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SIFMA Statement on Transition From LIBOR to Alternative Rates and ARRC Model Law for New York State.

New York, NY, December 16, 2020 - SIFMA today issued the following statement from SIFMA president and CEO Kenneth E. Bentsen, Jr. on the transition from LIBOR to alternative rates, in support of the [letter](#) from the ARRC on its model law for New York State:

“The transition from LIBOR to alternative rates is a top priority for the financial services industry. SIFMA supports market, legislative and regulatory efforts to ensure a smooth transition, while avoiding market disruption and legal uncertainty. We continue to work as part of the Alternative Reference Rate Committee on issues such as resolution of legacy transactions, development of a term rate, and socialization in the cash markets. Notably, the ARRC developed a model law for New York to help transition ‘tough legacy’ contracts that are difficult or practically impossible to amend, which SIFMA fully supports and urges New York to pass.

“SIFMA is also discussing the issue with Congress including possible federal legislation modeled on the NY law while continuing to advocate for the passage of NY state legislation. Notwithstanding those efforts, we continue to advocate for transition to new reference rates such as SOFR consistent with the end 2021 timeline, and the best practice recommendation of the ARRC. There is much to be done in that window, and regulators have made clear that the usage of LIBOR in new transactions needs to end next year.”