**CDFA – Bond Provision sign-on Letter**

* Use this sample text to craft your letter.
* Letters should be tailored to reflect your state/city and placed on your organization’s letterhead.
* For full Congressional office contact information go to [www.house.gov](http://www.house.gov) or [www.senate.gov](http://www.senate.gov).
* Letters should be emailed to the Congressional office first.
* Mail letters AFTER you email them. They will take several days to reach the Capitol office.
* For assistance with crafting your letters, do not hesitate to contact CDFA.
* Send a copy of your letter to CDFA @ [mguy@cdfa.net](mailto:mguy@cdfa.net)
* Be sure to remove this header from your letters.



April 8, 2020

The Honorable Nancy Pelosi

Speaker of the House

1236 Longworth House Office Building

Washington, DC 20515

The Honorable Mitch McConnell

Republican Leader

317 Russell Senate Office Building

Washington, DC 20510

The Honorable Richard Neal

Chairman, House Committee on Ways & Means

1102 Longworth House Office Building

Washington, DC 20515

The Honorable Charles Grassley

Chairman, Senate Committee on Finance

219 Dirksen Senate Office Building

Washington, DC 20510

The Honorable Kevin McCarthy

Republican Leader

2468 Rayburn House Office Building

Washington, DC 20515

The Honorable Charles Schumer

Democratic Leader

322 Hart Senate Office Building

Washington, DC 20510

The Honorable Kevin Brady

Ranking Member, House Committee on Ways & Means

1139 Longworth House Office Building

Washington, DC 20515

The Honorable Ron Wyden

Ranking Member, Senate Committee on Finance

221 Dirksen Senate Office Building

Washington DC 20510

Dear Congressional Leadership,

The economic impacts of the coronavirus outbreak have been wide-reaching, and to facilitate a speedy recovery, we feel that Congress needs to improve the most impactful public finance investment tools available: tax-exempt bonds. Through tax-exempt bonds, the federal government has provided critical support for the development and maintenance of essential facilities necessary to deliver critical services and to stimulate local economic development, which cannot be replicated by other means. With a few small changes to the Internal Revenue Code, we believe these bedrock financing tools can be extremely valuable to the rapid buildup of the supply chains and local infrastructure needed to mitigate and recover from this pandemic.

Qualified Small Issue Manufacturing Bonds (more commonly known as Industrial Development Bonds or IDBs), as well as First-Time Farmer Bonds (also called Aggie Bonds), can be used in times of crisis to quickly ramp up manufacturing and agricultural production, notably in the delivery of medical manufacturing and food systems delivery. Unfortunately, the regulations governing the issuance of IDBs and Aggie Bonds have not been modernized in over 30 years, decreasing the effectiveness of these respective industries’ mitigation and recovery efforts. The ***Modernizing Agricultural and Manufacturing Bonds Act (MAMBA)***, introduced as **H.R. 5422**, is a common-sense, bipartisan, targeted reform package that will modernize IDBs and Aggie Bonds. The six reforms in the bill will expand the capacity and usability of manufacturing and agricultural bonds to help save American jobs.

While the federal aid offered through the Stafford Act offers a much-needed source of funds for communities affected by disasters, those funds are rarely available in the immediate onset of a disaster and are often insufficient for comprehensive mitigation and recovery efforts. Communities need a permanent financing tool that is accessible during and immediately after disaster strikes. Such a tool would leverage private investment to make essential infrastructure resilient in the long-term. This tool could be put in place and triggered by the declaration of a national emergency. **Permanent disaster recovery bonds** could be in place today and be used by thousands of communities to immediately address critical COVID-19 pandemic needs.

Hundreds of organizations, issuers, underwriters, bankers, bond counsels, and other advocates have supported CDFA in our efforts to improve tax-exempt bonds. We feel that these common-sense bond provisions must be included in the stimulus to allow for faster recovery from the economic disruption caused by COVID-19. We stand ready to answer any questions you may have, and we thank you for your consideration.

Sincerely,

NAME

TITLE