

RESOLUTION

DISASTER PLANNING AND PREPAREDNESS FOR FINANCIAL OFFICERS

Urging State and Local debt issuers to develop disaster preparedness plans.

WHEREAS, Tax-exempt municipal bonds are the basic tool used by State and Local governments to fund the capital improvements necessary to provide utilities, roads and bridges, airports, health care, education, housing and other public services; and

WHEREAS, The ability of State and Local governments to access the capital markets through credit financing in the form of municipal bonds is based principally on the financial health of the issuer; and

WHEREAS, In times when a State or Local government is faced with a disaster situation, a default on the part of a government on its debt would result in an increased burden to those already victimized by a disaster in the form of increased taxes and higher borrowing costs; and

WHEREAS, Sound stewardship of the financial assets of a State or Local government increasingly depend on a well-developed and preparedness system; and

WHEREAS, A disaster preparedness plan would facilitate response to disasters and encourage stability and mitigate further damage in the bond issuance and other financial markets.

Now therefore be it resolved, that the National Association of State Treasurers and the State Debt Management Network urge State and Local debt issuers to develop a disaster preparedness plan.

Be it further resolved, that such policy and plans include at a minimum, the following basic principles that will enable the State or Local government to promptly respond to and recover from natural and man-made disaster affecting the ability of these governments to serve their citizens.

Approved this 20th Day of August, 2008 by
the National Association of State Treasurers

Hon. Lynn Jenkins
NAST President
Kansas State Treasurer