



AMERICAN PUBLIC WORKS ASSOCIATION

Your Comprehensive
Public Works Resource

www.apwa.net

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July 8, 2020

The Honorable Roger Wicker
United States Senate
555 Dirksen Senate Office Building
Washington, DC 20510

Dear Senator Wicker:

On behalf of the over 30,000 members of the American Public Works Association (APWA), we are writing to thank you for introducing S. 4129, the Lifting Our Communities through Advanced Liquidity for Infrastructure Act or LOCAL Infrastructure Act. This bipartisan legislation will help communities invest in local infrastructure by reinstating the advance refunding of municipal bonds.

Tax-exempt municipal bonds allow local governments to finance roads, water infrastructure, public utilities, health care facilities, and much more. Local governments save an average of 25 to 30 percent on interest costs with tax exempt municipal bonds (as compared to taxable bonds), thanks to investors who are willing to accept a lower interest rate on tax exempt bonds. Additionally, the ability to advance refund outstanding bonds provides substantial savings to taxpayers throughout the country. Prior to the enactment of the Tax Cuts and Jobs Act of 2017, governmental bonds and 501(c)(3) bonds were permitted one advance refunding. This advance refunding allowed public issuers to take advantage of fluctuations in interest rates to realize considerable savings on debt service, which ultimately benefits taxpayers. APWA opposed the changes to the tax code made in 2017 that removed advance refunding.

APWA is an organization dedicated to providing essential public works services to millions of people across the country in rural and urban communities, both small and large. Working in the public interest, APWA's more than 30,000 members plan, design, build, operate and maintain the infrastructure and services of our nation. The public works spectrum includes roads and bridges, drinking water, emergency preparedness and response, flood control and stormwater, recycling, solid waste removal, parks and recreation, and public fleets and buildings. These vital

PRESIDENT
William E. (Bill) Spearman III, PE.

CHIEF EXECUTIVE OFFICER
Scott D. Grayson



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infrastructure services foster commerce, protect public health, and provide the high quality of life we expect as Americans.

Thank you for your leadership on this important issue. APWA looks forward to working with you and your staff in the future. If you have any questions, please contact APWA's Director of Government and Public Affairs, Andrea Eales, in our Washington, D.C. office at aeales@apwa.net or at 202-218-6730.

Sincerely,

A handwritten signature in black ink that reads "William E. Spearman, III". The signature is written in a cursive style with a prominent "W" and "S".

William E. (Bill) Spearman III
President

A handwritten signature in black ink that reads "Scott D. Grayson". The signature is written in a cursive style with a prominent "S" and "G".

Scott D. Grayson, CAE
Chief Executive Officer

PRESIDENT
William E. (Bill) Spearman III, PE.

CHIEF EXECUTIVE OFFICER
Scott D. Grayson