

**Congress of the United States**  
**Washington, DC 20515**

March 8, 2017

The Honorable Kevin Brady  
Chairman  
Committee on Ways & Means  
U.S. House of Representatives

The Honorable Richard Neal  
Ranking Member  
Committee on Ways & Means  
U.S. House of Representatives

Dear Chairman Brady and Ranking Member Neal:

As Congress considers tax reform and infrastructure financing, we, the undersigned, write to express our strong support for a potent tool already in hand – the tax-exempt municipal bond. For more than a century, states and local governments have depended on this reliable and efficient means of financing.

Nearly two-thirds of core infrastructure investments in the United States are financed with municipal bonds. In 2015 alone, more than \$400 billion in municipal bonds were issued to finance the projects that touch the daily lives of every American citizen and business. They are the roads we drive on, schools for our children, affordable family housing, water systems that supply safe drinking water, courthouses, hospitals and clinics to treat the sick, airports and ports that help move products domestically and overseas, and, in some cases, the utility plants that power our homes, businesses, and factories. These are the pro-growth investments which spur job creation, help our economies grow, and strengthen our communities.

A combination of local control and local responsibility makes municipal bonds an incredibly effective and efficient tool. Voters throughout the country overwhelmingly support tax-exempt municipal bonds, which are either approved by locally-elected officials or directly through bond referenda – fiscal federalism at its finest. This must help explain why the default rate is less than 0.01%. Federal tax exemption reduces the cost of issuing municipal bonds, but it is these voters who will pay the interest and principle on this debt. As a result, over the last decade overall state and local borrowing has actually declined in proportion to the economy, while still financing more than \$2 trillion in new infrastructure investments. And, if simply left alone, municipal bonds likely will finance another \$3 trillion in new infrastructure investments by 2026.

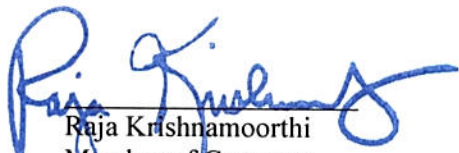
Furthermore, millions of Americans depend on municipal bonds for their economic security, and invest in them because of their low-risk nature. Nearly three-quarters of individual investors earn less than \$200,000 per year, and more than three-quarters are 55 or older. Businesses also rely on municipal bonds as a safe, stable, long-term investment.

In conclusion, changes to the tax-code should recognize the vital role of tax-exempt municipal bonds. Any changes under consideration to the tax exempt status that would increase the cost of financing for states and local government should be provided very careful consideration. We believe the current tax-exempt status contributes to efficient economic growth that benefits all Americans.

Very Respectfully,


  
Randy Hultgren  
Member of Congress


  
C.A. Dutch Ruppertsberger  
Member of Congress

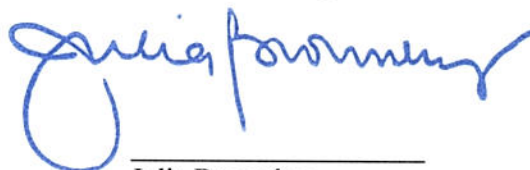
  
Raja Krishnamoorthi  
Member of Congress

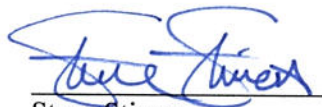
  
Vicente Gonzalez  
Member of Congress

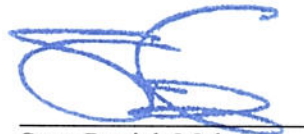
  
Ted W. Lieu  
Member of Congress

  
Raúl M. Grijalva  
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Cheri Bustos  
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Julia Brownley  
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Steve Stivers  
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Sean Patrick Maloney  
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Earl Blumenauer  
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Debbie Wasserman Schultz  
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David Joyce  
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Tim Ryan  
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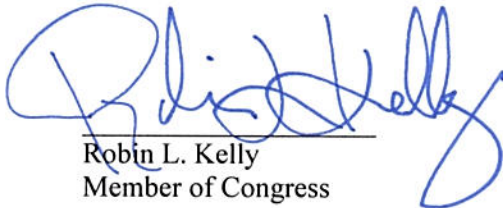
  
Ruben Gallego  
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Luke Messer  
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Stephanie Murphy  
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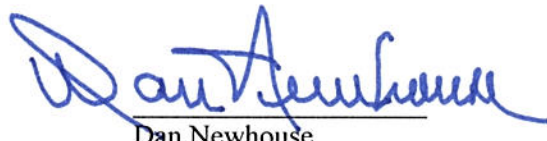
Robin L. Kelly  
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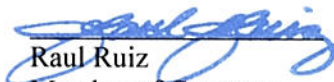
Mark Walker  
Member of Congress




Grace Meng  
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Dan Newhouse  
Member of Congress



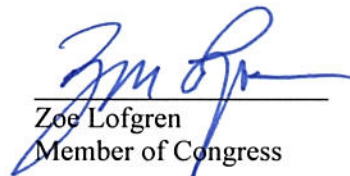
Raul Ruiz  
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Beto O'Rourke  
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Al Lawson, Jr.  
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Zoe Lofgren  
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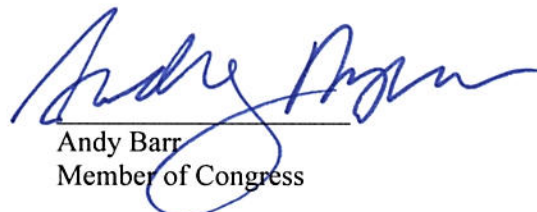
Jared Huffman  
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Michael Capuano  
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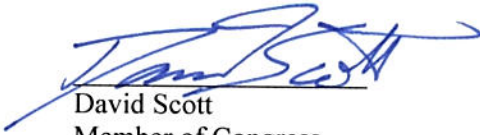


Mark Pocan  
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Andy Barr  
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David Scott  
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Barbara Comstock

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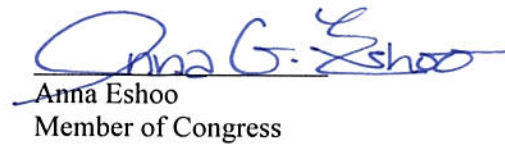
John Rutherford  
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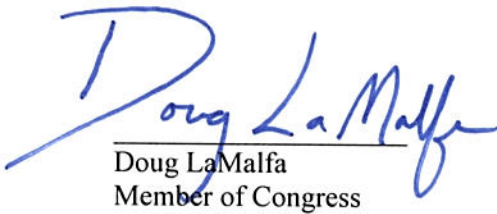
Anna G. Eshoo  
Member of Congress



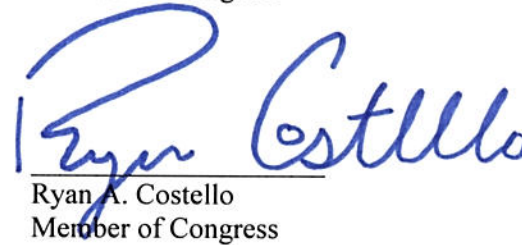
Ruben Kihuen  
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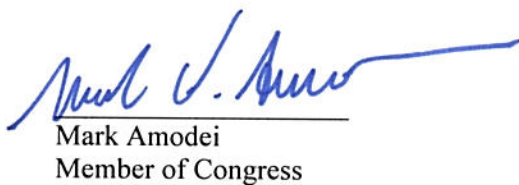
Pramila Jayapal  
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Doug LaMalfa  
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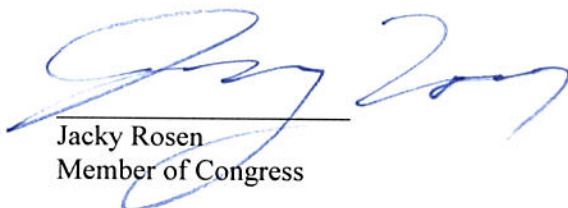
Ryan A. Costello  
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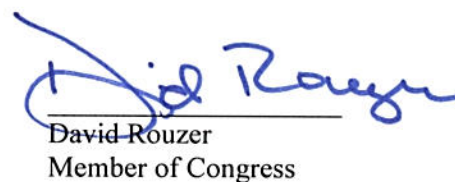
Mark Amodei  
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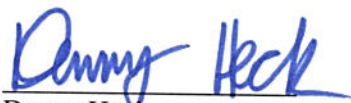
Peter King  
Member of Congress



Jacky Rosen  
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David Rouzer  
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Denny Heck  
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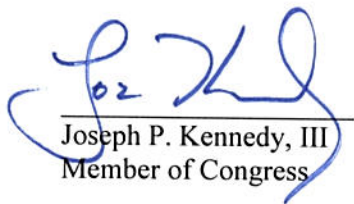
Charlie Crist  
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Richard Hudson  
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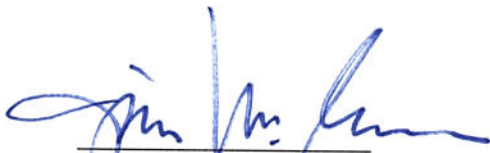
Jamie Raskin  
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Joseph P. Kennedy, III  
Member of Congress



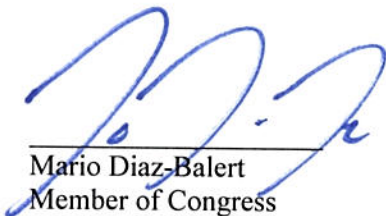
Dennis Ross  
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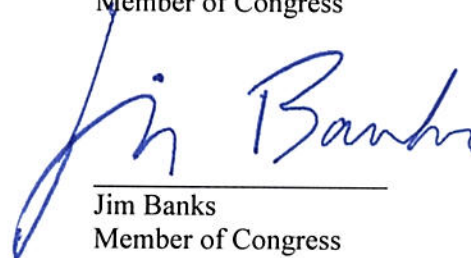
James P. McGovern  
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Suzanne Bonamici  
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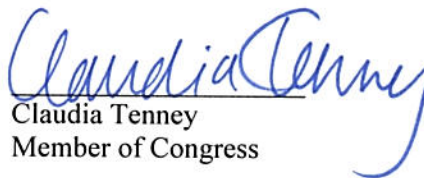
Mario Diaz-Balart  
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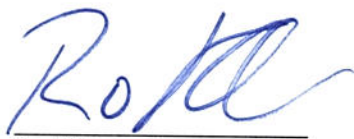
Jim Banks  
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Ted Yoho  
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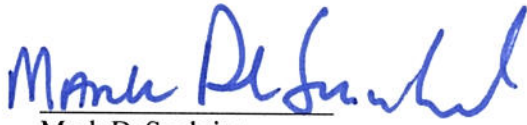
Claudia Tenney  
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Ro Khanna  
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Brian Fitzpatrick  
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Mark DeSaulnier  
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Debbie Dingell  
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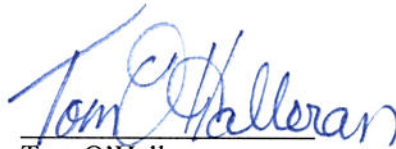
Bradley Byrne  
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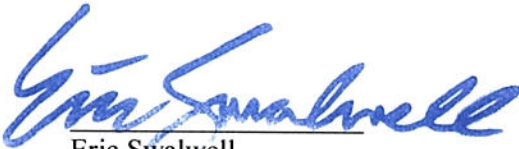
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John Yarmuth  
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Salud Carbajal  
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Michelle Lujan Grisham  
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Mia Love  
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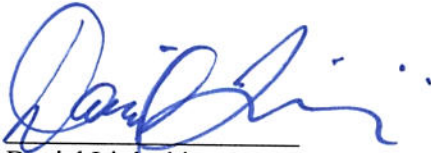
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Alma S. Adams  
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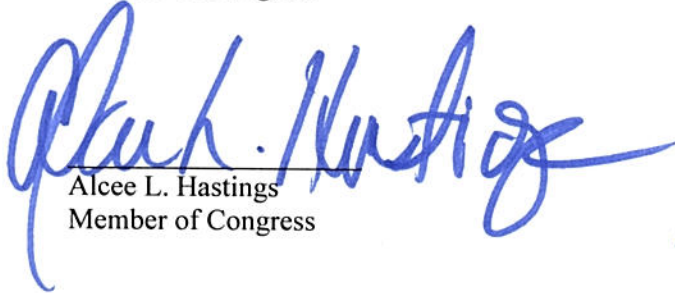
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Alcee L. Hastings  
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Nita M. Lowey  
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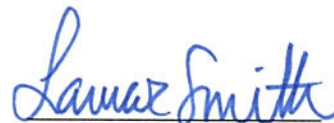
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Luis V. Gutiérrez  
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Lamar Smith  
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Steve Womack  
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Lois Frankel  
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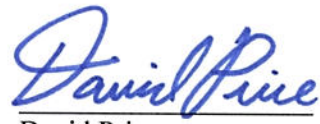


Wm. Lacy Clay  
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Mike Simpson  
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David Price  
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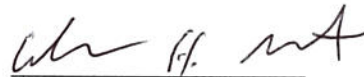
Gus Bilirakis  
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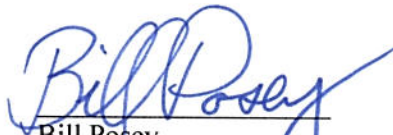
Rick Larsen  
Member of Congress



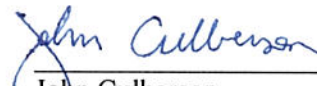
Peter DeFazio  
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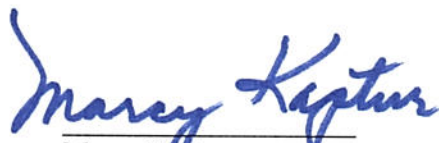
Eleanor Holmes Norton  
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Bill Posey  
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John Culberson  
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Marcy Kaptur  
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Brad Sherman  
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Brian Mast  
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Terri Sewell  
Member of Congress

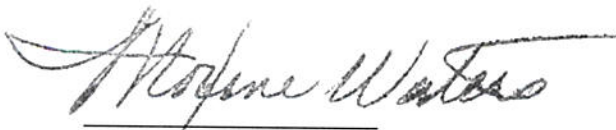


Collin C. Peterson  
Member of Congress

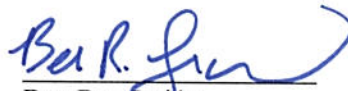


Steve King  
Member of Congress





Maxine Waters  
Member of Congress



Ben Ray Lujan  
Member of Congress



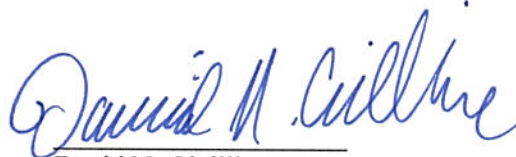
Pete Sessions  
Member of Congress



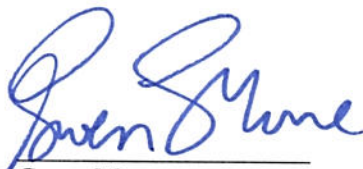
Gerald E. Connolly  
Member of Congress



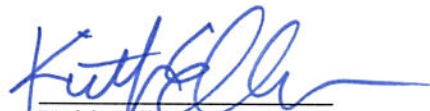
Tom Marino  
Member of Congress



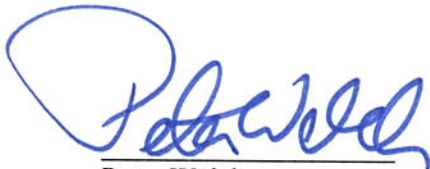
David N. Cicilline  
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Gwen Moore  
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Keith Ellison  
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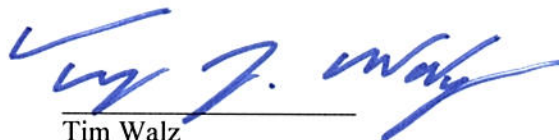
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Lloyd Doggett  
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Doris Matsui  
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Tim Walz  
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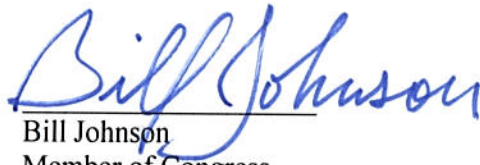
Don Young  
Member of Congress



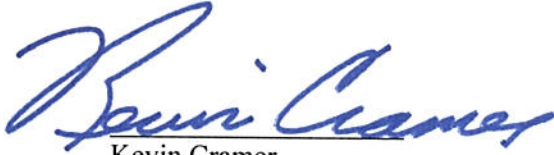
Sean Duffy  
Member of Congress



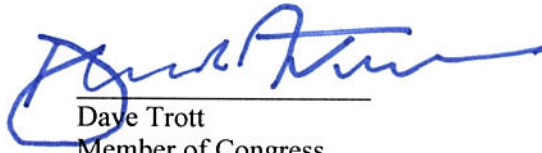
John Delaney  
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Bill Johnson  
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Kevin Cramer  
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Dave Trott  
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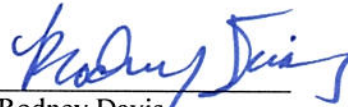
Rob Woodall  
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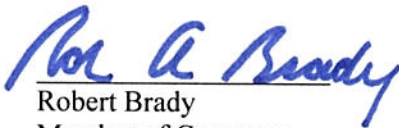
Kyrsten Sinema  
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David G. Valadao  
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Rodney Davis  
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Robert Brady  
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Lou Barletta  
Member of Congress



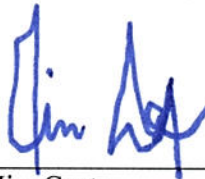
Kathy Castor  
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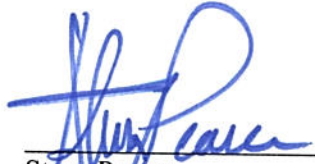
Robert J. Wittman  
Member of Congress



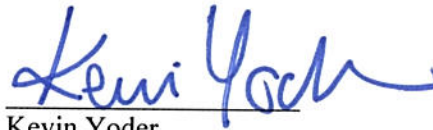
Paul A. Gosar D.D.S.  
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Jim Costa  
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Steve Pearce  
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Kevin Yoder  
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John Garamendi  
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Mike Coffman  
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Frederica S. Wilson  
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Bob Gibbs  
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Ted Deutch  
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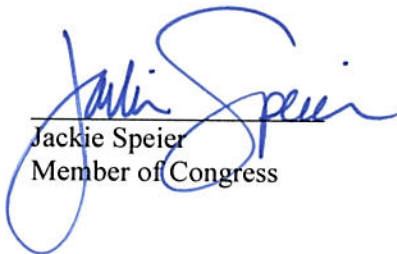
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Paul D. Tonko  
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Dina Titus  
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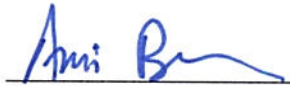


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Darren Soto  
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Ami Bera  
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Bradley Schneider  
Member of Congress



Joe Wilson  
Member of Congress



Anthony Brown  
Member of Congress



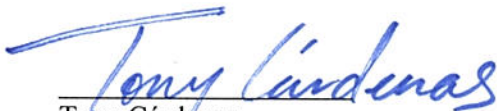
Mark Takano  
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Kathleen Rice  
Member of Congress



Derek Kilmer  
Member of Congress



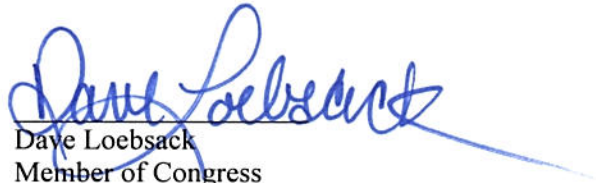
Tony Cárdenas  
Member of Congress



Don Bacon  
Member of Congress



Lee Zeldin  
Member of Congress



Dave Loebsack  
Member of Congress



Juan Vargas  
Member of Congress



Grace F. Napolitano  
Member of Congress

*Francis Rooney*

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Francis Rooney  
Member of Congress

*Barbara Lee*

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Barbara Lee  
Member of Congress