***TEMPLATE:***

Dear Senator XXX,

On behalf of [Name of Jurisdiction], we write today to extend our full support for the *Lifting Our Communities through Advance Liquidity for Infrastructure (LOCAL Infrastructure) Act*, led by Sens. Roger Wicker and Debbie Stabenow. This bipartisan legislation is an important and much needed step towards fully reinstating tax-exempt advance refundings and we ask for your full support and urge you to cosponsor this bill.

(Entity you represent, i.e. State, local government, public power, public water, public schools, public works) relies on municipal bonds because they have the capacity to immediately finance critical projects that support our nation’s infrastructure needs. Having helped laid the foundations for our modern economy to thrive, expanding use of the tax exemption of municipal bonds through restoration of tax-exempt advance refunding bonds strengthens a useful tool for state and local fiduciaries. The bipartisan and bicameral support for this bill underscores the utility of the municipal bond interest exemption and its role in economic recovery.

Prior to 2018, governmental bonds and 501(c)(3) bonds issued by state and local governments were permitted a single advance refunding. This allowed public issuers to take advantage of reductions in future interest rates, acting as a reliable cost saving measure benefitting the taxpayers who ultimately pay for governmental activities. In fact, the Government Finance Officers Association’s best practices recommended an advance refunding should produce a minimum savings threshold on a present value basis of 3-5 percent. In the 5-year period from 2013-2017, the advance refunding of municipal securities saved taxpayers at least $12 billion, a benefit to all of our shared constituencies.

For [Name of Jurisdiction], the ability to advance refund resulted in [Insert any data/examples you can share on how your jurisdiction would benefit]. 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,