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NABL: Federal Reserve Accepting Comments on Municipal Liquidity Facility.

As the Federal Reserve prepares to launch the Municipal Liquidity Facility, it is considering comments submitted by the public. As a reminder, the Municipal Liquidity Facility is an initiative by the Federal Reserve to provide up to $500 billion of credit to state and local governments that have seen their revenues collapse during the COVID-19 coronavirus crisis.

Submit a Comment: To submit a comment about the Municipal Liquidity Facility for consideration by the Federal Reserve, please use the portal here. NABL is considering submitting comments and we encourage our members to submit your individual comments as well.

Note, the portal for the Municipal Liquidity Facility is expected to stay open until April 16, 2020, so we encourage you to submit soon.

FAQs: Additionally, the Federal Reserve is developing a Frequently Asked Questions (FAQ) document that will be available shortly.

More information about the Municipal Liquidity Facility can be found at the link here and below:

- The Federal Reserve has established the Municipal Liquidity Facility to help state and local governments manage cash flow pressures in order to continue to serve households and businesses in their communities.
- The facility will purchase up to $500 billion of short term notes directly from U.S. states (including the District of Columbia), U.S. counties with a population of at least two million residents, and U.S. cities with a population of at least one million residents.
- Eligible state-level issuers may use the proceeds to support additional counties and cities.
- In addition to the actions described above, the Federal Reserve will continue to closely monitor conditions in the primary and secondary markets for municipal securities and will evaluate whether additional measures are needed to support the flow of credit and liquidity to state and local governments.

Helpful Links:

Municipal Liquidity Facility term sheet.
Press Release related to additional actions to provide up to $2.3 trillion in loans to support the economy.

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