

May 15, 2020

The Honorable Nancy Pelosi
Speaker of the House
1236 Longworth House Office Building
Washington, DC 20515

The Honorable Kevin McCarthy
Republican Leader
2468 Rayburn House Office Building
Washington, DC 20515

The Honorable Mitch McConnell
Republican Leader
317 Russell Senate Office Building
Washington, DC 20510

The Honorable Charles Schumer
Democratic Leader
322 Hart Senate Office Building
Washington, DC 20510

The Honorable Richard Neal
Chairman, House Committee on Ways and Means
1102 Longworth House Office Building
Washington, DC 20515

The Honorable Kevin Brady
Ranking Member, House Committee on Ways and Means
1011 Longworth House Office Building
Washington, DC 20515

The Honorable Chuck Grassley
Chairman, Senate Committee on Finance
135 Hart Senate Office Building
Washington, DC 20510

The Honorable Ron Wyden
Ranking Member, Senate Committee on Finance
221 Dirksen Senate Office Building
Washington, DC 20510

Dear Congressional Leadership,

The economic impacts of the COVID-19 coronavirus outbreak have been wide-reaching. To facilitate a speedy recovery, the Council of Development Finance Agencies (CDFA) and our joint coalition of partners urges Congress to improve tax-exempt bonds, the most impactful public finance investment tool in the United States. Through tax-exempt bonds, the federal government has provided needed support for the development and maintenance of essential facilities that deliver critical services and stimulate local economic development, which cannot be replicated by other means. Tax-exempt bonds have been at the heart of every recovery effort in our nation's history.

Bonds are the foundation of public finance, and current market conditions demand that they be a major component in our nation's recovery. With historically low interest rates, communities and borrowers need the option of the capital markets to attract investors and to access capital needed for recovery. And, investors need the safety and long-term stability that the capital market ensures. Now, more than ever, a strong tax-exempt bond market is needed.

By **including a bond finance title in the next Stimulus Act**, you would signal that bonds are a critical economic recovery tool, and allow for several common-sense changes to be passed related to the efficiency and effectiveness of tax-exempt bonds. Further, these changes would provide essential capital for water, energy, hospital, and housing infrastructure as well as manufacturing and agriculture, all notably important as the nation requires more community facilities, medical manufacturing, and food systems delivery. We believe these bedrock financing tools can be extremely valuable to the rapid buildup of the supply chains needed to mitigate and recover from this pandemic.

Our coalition of partners, including non-profits, development agencies, bond issuers and cities and states throughout the country, join us in supporting efforts to improve tax-exempt bonds. Including important

updates and needed changes to tax-exempt bonds in the stimulus will allow for faster recovery from the economic disruption caused by COVID-19.

We ask that Congress include a bond financing title in the next stimulus act. We stand ready to answer any questions you may have, and we thank you for your consideration.

Sincerely,
The Undersigned

National

Council of Development Finance Agencies
National Association of Bond Lawyers
Bond Dealers of America
Local Initiatives Support Corporation (LISC)
National Council of State Agricultural Finance Programs
International Economic Development Council
International Sustainable Resilience Center, Inc.

Arizona

Zions Bank
Lotzar Law Firm, PC

California

Pacific Enterprise Bank

Colorado

Colorado Housing and Finance Authority
Colorado Springs Chamber & EDC
Economic Development Council of Colorado
North Slope Capital Advisors
Capital Innovation & Technology Institute LLC

Florida

Greater Gainesville Chamber of Commerce
Miami-Dade County Industrial Development Authority
Community Initiatives Development Corporation
Kosan Associates

Illinois

Illinois Finance Authority
First American Bank
Ice Miller LLP
Two Rivers Economic Development District
Melvin Securities, LLC

Indiana

James Meyer & Associates, PC

Iowa

Bradley & Riley PC

Kansas

City of Pittsburg

Kentucky

Blue & Co., LLC

Louisiana

Town of Gramercy

Maine

Northern Maine Development Commission

Maryland

CohnReznick LLP

Massachusetts

Boston Industrial Development Financing Authority

Michigan

Monroe County Business Development Corporation

Missouri

St. Louis Development Corporation

Organization for Building American Communities

Ottawa County

Midland States Bank

UMB Bank, N.A.

Nevada

Northern Nevada Development Authority

New Mexico

City of Albuquerque

radicle

New Jersey

New Standard Senior Living

New York

NYCEDC

Franklin County NY Local Development Corporation

City of Troy

North Carolina

KPM Financial, LLC

Green Wavv LLC

Ohio

Ohio Economic Development Association

Envision Group LLC

Wallick Communities

Development Finance Authority of Summit County

Bricker & Eckler LLP

Scioto County Economic Development
Paulding County Economic Development

Oklahoma

The Public Finance Law Group PLLC

Oregon

Business Oregon

Pennsylvania

Philadelphia Industrial Development Corporation
Chester County Economic Development Council

Tennessee

S&ME, Inc.

Texas

Texas Economic Development Council
Gulf Coast Authority
Gosling Road Management LLC
Hidalgo Economic Development Corp.
Corey Artis, Texas

U.S. Virgin Islands

U.S. Virgin Islands Economic Development Authority

Virginia

Virginia Economic Development Partnership
Virginia PACE Authority

Washington

Washington Economic Development Finance Authority
Rural Community Development Resources/Center for Latino Farmers
City of Vancouver Department of Public Works

West Virginia

West Virginia Economic Development Authority

Wisconsin

Friends of Milwaukee's Downtown Forest
VJS Construction Services