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For Immediate Release  
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## **STATEMENT FROM STATE TREASURER RICHARD MOORE REGARDING CONFIRMATION OF NORTH CAROLINA'S "AAA" STATUS FROM CREDIT RATING AGENCIES**

"I am pleased to announce that Moody's, Standard & Poor's, and Fitch rating services have affirmed North Carolina's "AAA" rating for the State's upcoming variable rate bond sale. This positive news comes, in no small measure, as a result of Governor Easley and our legislative leadership making some difficult, but prudent budget decisions during tough economic times.

Without a doubt, we should all be proud to get this news. However, in what we should consider an obvious call for continued fiscal discipline, Moody's Investors Service has also placed North Carolina on "credit watch negative." While not affecting our "AAA" rating, this action does make clear our efforts to deal with the current budget crisis will be viewed under a microscope by the rating agencies.

This is a strong indication of the absolute need for the Governor and the General Assembly to continue to take necessary steps to correct all structural imbalances in North Carolina's state budget. To achieve this, three options are available for consideration: enhance revenues, cut expenditures, or do a combination of both. North Carolina must have the financial flexibility to deal with difficult economic times or unforeseen expenses, so we must rebuild our reserves. These are actions expected of a "AAA" rated state, and we must heed them if we are to remain one.

To add some perspective, it is important to note that North Carolina was placed on "credit watch negative" in the early 1990s, and the governor and legislative leadership serving at the time stepped up and did what was needed to maintain the "AAA" rating. I remain personally committed to working with Governor Easley, Senate President Pro Tem Marc Basnight, Speaker of the House Jim Black, and the leadership of the General Assembly as they make the tough choices in the months ahead that are financially responsible and required to preserve North Carolina's "AAA" credit rating."

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