

State of Connecticut

DENISE L. NAPPIER
TREASURER



Hartford

April 6, 2018

The Honorable Richard Blumenthal
706 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Joe Courtney
2348 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Chris Murphy
B40A Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Rosa DeLauro
2413 Rayburn House Office Building
Washington, D.C. 20515

The Honorable John Larson
1501 Longworth House Office Building
Washington, D.C. 20515

The Honorable Jim Himes
1227 Longworth House Office Building
Washington, D.C. 20515

The Honorable Elizabeth Esty
221 Cannon House Office Building
Washington, D.C. 20515

Dear Senators Blumenthal and Murphy and Representatives Larson, Courtney, DeLauro, Himes and Esty:

I am writing to express support for H.R. 5003, *An Act to Amend the Internal Revenue Code of 1986 to Reinstate Advance Refunding Bonds*. These bonds, which have been utilized by state and local governments for many years to achieve savings on behalf of our citizens, were eliminated as part of the Tax Cuts and Jobs Act (H.R. 1).

Total advance refundings undertaken by my office alone between 2012 and 2017 will save Connecticut taxpayers \$445.4 million by using the ability to refinance debt on tax-exempt municipal issuances to take advantage of favorable interest rates. These advance refundings benefitted the State's Special Tax Obligation bond program, the UConn 2000 bond program, State Revolving Fund bond programs (which service the Clean Water and Drinking Water programs) and the General Obligation bond program. Ultimately, this allows Connecticut to build more infrastructure in these programs at less cost to our taxpayers.

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I am closely following developments on federal infrastructure proposals to measure the impact on our state and our ability to finance important projects. As we face growing demand – and opportunity – to rebuild our crumbling infrastructure, I applaud the recognition that is being placed on the role of state and local governments and urge you to consider restoring advance refunding bonds as a critical and common sense element of any Congressional infrastructure proposal.

Bipartisan legislation has been introduced to restore the ability to issue tax-exempt advance refunding bonds. I ask that you join Reps. Hultgren (R-IL), Ruppertsberger (D-MD), Messer (R-IN), Royce (R-CA), Kildee (D-MI), and Capuano (D-MA) in co-sponsoring H.R. 5003, which would provide needed flexibility to state and local governments to continue to finance infrastructure projects at the best value to the taxpayer.

I look forward to the opportunity to work with you and your staff as Congress considers infrastructure legislation, and to promote common sense reforms that will save money for taxpayers and result in more investment in state and local projects.

If you have any questions or wish to discuss this further, please feel free to call on me or my Assistant Treasurer for Debt Management, Christopher P. Martin, at Christopher.P.Martin@ct.gov or 860.702.3288.

Sincerely,


Denise L. Nappier
State Treasurer

Best Regards!