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Amendment Introduced in Senate to Expand Municipal Facility to Underwrite Credits that Incur a Loss.

As the Senate continues to debate a potential stimulus package, Senate Banking Chairman Mike Crapo (R-SD) has introduced an amendment that would expand the Fed's authority granted in the CARES Act to allow the Municipal Liquidity Facility to underwrite credits that may incur losses, without expanding the list of eligible entities.

Text of the amendment can be viewed [here](#).

The amendment would alter the CARES Act by:

Clarification of 13(3) authorities under the CARES Act: clarifies that "the Secretary shall prioritize the provision of credit and liquidity to assist eligible businesses, States and municipalities, even if the Secretary estimates that such loans, loan guarantees, and other investments may incur losses."

The BDA will continue to provide updates on the potential stimulus package as they develop.

Bond Dealers of America

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