

Bond Case Briefs

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BDA Supports Rep. Reed's Bank-Qualified Bond Legislation.

Rep. Tom Reed (R-NY) introduced the Municipal Bond Market Support Act of 2015 (HR 2229), which would increase the annual limit for bank-qualified bonds to \$30 million, index the level to inflation in the future, extend the use of bank-qualified bonds to 501(c)(3) organizations, and allow for pooled financing.

In his [press release](#), Reed featured a quote from the BDA supporting his legislation: "The Bond Dealers of America organization supports this legislation and we hope to see it move forward this year. Bank-qualified bonds are a cost-effective method of financing for local governments and financing authorities, incentivizing community banks to invest in tax-exempt bonds to finance important local projects," said Bond Dealers of America CEO, Mike Nicholas.

Congress approved these measures under the American Recovery and Reinvestment Act of 2009, however they expired at the end of 2010 and bipartisan legislation has been introduced several times since then to make these changes permanent.

The BDA and other industry groups have supported bank-qualified legislation since 2008 and sent a [letter](#) of support to Rep. Reed and the five cosponsors in support of the bill. We will continue to work with the House and Senate to promote additional support and passage of the bill.

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