

# Market Insights

## Sector Intelligence | U.S. Public Finance

April 4, 2024 | Data as of March 31, 2024

This report does not constitute a rating action.

### Key Takeaways

- There have been over 700 rating actions in U.S. public finance (USPF) through March 31, 2024, including ratings placed on CreditWatch with negative implications because of missing audits.
- For the annual check of missing audits, see [Various U.S. Local Government, Public Power, Utility, And Transportation Ratings Placed On CreditWatch Negative](#), published March 6, 2024.
- Upgrades outpaced downgrades, driven primarily by rating activity in the local governments sector.
- Outlook activity was mixed across sectors.

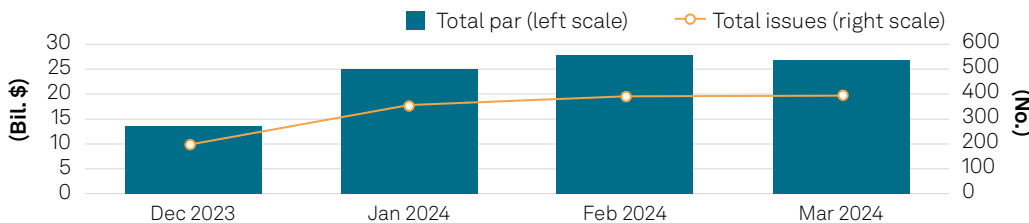
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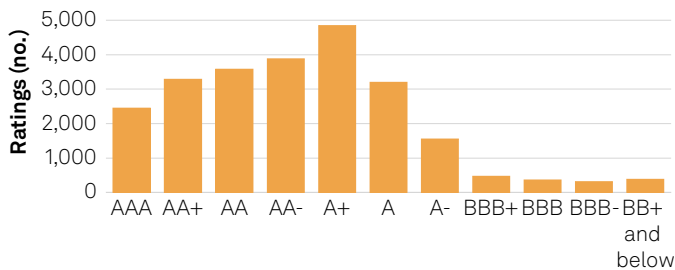
## U.S. public finance at a glance

<div style="border: 1px solid #007060; padding: 10px; text-align: center;"> <h1 style="margin: 0;">24,000+</h1> <h2 style="margin: 0;">Ratings</h2> </div>	<b>Rating changes</b>	<b>Mar 2024 (no.)</b>	<b>2024 (no.)</b>
	Upgrades	49	135
	Downgrades	37	76
	<b>Outlook and CW changes</b>		
	Favorable	18	95
	Unfavorable	344	394

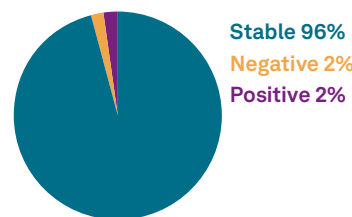
### S&P Global Ratings rated new issuance



### Rating distribution



### Outlook distribution



An Excel workbook containing a master list of rating actions by security type and by issues year to date can be downloaded [here](#).

Source: S&P Global Ratings.

[U.S. Transportation Infrastructure 2024 Activity Estimates Indicate A Return To Pre-Pandemic Levels And Growth, With Transit Ridership Still Recovering, March 21, 2024](#)

[U.S. Not-For-Profit Health Care Rating Actions, February 2024, March 20, 2024](#)

[U.S. Public Housing Authorities Capital Fund Ratings Remain Resilient Amid Higher Appropriations And No Planned Borrowing, March 14, 2024](#)

[Charter School Brief: California, March 13, 2024](#)

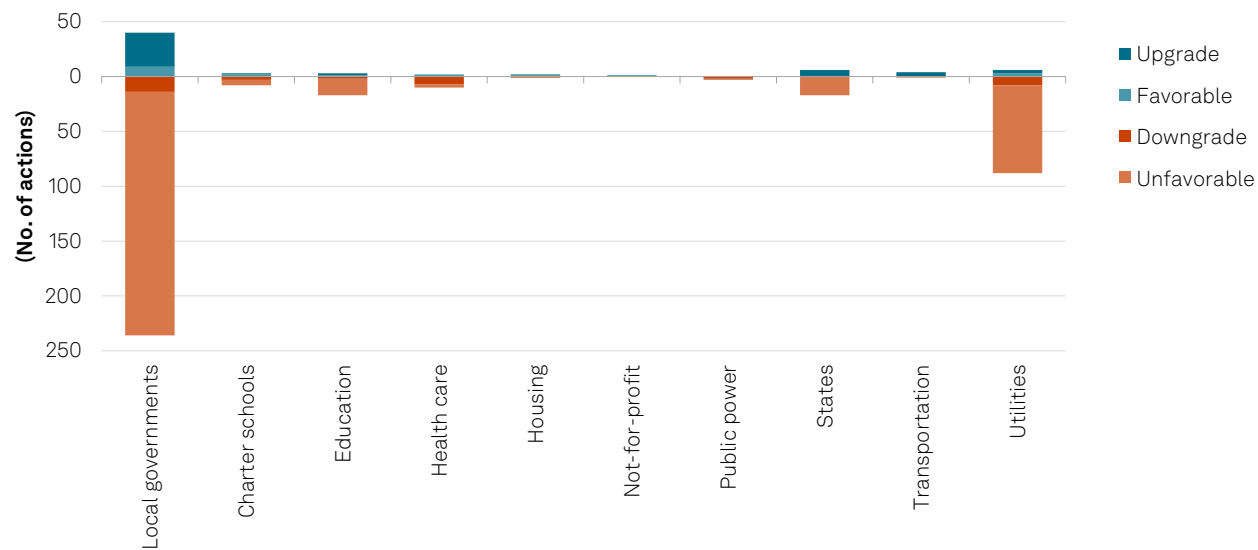
[Military Rental Housing 2024 Outlook: Bond Sector Stable Amid Slow Recruitment And Higher Expenses, March 7, 2024](#)

Note: In this report, we define "rating changes" as rating upgrades and downgrades; "rating actions" as rating changes, in addition to outlook changes and CreditWatch assignments or resolutions; "favorable" actions as outlook changes to stable from negative and to positive from stable, or placement of a rating on CreditWatch with positive implications; and "unfavorable" actions as outlook changes to negative from stable and to stable from positive, or placement of a rating on CreditWatch with negative implications. For local governments, we exclude school program rating actions tied to state rating actions.

## USPF Rating Activity

Chart 1

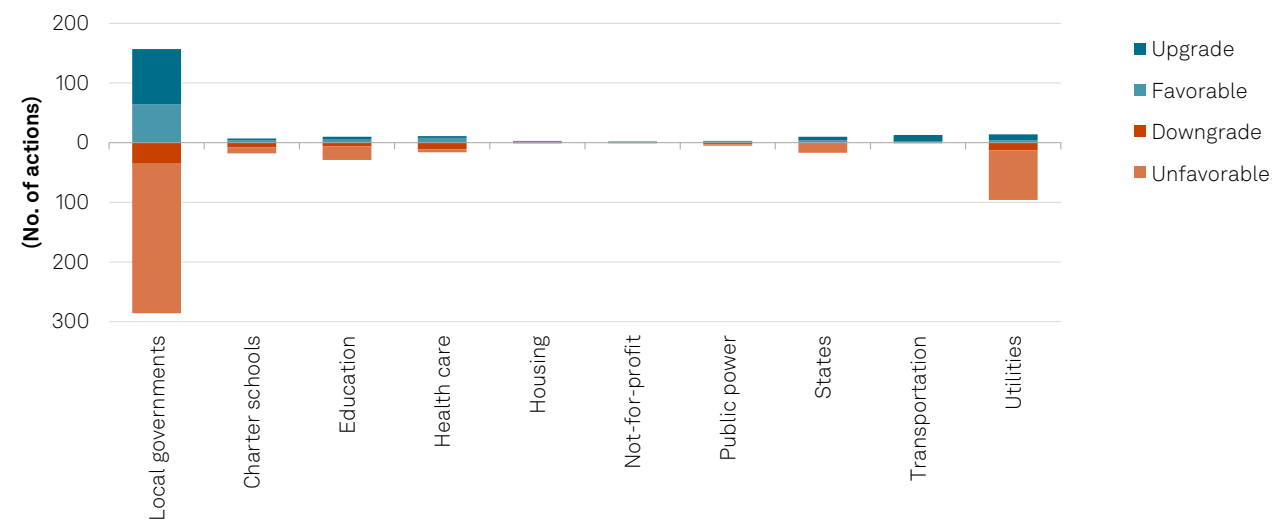
USPF March rating actions by sector



Source: S&P Global Ratings.

Chart 2

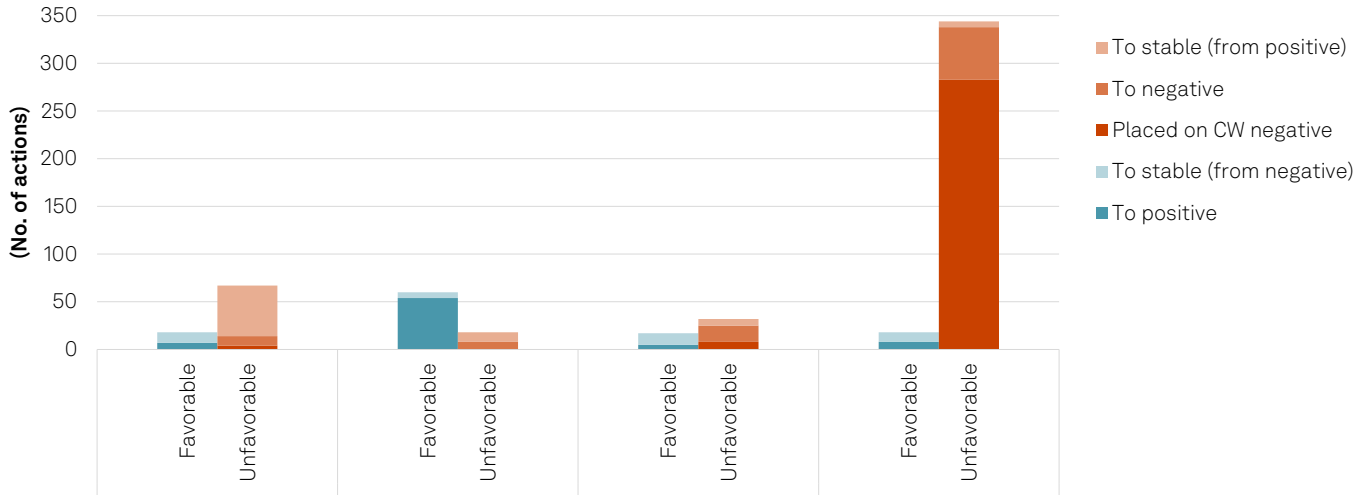
USPF rating actions by sector YTD 2024



Source: S&P Global Ratings.

Chart 3

USPF outlook and CreditWatch actions by month



CW—CreditWatch. Source: S&P Global Ratings.

## Sector Spotlight—Cyber Risk Pools

High cyber insurance premiums and difficulties securing coverage are prompting local governments to form cyber risk pools, where they self-insure in a group administered by a third-party manager.

In addition to more affordable coverage, mutualization provides a forum in which similar entities can discuss cyber security risks and develop best practices.

Participation in risk pools, coupled with adherence to rigorous cyber security risk mitigation strategies, may reduce costs and could improve public sector entities' overall credit quality.

### Recent Research

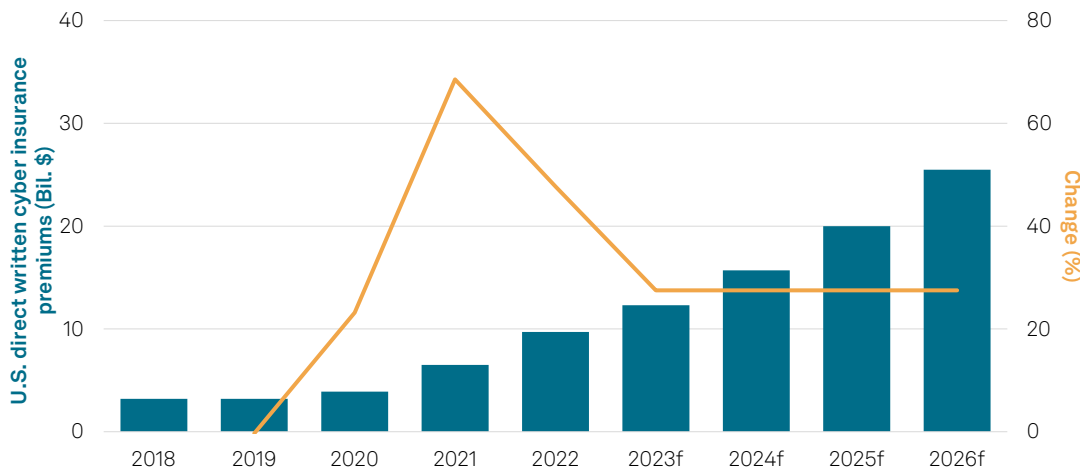
[U.S. Local Governments Are Turning To Cyber Risk Pools For Savings And Security Benefits, March 14, 2024](#)

[Cyber Security Experts Already Have Many Of The Tools To Manage AI Risks, Say Experts, March 12, 2024](#)

[How U.S. Not-For-Profit Acute-Care Providers Are Managing Risks From The Change Healthcare Cyber Attack, March 7, 2024](#)

Chart 4

U.S. cyber insurance premiums will continue to climb



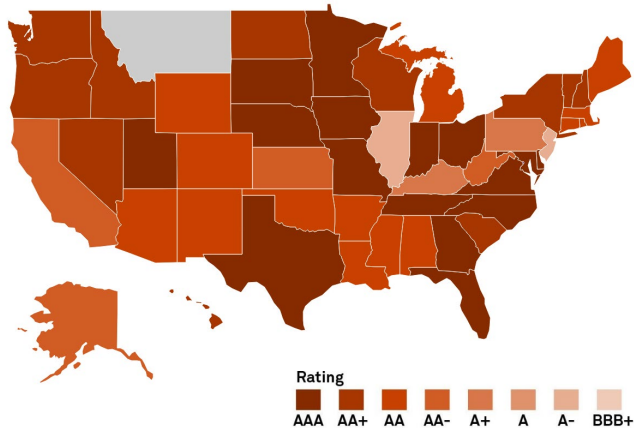
f--Forecast. Source: National Association of Insurance Commissioners, S&P Global Ratings.

# U.S. State Ratings

Ratings represented in table 1 are the state general obligation debt ratings or issuer credit ratings. Ratings on other debt issued by the state will vary based on the security backing the bonds. For more information, see our [History Of U.S. State Ratings](#) and [U.S. State Ratings And Outlooks: Current List](#).

Chart 5

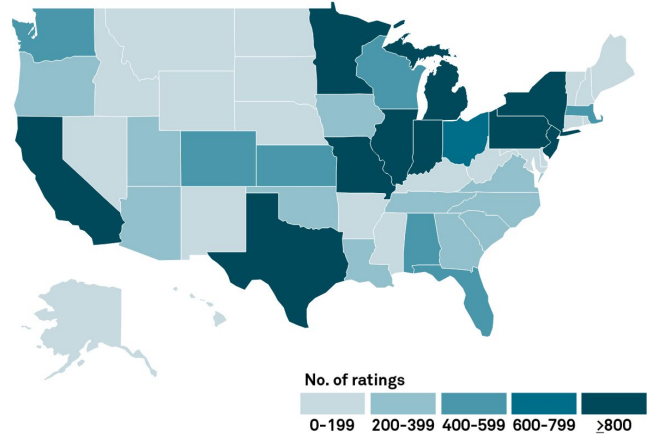
## U.S. state ratings



Unrated states are in grey. Source: S&P Global Ratings.

Chart 6

## No. of ratings by state



Includes all sectors. Source: S&P Global Ratings.

Table 1

## U.S. state rating actions in YTD 2024

State	Rating action	Outlook action	Current rating	Previous rating	Current outlook	Previous outlook	Date of rating action
New Hampshire	Upgrade	Outlook to stable	AA+	AA	Stable	Positive	March 25, 2024
Louisiana	Upgrade	Outlook to stable	AA	AA-	Stable	Positive	March 20, 2024
Mississippi	Affirmation	Outlook to negative	AA	AA	Negative	Stable	March 1, 2024
Washington	Affirmation	Outlook to positive	AA+	AA+	Positive	Stable	Jan. 11, 2024

Source: S&P Global Ratings.

# Appendix

Table 2

## Number of rating actions by sector March 2024

Sector	Rating changes		Outlook changes			CW changes	
	Upgrade	Downgrade	Outlook to positive	Outlook to negative	Outlook to stable	Placed on CW negative	Removed from CW
Charter schools	1	3	2	2	2	1	0
Education	2	2	1	13	0	2	2
Health care	0	7	0	2	3	0	1
Housing	1	1	0	0	1	0	1
Local governments	31	14	5	20	6	200	1
Not-for-profit	1	0	0	0	0	0	0
Public power	0	2	0	0	0	1	0
States	6	0	0	17	0	0	0
Transportation	4	0	0	0	0	1	0
Utilities	3	8	0	1	4	78	0

CW—CreditWatch. Source: S&P Global Ratings.

Table 3

## Number of rating actions by sector YTD 2024

Sector	Rating changes		Outlook changes			CW changes	
	Upgrade	Downgrade	Outlook to positive	Outlook to negative	Outlook to stable	Placed on CW negative	Removed from CW
Charter schools	3	8	3	6	4	1	0
Education	5	6	3	17	5	3	2
Health care	3	11	4	4	5	0	1
Housing	1	1	0	0	2	0	1
Local governments	93	34	51	32	27	206	6
Not-for-profit	2	0	0	1	0	0	0
Public power	1	3	1	1	1	1	0
States	6	0	4	17	0	0	0
Transportation	11	0	1	0	1	1	0
Utilities	10	13	0	2	6	79	2

CW—CreditWatch. Source: S&P Global Ratings.

## Editor's note

*In this report we present rating actions at the debt type level (e.g., general obligation, sales tax, parking revenue, etc.) rather than at the issuer level. Therefore, an issuer may have multiple rating actions associated with it in different sectors in the tables and charts.*

*Because we present the rating actions at the debt level, the metrics presented in this above may not be comparable to other research published by S&P Global Ratings or by other S&P Global divisions.*

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