



Washington Report

South Carolina Jobs-Economic Development Authority Bond Summit

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National Association *of* Bond Lawyers



About the National Association of Bond Lawyers

- Established to promote the importance and integrity of the municipal market by advancing the understanding of and compliance with the law affecting public finance.
- A forum for the exchange of ideas as to law and practice, giving its members some of the tools that help them continually improve the state of the art in the field.
- Provides commentary and recommendations at the federal, state and local levels with respect to legislation, regulations and rulings affecting bonds. On occasion, NABL submits friend of the court briefs or memoranda in connection with court or administrative proceedings.



What we'll cover today

- **State of Affairs in DC**
 - Trump Impeachment Proceedings
 - Continuing Resolution(s)
- **Legislation**
 - Advance Refunding Legislation
 - Small Issuer Exception (BQ)
- **Protecting PABs**
- **Infrastructure Package**
- **Muni-Related Legislation**
- **House Municipal Finance Caucus**





Congressional Activity

➤ **Stopgap CR**

- Congress did not complete action on appropriations before the end of the fiscal year on Sept. 30, although lawmakers enacted legislation in August to raise the discretionary spending caps.
- A continuing resolution was signed into law on Sept. 27 and funds agencies at current levels through Nov. 21.

➤ **Lack of agreement on several issues have held up progress on appropriations bills**

- The House and Senate, meanwhile, are continuing to negotiate appropriations bills (and reconcile differences) for the rest of FY 2020.
- Before they produce final bills, the House and Senate need to a set of topline spending allocations for all 12 appropriations bills.
- Continued CR's may be a solution to this problem.



Congressional Focus

➤ **Current issues of focus:**

- Health care reform
 - Stabilizing drug prices
- Immigration
 - Border security and immigration
- Infrastructure
 - High priority issue for voters
- Climate Change
 - Democrats to hold hearings
- Gun Reform
 - Democrats want to bring legislation to the floor
- Impeachment
 - Ongoing noise and distraction
- 2020 Election



Infrastructure Package – to be or not to be?

- NABL Letter to Congressional Leadership
- NABL Statement for the Record to House Committee on Ways & Means
- Return of Direct Pay Bonds
- Protect PABs!



Priority Legislation

➤ **Investing in our Communities Act**

- H.R. 2772: Introduced by Reps. Ruppertsberger (D-MD) and Stivers (R-OH)
- Can this pass in a larger infrastructure package where pay-go rules will be waived?

➤ **Municipal Bond Market Support Act of 2019**

- H.R. 3967: Introduced by Reps. Sewell (D-AL) and Reed (R-NY)
 - Increases the issuance level from \$10M to \$30M
 - Identifies the increased dollar amount at the borrower level
 - Indexes for inflation
 - Permanent
- Can this pass in a must-pass surface transportation bill?

➤ **Need more Cosponsors**

- >100 for messaging purposes



Congress Demonstrates Interest in Bond-Related Issues

- H.R. 1251 – Public Buildings Renewal Act
- H.R. 865 – Rebuild America’s Schools Act
- H.R. 1508 – Move America Act
- H.R. 1937 – Indian Community Economic Enhancement Act
- H.R. 658 – National Infrastructure Development Bank Act
- H.R. 1142 – The SALT Act
- H.R. 2541 – BUILD Act
- H.R. 2772 – The Investing in Our Communities Act
- H.R. 2923 – The Inclusive Prosperity Act
- H.R. 2921 – Broadband for All Act
- H.R. 2718 – P3 Act
- H.R. 307 – Affordable Housing Credit Improvement Act
- H.R. 3861 – The Carbon Capture Improvement Act
- H.R. 3744 – Agriculture Environmental Stewardship Act
- H.R. 3967 – Municipal Bond Market Support Act
- H.R. 2446 – No Tax Subsidies for Stadiums Act
- S. 932 – Public Buildings Renewal Act
- S. 266 – Rebuild America’s Schools Act
- S. 146 – Move America Act
- S. 212 – Indian Community Economic Enhancement Act
- S. 437 – The SALT Act
- S. 352 – BUILD Act
- S. 1121 – PRO Sports Act
- S. 1587 – The Inclusive Prosperity Act
- S. 1703 – Affordable Housing Credit Improvement Act
- S. 1763 – The Carbon Capture Improvement Act
- S. 2039 – Greener Transportation for Communities Act
- S. 1288 – Clean Energy for America Act
- S. 1242 – No Tax Subsidies for Stadiums Act



Advocacy Tools

- Advocacy
 - Enhanced website
 - Advocacy Toolkit
 - Member home ZIP codes
- Education
 - Educational one-pagers
 - Educational meetings with legislators
- Information Sharing
 - Public Finance Network





Securities Issues

- **15c2-12 Rule**
 - NABL Considerations Document
- **Letter to OMS on Staff Legal Bulletin**
- **Push by SEC, investors and analysts for more timely disclosure**
 - Use EMMA to promote timely/earlier filing of financials
- **Issuer disclosure working group**
- **MSRB “reform” – Sen. Kennedy bill**
- **Updates to 1994 Interpretive Release**



NABL Initiatives

➤ **Scholarly Articles**

- Social Media and Electronic Disclosure
- Financing of Charter Schools (published 2018)

➤ **NABL Connect**

- Communities for information sharing among NABL members

➤ **Tax Law, Securities Law & Disclosure, General Law & Practice, and Governmental Affairs Committees**

- Publications / Guidance documents



NABL Document Production

- Form Conduit Indenture Second Edition (08/21/19)
- **SEC Rule 15c2-12 Amendments: NABL Member Questions and Practical Considerations (07/31/2019)**
- NABL Letter to IRS on Priority Guidance 2019-2020 (06/07/2019)
- NABL Analysis of SIFMA Model Memo to UC Considerations for Members (03/13/2019)
- **Our Nation's Crumbling Infrastructure and The Need for Immediate Action - NABL Statement for the Record (03/06/2019)**
- Reissuance Regulations Letter (3/01/2019)
- NABL Letter to Congressional Leadership (02/13/2019)
- NABL Comments and Proposals Governing Remedial Actions (02/06/2019)
- Remediation Proposal Letter (02/01/2019)
- **Veterans Multifamily Housing Preferences (12/20/2018)**
- Model Letter of Disclosure Counsel: 2018 Edition (12/18/2018)
- **Disaster Recovery Bond Financing Paper (9/6/2018)**
- Model Bond Opinion (underway)



What Next?

- Continued Advocacy & Education
 - Consistent education alleviates stresses like TCJA in the future
 - Members can use Governmental Affairs team as an echo chamber
 - Continued communication among industry participants showcases power in numbers
 - Constituents matter
- Enhance our cooperative work with BDA, CDFA, GFOA, NAHEFFA, PFN, SIFMA, and others



THANK YOU!

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