
New Guidance Outlines Best Practices for Municipal Bond Issuers Facing Growing Climate Threats.

As climate-related disasters become more frequent and costly, municipal governments are on the front lines—responsible for protecting communities, maintaining essential services, and investing in infrastructure that can withstand future risks.

This guide supports state and local governments in strengthening climate-related financial disclosures—an essential step in building resilience, accessing capital, and planning for long-term stability.

Why this matters:

- The $4 trillion municipal bond market is essential to funding resilience and disaster response.
- In 2023 alone, $508 billion in municipal bonds were issued.
- But climate risks are still under disclosed, despite mounting disasters and rising costs.
- 17% of U.S. counties currently face compound exposure to climate hazards like floods, hurricanes, and fires—which are only increasing.
- Wildfires in Los Angeles in 2025 caused $250 billion in damage—and led to bond downgrades for issuers with over $70 billion in outstanding debt.

This guide highlights:

- Practical steps for disclosing climate risks in financial statements, bond offering documents, and voluntary sustainability and climate action reports.
- Real-world examples from major municipal bond issuers including Boston, Seattle, Miami-Dade County, and others.

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