***TEMPLATE:***

Dear XXX,

It has come to our attention the inclusion of several extended legislative efforts to enhance the use of the municipal bond in HR2. We write today to extend our full support of these efforts and to ask for Congressman XXX’s full support as well.

State and local governments (Public Power, Public Water, Public Schools, Public Works) rely on municipal bonds because they have the capacity to immediately finance critical projects that support our nation’s infrastructure needs while protecting the economy during this crisis. A number of provisions that were previously included in legislation during crisis have demonstrated their effectiveness. As for the immediate need, we respectfully ask that the infrastructure efforts include the following:

*Restore Advance Refunding of Tax-Exempt Bonds:* Restoring the ability for governments and other qualifying entities to advance refund tax-exempt municipal bonds thereby freeing up billions of dollars governments and nonprofits could spend on other projects. State and local governments and nonprofits understand that preparing for a pandemic requires strengthening the infrastructure network that underpins their communities and institutions. We are asking you to restore advance refunding thereby providing debt service savings for taxpayers which can be put to immediate public works purposes. This would be of immense help for planning and budgeting purposes for state and local communities and institutions, such as hospitals who are first line responders during this immediate crisis.

*Increase Access to Capital for Small Borrowers:* For many thousands of small issuers and governmental and nonprofit borrowers, increasing the bank qualified borrowing limit from $10 million to $30 million, and having it apply at the borrower level so that thousands of small local governments and charities would provide access to capital for immediate project needs.

*Restore and Expand the Use of Direct-Pay Bonds:* Restoring and expanding the use of direct pay type bonds and ending their exposure to sequestration, would immediately create an attractive investment option globally for thousands of local projects.

PLEASE INCLUDE HERE Any other initiatives, support for schools including QZABs, support for water infrastructure including WIFIA and SRF funding, support for transportation including more capital for QDOT bonds. Or support for any other initiatives included:

  A significant increase in PAB volume cap;

  Broadening of the small issue idb rules;

  Expansion of first time farmer bond rules’

  Creation of a new private activity bond category for zero-emission vehicle infrastructure;

  Elimination of PAB volume cap requirement for sewage and water furnishing bonds;

While the full impact the COVID-19 virus will have on the economy remains uncertain, the proposed major infrastructure plan will certainly create a stimulating effect in the near term. Looking forward, State and local governments and special districts know that preparing for a pandemic requires strengthening the infrastructure network that underpins their communities. Therefore, funding and financing infrastructure will remain an issue of paramount importance for many years to come. We look forward to working with you on this and other matters of mutual interest. If I can be of assistance or if you should have any questions, please do not hesitate to call.

Very best regards,