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Florida to Use Municipal Bonds to Boost Private Space-Launch Industry.

The state of Florida is getting ready to utilize the issuance of municipal bonds in order to further its agenda of boosting the private space-launch industry. This throws the spotlight on fixed income investors who haven't yet allocated their exposure to municipal bond exchange-traded funds (ETFs).

Per a Bond Buyer report, "Gov. Ron DeSantis signed legislation in late June enabling Space Florida, the state's aerospace economic development agency, to bypass approval from the governor and cabinet to issue revenue bonds for private companies pursuing capital projects. The bill's sponsor, Sen. Tom Wright, R-New Smyrna Beach, said the law provides Space Florida with the same streamlined bonding process afforded to other governmental entities and will foster a more competitive marketplace for the state's space industry."

"Space Florida has done a tremendous job in attracting companies to our state," Wright said in a statement. "From this bill's passage, they will be able to conduct business and save costs for all involved parties, while ensuring the state of Florida is not on the hook when it comes to issuing bonds."

"This legislation clarifies and simplifies the process for Space Florida to utilize its bonding authority to further grow the aerospace industrial capacity in Florida," Ketcham said. "The financing tool kit of Space Florida is akin to a commercial enterprise as it is not backed by the full faith and credit of the State of Florida. This recent legislation removed potential ambiguity on that issue."

ETF TRENDS

by BEN HERNANDEZ on JULY 16, 2020