

**Government Finance Officers Association  
Airports Council International-North America  
American Public Power Association  
American Public Works Association  
American Society of Civil Engineers  
American Water Works Association  
Council of Infrastructure Financing Authorities  
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 Health and Educational Facilities Finance Authorities  
National Association of Regional Councils  
National Association of State Auditors Comptrollers and Treasurers  
National Association of State Treasurers  
National Association of Clean Water Agencies  
National Community Development Association  
National League of Cities  
National School Boards Association  
The United States Conference of Mayors**

March 12, 2020

VIA Electronic Mail

The Honorable Mitch McConnell  
Majority Leader, U.S. Senate  
317 Russell Senate Office Building  
Washington, D.C. 20510

The Honorable Charles Schumer  
Minority Leader, U.S. Senate  
322 Hart Senate Office Building  
Washington, D.C. 20510

The Honorable Nancy Pelosi  
Speaker, U.S. House of Representatives  
235 Cannon House Office Building  
Washington, D.C. 20515

The Honorable Kevin McCarthy  
Minority Leader, U.S. House of Representatives  
326 Cannon House Office Building  
Washington, D.C. 20515

Dear Senators and Representatives:

On behalf of the national organizations listed above, representing hundreds of thousands of state and local government public finance professionals and members of the municipal bond issuer and user community we write to express our appreciation for the consideration of legislation to respond to the potential effects of the COVID-19 virus.

States and local governments will face massive challenges in responding to, and as a result of, this pandemic. We understand there are multiple approaches to providing immediate relief to those affected and longer-term economic stimulus. We also understand that there may be several bills – one addressing immediate needs and a later one focusing on broader economic issues. In drafting these bills, the Public Finance Network (PFN) requests that you include temporary extension and permanent restoration of proven, financing tools utilized by state and local governments, schools, hospitals, airports and special districts and other public sector entities to provide efficient and low cost financing of critical investments in infrastructure that will move this country forward immediately. We believe these steps would free up scarce resources for states and localities while also stimulating investments needed to keep our economy growing.

State and local governments 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; many organizations in the PFN will follow up on those provisions in the near future. As for the immediate need, we respectfully ask that the stimulus include the following (but not limited to):

*Restore Advance Refunding of Tax-Exempt Bonds (H.R. 2772):* 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 (H.R. 3967):* 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.

While the full impact the COVID-19 virus will have on the economy remains uncertain, a major infrastructure plan could 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.

Sincerely,

Government Finance Officers Association, Emily Swenson Brock, 202-393-8467  
Airports Council International-North America, Annie Russo, 202-293-8500  
American Public Power Association, John Godfrey, 202-467-2929  
American Public Works Association, Andrea Eales, 202-408-9541  
American Society of Civil Engineers, Joe Brady, 202-789-7852  
American Water Works Association, Tommy Holmes, 202-326-6128  
International City/County Management Association, Elizabeth Kellar, 202-962-3611  
International Public Management Association for Human Resources, Neil Reichenberg, 703-549-7100  
Large Public Power Council, John DeStasio, 512-707-1010  
National Assn. of Health and Educational Facilities Finance Authorities, Chuck Samuels, 202-434-7311  
National Association of Clean Water Agencies, Kristina Surfus, 202-833-4655  
National Association of College and University Business Officers, Elizabeth Clark, 202-861-2553  
National Association of Counties, Eryn Hurley, 202-661-8805  
National Association of Regional Councils, Leslie Wollack, 202-618-5696  
National Association of State Auditors, Comptrollers and Treasurers, Cornelia Chebinou, 202-624-5451  
National Association of State Treasurers, Brian Egan, 202-630-1880  
National Community Development Association, Vicki Watson, 540-656-9552  
National League of Cities, Irma Diggs, 202-626-3023  
National School Board Association, Deborah Rigsby, 703-838-6208  
The United States Conference of Mayors, Larry Jones, 202-861-6709

CC: Members of the United States House of Representatives  
Members of the United States Senate