implied by the G-20 Declaration. This is because the draft Bill could be interpreted as requiring an NRSRO to use the same set of rating symbols and rating scale for all of its credit ratings (whether of corporate, municipal or structured finance bonds) that assess the risk that bondholders may not receive payment in accordance with the terms of issuance.
- It is unclear whether and how the provisions in the draft Bill would apply to certain categories of credit ratings that are intended to measure more than a discrete aspect of a bond's risk but do not use the same rating symbols as those applicable to our long-term credit ratings. For example, Moody's short-term credit ratings assigned in the corporate sector are entity-level opinions about the ability of issuers to honor short-term financial obligations and, therefore, address more than a "discrete aspect of a bond's risk". The symbols used for these short-term ratings (*i.e.*, Prime-1, Prime-2, Prime-3 and Not Prime) are different from the symbols used in our long-term ratings. The same question arises with respect to short-term credit ratings assigned to U.S. municipal debt, where we use the symbols MIG-1, MIG-2, MIG-3 and SG (where MIG stands for Municipal

¹³ G20, "Declaration on Strengthening the Financial System," April 2, 2009, available at www.g20.org.

Investment Grade and SG stands for Speculative Grade) for ratings assigned to short-term debt instruments.

- The draft Bill refers to credit ratings assigned to securities and money market instruments. In addition to assigning ratings to a variety of securities, money market instruments and other obligations (such as bank deposits), Moody's also assigns ratings at an entity level (*e.g.*, to corporations, financial institutions and funds). These ratings address more than a "discrete measure" of risk and, therefore, do not seem to fit within the concept of a "complementary" rating as defined in the draft Bill. A question arises as to whether and how the draft Bill would apply to ratings that an NRSRO assigns at an entity level.

VI. CONCLUSION

Moody's is strongly committed to meeting the needs of investors, issuers and other participants in the municipal bond market for assessments of the relative creditworthiness of bonds in that market – a market that plays a vital role in meeting public needs. Moody's supports constructive measures that encourage greater market transparency and seek to bolster confidence in credit markets. In this regard, we would welcome the opportunity to work with Congress to achieve these goals.

I am happy to respond to any questions.