



Municipal
Bonds for
America

**Statement from Municipal Bonds for America (MBFA)
In Response to the President's Remarks in the State of the
Union Address**

Washington, D.C. (February 13, 2013) Municipal Bonds for America (MBFA), a coalition of municipal officials, issuers, broker /dealers, and other bond market participants, issued the following statement regarding President Obama's remarks regarding infrastructure the State of the Union Speech:

Last night, President Obama called on Congress to invest in the nation's infrastructure, focusing on repairing the nation's broken roads and bridges. The President called for a "Partnership to Rebuild America" to attract private capital to upgrade our nation's roads and bridges, ports, pipelines, schools.

Tax-exempt municipal bonds are the way to do that. Municipal bonds finance schools, airports, bridges, health care facilities, affordable housing, and other vital infrastructure needs that touch our daily lives.

Municipal bonds have been a cost-effective, stable financing mechanism for local governments and financing authorities for 100 years and currently more than 30,000 government units issue tax-exempt bonds.

Access to municipal bonds is essential to ensuring the construction and improvement of the nation's infrastructure. The American Society for Civil Engineers estimates that the U.S. must invest \$2.2 trillion in the next five years to meet the nation's physical infrastructure needs. Without access to tax-exempt municipal bonds, public infrastructure costs will increase significantly. Much of that increase would be paid for by every taxpayer through increased taxes and fees.

To meet national infrastructure goals critical to moving the economy forward, we strongly encourage the Administration and Congress to work cooperatively to preserve the tax-exempt status for municipal bonds.

MBFA is a rapidly expanding coalition of organizations and individuals interested in the preservation of tax-exempt bonds. The coalition is educating the Administration and Congress on the municipal market and advocating for sensible rules for municipal bonds. To learn more or to become involved in MBFA activities, please visit the coalition's website at www.munibondsforamerica.org.

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