Bond Case Briefs

Municipal Finance Law Since 1971

Fed Tells Municipalities to Seek Funding from Banks First.

Before states and local governments turn to the Fed looking for a loan, the central bank wants them to first look to Wall Street.

“Each eligible issuer must also provide a written certification that it is unable to secure adequate credit accommodations from other banking institutions and that it is not insolvent,” the Fed stated in guidance on what entities can apply for its $500B municipal facility.

Any of the 50 U.S. states, a city of more than 250K residents and a county with more than 500K residents can be eligible issuers under the facility.

Seeking Alpha

By: Liz Kiesche, SA News Editor

Apr. 28, 2020

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com