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Buttigieg Touts Benefits of Advance Refundings in Confirmation Hearing.

Yesterday, Transportation Secretary Nominee Pete Buttigieg touted the benefits of advance refundings Senate Committee on Commerce, Science, and Transportation confirmation hearing, a top priority for the BDA.

Senator Roger Wicker (R-MS), lead sponsor of Senate legislation last year that would reinstate municipal advance refundings, asked the former Mayor of South Bend, Indiana if he would be in support of such a measure.

Buttigieg responded by stating:

"In terms of stretching local dollars, one thing we found in past eras where interest rates were dropping is that the use of advance refunding techniques allowed state and local governments to refinance at lower interest rates, while still holding harmless the holders of the bonds. As mayor few things gave me more fiscal pleasure than to find that we could save taxpayer dollars by refunding previously existing debt especially since we do our accounting on a cash basis. This holds a lot of promise for relief to local governments."

The BDA continues to press Congress and the new Administration to reinstate municipal advance refundings and incorporate bond provisions into any infrastructure package.

Last week, the BDA wrote to the Biden transition team, laying out priorities for the new Administration.

The letter can be viewed [here](#).

The BDA will continue to provide updates as they become available.

Bond Dealers of America

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