

February XX, 2018

The Honorable XX XX
XXXX Longworth House Office Building
Washington, DC 20515

Dear Congressman XX:

On behalf of the Bond Dealers of America (BDA), the only Washington, DC-based trade association representing the interests of “Main Street” investment firms and banks active predominantly in the U.S. fixed income markets; I write to ask for your support of H.R. 5003. This bipartisan bill provides a common-sense solution to save taxpayer money, encourage economic growth, and fund infrastructure investments.

As you know, the recently passed *Tax Cuts and Jobs Act of 2017* repealed the advanced refundings of municipal bonds. As investors of municipal bonds, the BDA strongly supports to ability of state and local governments use financing tools, such as advanced refundings, to wisely finance public infrastructure and community needs. The loss of this vital financing tool has severely hampered the ability state and local governments to take advantage of lower interest rates and restructure debt service payments.

The repeal of advance refundings has also created an unexpectedly instability in the fixed-income and muni market as we grapple with less volume and activity in the bond market. State and local governments depend on the stability the market historically provides in order to provide goods and services they are relied upon to provide.

H.R. 5003 would assist Congress in achieving the stated goal of infrastructure improvement and investment and further energize the economy and continue to lower the tax burden of middle-class Americans by reinstating the ability for state and local governments to refinance their debt, allowing the ability to provide more cost effective and efficient infrastructure and services. BDA strongly recommends you to cosponsor H.R. 5003 and encourage you to speak with other Members of Congress in an effort to have them join you in supporting the bill.

Thank you for your consideration and please let us know if you need more information from us.

Sincerely,

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