

Government Finance Officers Association
Airports Council International-North America
American Hospital Association
American Public Power Association
American Public Transportation Association
American Public Works Association
American Society of Civil Engineers
American Water Works Association
Association of Public & Land-Grant Universities
International City County Management Association
International Public Management Association for Human Resources
Large Public Power Council
National Association of College and University Business Officers
National Association of Counties
National Association of Regional Councils
National Association of State Auditors Comptrollers and Treasurers
National Association of State Treasurers
National Association of Towns and Townships
National Council of Clean Water Agencies
National Council of State Housing Agencies
National League of Cities
National School Boards Association
National Association of Health and Educational Facilities Finance Authorities
The United States Conference of Mayors
Bond Dealers of America
Securities Industry and Financial Markets Association
National Association of Municipal Advisors
National Association of Bond Lawyers

February 12, 2020

Dear Chairman Neal and Ranking Member Brady,

The Public Finance Network, which consists of state and local governments and other tax-exempt bond issuers, borrowers and municipal market professionals, appreciate your commitment to finding real answers for our nation's growing infrastructure needs. Members of the organizations listed above rely significantly on the federal partnership represented by the tax-exemption for municipal bonds and the infusion of federal grant dollars that support the development of infrastructure for their communities.

During the Committee's January 29 hearing, lawmakers and panel experts concurred that any possible solution is worth exploring to fill the dearth of capital resources faced by cities, counties, states, education, transportation authorities, hospitals, utilities, housing, and other entities providing critical infrastructure. We were pleased to hear that representatives and experts agreed that components of our existing federal partnership can be part of the solution, including:

- Relying on the municipal bond tax exemption because it has the capacity to support our nation's infrastructure needs
- Restoring the ability for governments and other qualifying entities to advance refund tax-exempt municipal bonds

- Restoring and expanding the use of Build America Bonds (BABs) and ending their exposure to sequestration
- For small issuers and borrowers, increasing the bank qualified borrowing limit from \$10 million to \$30 million, and having it apply at the borrower level
- Maintaining popular grant programs that support capital investment

Tax-exempt bonds are issued to pay for capital needs that directly benefit our communities. Billions of dollars are saved across tens of thousands of governmental entities through the issuance of tax-exempt bonds every year. Funding and financing infrastructure will remain an issue of paramount importance for many years to come. We applaud this committee's dedication to investigate these solutions and look forward to working with the Committee and our other federal partners to ensure our communities continue to thrive.

Sincerely,

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