

# Supporting Access

Spring 2022



Quarterly Newsletter of the National Association of Health and Educational Facilities Finance Authorities





## **NAHEFFA President's Message**

by Barry W. Fick, Executive Director  
Minnesota Higher Education Facilities Authority

Welcome to Spring 2022. It appears that COVID is receding as a health care threat, easing the burden on the nations overloaded and overworked healthcare system and allowing colleges and universities to resume more campus activities. We all know that by its nature, Pandemics are unpredictable, and while we may yet see another wave of illness, I am hopeful that immunizations, acquired immunity and newly developed therapeutic treatments can all work together and help control future outbreaks.

We should not forget how the services the NAHEFFA Member Authorities provide borrowers benefits the entities who borrow through our Authorities. Borrowers have faced enormous financial and operations pressure since early 2020 where they have been on the front line of dealing with COVID. Our work for them provides savings on new financing and refinancing that directly help both borrowers and the people they serve.

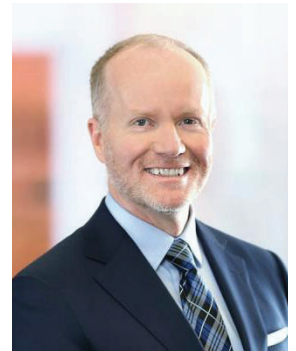
With a new year and (hopefully) re-emergence of safe travel, this is a great time for NAHEFFA to undertake a review of the organizations Strategic Plan and Focus areas. We have strong credibility with the SEC, MSRB, GFOA, and members of Congress. Our work with the able assistance of ML Strategies has been invaluable in helping shape legislation in the past. With a slowdown in legislative activity that affects us for the moment, this is a good time to reflect, review and rededicate ourselves to a Strategic Plan to preserve our legislative priorities and determine the best way forward. More on this topic at the Spring 2022 Conference.

Speaking of the Spring 2022 Conference, we look forward to seeing you in Charleston, South Carolina from Sunday, April 24 through mid-day Tuesday, April 26, 2022, at the Spring 2022 NAHEFFA Conference. I was speaking with a friend recently about business travel plans opening up in the coming months and noted I would be in Charleston, South Carolina in late April. Her immediate reaction was to let me know how wonderful Charleston is. She considers it one of the undisputed highlights of the United States. High praise, and I hope we can all experience the City of Charleston in that spirit, also enjoying the always topical, relevant, and engaging NAHEFFA Spring conference.

The Conference will be held at the historic Francis Marion Hotel. Beginning with a Welcome Reception late on the afternoon of Sunday, April 24. This is a great opportunity to connect with people you haven't seen in person recently, catch up on events and projects at other Authorities, and perhaps make a new acquaintance. The Conference begins on Monday, April 25 with a full agenda and continues through mid-day on Tuesday, April 26. The Conference Committee has put together a great agenda for the Conference and I encourage you to check the NAHEFFA website for the latest information about the event.



**Charles A. Samuels**  
Washington DC Legislative Advocate  
Mintz



**Neal Martin**  
Senior Director of Government Relations  
ML Strategies, LLC

## NAHEFFA Washington Advocacy Report April 2022

Two phrases come to mind when describing the state of our Washington advocacy efforts for municipal bonds since our last report – best laid plans and silver linings.

As you’re all aware, after years of advocacy in support of restoring advance refunding and enhancing small borrower rules we were thrilled with the House Ways and Means Committee’s support for these two policies in their proposed language for the Build Back Better Act (BBB) last September. Unfortunately, negotiations between the White House and congressional leadership ultimately did not use much of the Committee’s tax language and our policy priorities were not included in the final bill that was approved by the House of Representatives last November. Following this disappointment, we continued to advocate for both proposals with key Senate offices, although the legislation eventually stalled when Sens. Manchin (D-WV) and Sinema (D-AZ) announced they would not support the BBB leaving Democrats two votes short of the 50 votes they needed to pass the bill under the reconciliation process.

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Negotiations on BBB have continued, although there has been no discernable progress in finding a path forward on a version that the two Democratic senators might support. Sen. Manchin has indicated that he could support a “skinny” bill that might include some climate and tax provisions. One would think that Democrats would rally around anything that could pass, but it’s unclear whether this approach will have traction. Even less clear is whether municipal bond provisions would have a chance at inclusion.

Further, global events – i.e. the Russian invasion of Ukraine – have led to a sharp pivot at the White House to foreign policy matters. While it is possible some scaled back version of the BBB--- undoubtedly for political reasons called something else -- could pass this year, it is increasingly unlikely as we enter election season with primaries starting this month.

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All of this leads to silver linings.

Obviously, our preferred outcome would have been inclusion of advance refunding and small borrower in enacted legislation. However, had the BBB passed it would have been the most significant tax legislation likely to pass Congress for the foreseeable future, and exclusion of our priorities from enacted legislation would have left us with a very difficult path forward. We continue to use every opportunity to impress upon staff at the Senate Finance Committee and House Ways and Means Committee the importance of advance refunding and small borrower in the event there is some breakthrough on a reconciliation bill, but our focus going forward should be on support for the stand-alone bills introduced in the House and Senate for both policies.

One potential legislative vehicle for moving on advance refunding and small borrower could be an end-of-year omnibus bill that Democrats will likely use to push through a number of priorities before the end of the current congress. Such a bill is certainly likely should Republicans win the House and/or Senate majorities in the November elections, leaving Democrats with a finite amount of time to lock in certain policies while they retain unified control of the government. That is not to say that our priorities are guaranteed to be included in such a bill, but over the coming months we will continue to beat the drum in support of our policies urging their inclusion in an omnibus, passage as stand-alone measures, or to build support for the next congress.

We have intentionally and mercifully not been flogging you to communicate with the Hill when the situation is untimely or impossible. So, when we do get back to you with a call to arms please respond in the best way that you can!

We also want to highlight for you that President Biden's recently released budget proposal for Fiscal Year 2023 includes language which could help to address the potential for the new global minimum tax rate of 15% to diminish demand for municipal bonds. There has been international agreement on a new global minimum tax intended to prevent multinational companies from paying low tax rates and will take effect next year. There has been an initial analysis indicating that the base tax rate of 15% could push investors away from using tax-exempt debt – often done via municipal bonds – to lower a corporation's overall tax liability. The president's budget request includes language which indicates an understanding that tax-exempt interest and some other tax preferences need to be accommodated. The Treasury Department's Green Book, which explains the budget's revenue proposals, states that the budget "would provide a mechanism to ensure U.S. taxpayers would continue to benefit from U.S. tax credits and other tax incentives that promote U.S. jobs and investment." There is nothing more than that and it is unclear what the "mechanism" is, but municipal bond advocates in Washington are already working to ensure that it provides an exception for our bonds. This situation will evolve as we understand its implications better and what possible remedies through regulatory or legislative action are available.

## Mid-Term Elections

As mentioned above, the 2022 primary season is underway with Republicans hoping to unseat the Democratic majorities in the House and Senate. In the House, where Democrats hold a slim majority of 222-211 with two vacant seats, every seat is of course up for reelection. The Senate is currently evenly split 50-50, with 14 Democrat-controlled seats and 21 Republican-controlled seats up for election.

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# Membership Announcements

## **Idaho Health Facilities Authority Names New Executive Director**

The Idaho Health Facilities Authority (the "IHFA") Board of Directors announces Christian Anderson as their new Executive Director. Christian brings years of knowledge and leadership experience in public finance, and he has provided municipal advisory and bond purchasing services to municipalities throughout Idaho. IHFA looks forward to the creative and collaborative skills and vision he brings with him. Mr. Anderson succeeds John Sager, who has served the IHFA with distinction as Executive Director since December 2017. Mr. Sager retired March 31, 2022.

## **Wisconsin Authority Announces New Executive Director**

The Wisconsin Health and Educational Facilities Authority (WHEFA) announces Larry D. Wiemer II as the new Executive Director. Larry comes to WHEFA from a 30-year career working with healthcare providers throughout Wisconsin. He is eager to apply his experience from the borrower side to build upon the strong foundation and vibrant culture that is a hallmark of WHEFA. He is taking over for Dennis Reilly and thanks him for his exceptional leadership and service to non-profit entities throughout Wisconsin over the last 26 years. Larry looks forward to meeting everyone at the upcoming Spring conference in Charleston.



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Rep. Richard Neal (D-MA), a long-time champion of our tax-exempt municipal bond issues, currently has no primary challenger and is widely expected to return to Washington for the next congress and serve as chairman or ranking member of the Ways and Means Committee depending on which party controls the chamber. On the Republican side, Rep. Kevin Brady (R-TX), currently the top Republican on the committee, is not seeking reelection and could not retake the chairman's gavel even if his party secures the majority due to party term limits on chairmanships. Rep. Brady was chairman of the committee in 2017 when Congress passed the Tax Cuts and Jobs Act which eliminated advance refunding. The leading contenders to lead Republicans on the committee, either as chairman or ranking member, are Rep. Vern Buchanan (R-FL) and Rep. Adrian Smith (R-NE).

Senate Finance Chairman Ron Wyden (D-OR) and Ranking Member Mike Crapo (R-ID) are both up for reelection this year. Should both return to the Senate next year, as we expect, they will continue to lead the committee, although whether it is as chairman or ranking member will depend on which party has the majority.

### Regulatory Update

On the regulatory front, consistent with the priorities stated in the Biden election campaign, environmental, social, and governance (ESG) issues have inevitably been raised in the public finance arena. Most of the activity in ESG, of course, is appropriately taking place on a decentralized basis in financings. There is a small but growing niche area of green bond financings, but

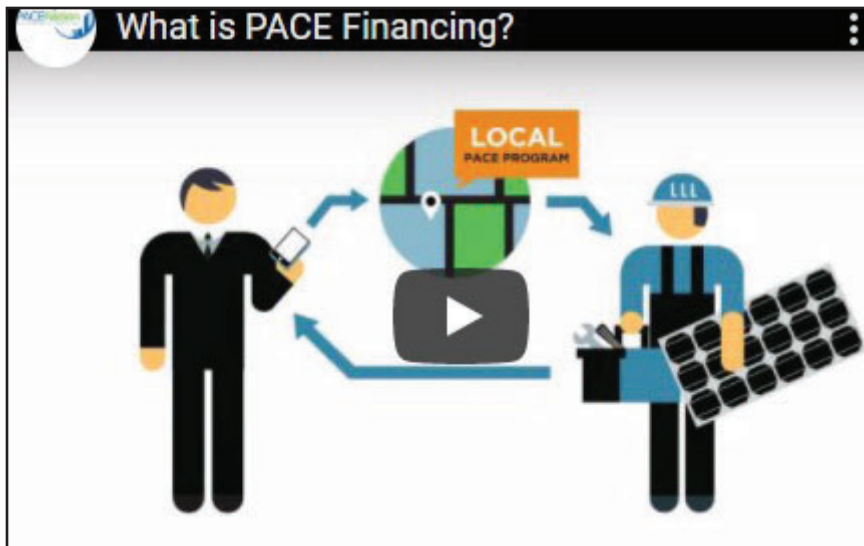
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# Innovation: What is C-PACE?

Seth Lutter,  
Associate Director,  
Montana Facility Finance Authority

In 2019 the Montana Facility Finance Authority (“MFFA”) granted Providence St. Patrick’s Hospital \$30,000 for an energy audit on their facility. Little did we know, this was the start of a whole new line of business for us. The audit came back with positive news: by making small changes to their air handler system within the building, and not spending a single dollar, St. Patrick’s was able to save more than \$190,000 a year on energy costs. Starting in 2019 and working until COVID hit, we provided 15 more grants to help hospitals identify ways to save money through energy efficiency.



Starting in 2022, the Montana Facility Finance Authority became the statewide administrator for Montana’s new Commercial Property Assessed Capital Enhancement Program (“C-PACE”). C-PACE provides commercial building owners with a way to finance energy and water efficiency improvements as well as renewable energy generation at no net cost. A wide range of improvements are eligible for C-PACE financing allowing it to finance up to 35% of a new construction project and up to 100% of a refurbish project. C-PACE works well with other financing programs including New Market Tax Credits and special tax or improvement districts. We are also finding ways of combining C-PACE with non-profit healthcare as well as tax-exempt financing.

As the statewide administrator for C-PACE, the MFFA’s job is to guide commercial property owners through the C-PACE process from beginning to end including working with the County, borrowers, contractors, and lenders to ensure a smooth financing. At a high level, the work is very similar to being a conduit issuer. Since its inception three months ago, three Montana counties have established districts with more on their way. Also, more than twenty businesses have contacted us to pursue C-PACE financing. PACENation released a study stating that if only 15% of commercial buildings in the US decide to utilize C-PACE to improve their energy efficiency, they would spend \$295 billion but would reap a benefit of \$1,050 billion in savings.

For those interested in expanding your services, C-PACE is a new program currently active in 38 states. \$3 billion in financings have occurred in the past few years with much more on the horizon. It’s an innovative financing tool that encourages the installation of high-efficiency energy and water systems as well as renewable energy at no net cost to the commercial property owner. The cost of the improvements is rolled into a financing package that is secured by a special tax assessment on the property. Payments are made biennially through property tax payments. This allows lenders to offer lower fixed rates with longer terms. This makes C-PACE an attractive alternative to higher-interest and shorter-term mezzanine debt. C-PACE has allowed the MFFA to diversify its services.

For more information on Montana C-PACE please visit: [www.LastBestPACE.com](http://www.LastBestPACE.com).

# Providence Saint Patrick's Hospital

Missoula Montana

..."St. Patrick's was able to save more than \$190,000 a year on energy costs"



# Tax-Exempt Financings for 501(c)(3) Organizations Overview Sheet

## Qualified 501(c)(3) Bonds

- Interest on a "Qualified 501(c)(3) Bond" excluded from gross income for Federal income tax purposes oState law may exempt from state income taxes
- General Requirements:
  - Ownership—bond financed project owned by 501(c)(3) organization or governmental unit
  - Qualified Use—not more than 5% of bond proceeds may be used in non-qualified private use or for unrelated trade or business
  - 120% test—weighted average maturity of the bonds cannot exceed 120% of average reasonably expected economic life of bond financed property
- Financing purpose types:
  - New money financings
- Tax-exempt bonds for capital expenditures (buildings, equipment, land, etc.)
- Expenditures paid within 60 days before adoption of intent/reimbursement resolution (sample form on following page) and after can be reimbursed with tax-exempt bond proceeds
- Generally, proceeds to be spent within 3 years
  - Refunding/Refinancing bonds and other debt
  - Working capital financings (special tax rules)
  - Capitalized interest, reserve fund, issuance costs

- Financial Covenants: debt service coverage ratio, liquidity ratio, etc.
- Optional Redemption Types: non-callable, par call after no-call period, tiered premium schedule, make-whole redemption premium, etc.
- Collateral/Security Types: revenues/receivables pledges, real and personal property collateral, master trust indenture notes

## Transaction Structures

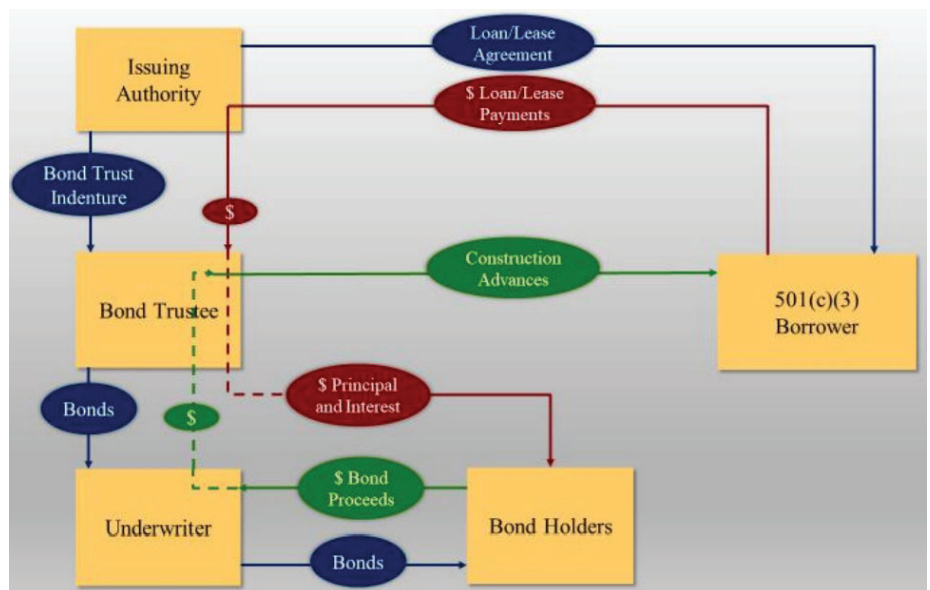
- Bond trust indenture and loan agreement structure
  - Conduit issuer loans bond proceeds to 501(c)(3) borrower under loan agreement
  - Conduit issuer assigns rights including loan payments under loan agreement to bond trustee under bond trust indenture to repay bondowners
- Bond trust indenture and lease agreement structure
  - Conduit issuer applies bond proceeds to project
  - Conduit issuer leases bond financed project to 501(c)(3) borrower under lease agreement
  - 501(c)(3) borrower agrees to pay lease payments sufficient to pay debt service on bonds
  - Conduit issuer assigns rights including lease payments to bond trustee under bond trust indenture to repay bondowners
- Master Trust Indenture (with any structure above)
  - 501(c)(3) borrower's master covenant and collateral document
  - Provides for issuance of borrower notes to evidence and secure debt including bonds

## Conduit Issuance

- Federal tax law requires tax-exempt bonds must be obligations of a State or political subdivision (Conduit Issuer)
- Conduit Issuer Types: (NAHEFFA Members) statewide authorities, cities & counties, industrial development authorities, etc.

- Bond Counsel reviews legal authority of conduit issuer for bond issuance
- ### Core Terms

- Interest Rates: fixed or variable for term or to maturity (daily/weekly/short/long-term/indexed)





**[Sample Form of Tax-Exempt Bonds Reimbursement/Intent Resolution (non-binding)]**  
**RESOLUTION OF THE BOARD OF [TRUSTEES][DIRECTORS] OF**  
**[\*\*insert 501(c)(3) borrower institution legal name\*\*]**  
**DETERMINING INTENT TO REIMBURSE**  
**FOR CERTAIN CAPITAL EXPENDITURES**

WHEREAS, [\*\*insert 501(c)(3) borrower institution legal name\*\*], a [ ] nonprofit corporation (the "Institution"), desires to borrow funds from a governmental issuer of bonds (the "Issuer") to provide funds to pay for all or a portion of the costs related to the acquisition, construction, improvement, extension, repair, equipping and furnishing of certain [educational][health][ ] facilities and related land and other related facilities, including the projects more fully described in Exhibit A hereto (collectively, the "Project").

WHEREAS, the Institution has caused to be made certain capital expenditures in connection with the Project prior to the date of this Resolution, and the Board expects additional capital expenditures for the Project in the future. RESOLVED, that the Institution intends to reimburse itself for all or a portion of such capital expenditures made in connection with the Project with the proceeds of tax-exempt bonds or other tax-exempt obligations issued by the Issuer for the benefit of the Institution (the "Bonds").

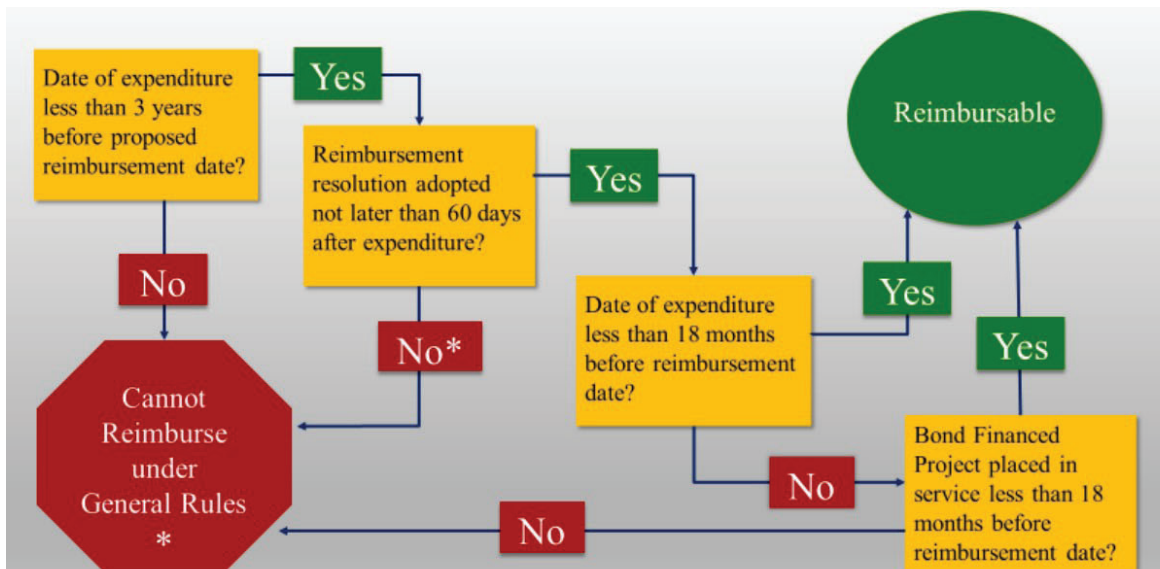
FURTHER RESOLVED, that the estimated total cost of the Project is \$[ ], for which the maximum principal amount of Bonds expected to be issued for the Project is not to exceed \$[ ] and equity contributions of the Institution or other entities have been or are expected to be provided to fund the remaining costs of the Project.

The undersigned hereby certify that the foregoing Resolution was duly adopted by the Board of [Trustees][Directors] of [\*\*insert 501(c)(3) borrower institution legal name\*\*] on \_\_\_\_\_, 20\_\_.  
 By: \_\_\_\_\_  
 Title: Secretary of the Board of [Trustees][Directors]

**EXHIBIT A TO RESOLUTION**

The Project includes the following components:

- Acquisition, construction, improvement, extension, repair, equipping and furnishing of [\*\*insert project description\*\*]
- Miscellaneous capital expenditures for the Institution's [educational][health][ ] facilities at its campus[es] located at [ ]



\* Special exceptions to reimbursement rules are available for certain small-issuers, long-term construction projects, de minimis expenditures, and preliminary expenditures (e.g., architectural, engineering, surveying, soil-testing). Additionally, certain expenditures may be reimbursed/refinanced if previously financed directly with a taxable 3<sup>rd</sup> party loan that is to be refinanced with proceeds of the tax-exempt bond issue.



# The Most Recommended Things to do in CHARLESTON!



## Fort Sumter: National Monument Entry Ticket & Ferry

Enjoy 2 convenient ferry departure points: Liberty Square in downtown Charleston or Patriot's Point in Mount Pleasant. See the Arthur Ravenel Jr. Bridge as you ride the ferry along, and take in sights of Charleston's stately Rainbow Row and Battery homes. As you approach Fort Sumter, graceful sailboats and playful dolphins add to the photogenic scene. If you depart from Mt. Pleasant you will enjoy views of the USS Yorktown Aircraft Carrier from up-close, while tours embarking from

downtown will see Aquarium Wharf as they depart and return. Arrive at The Fort Sumter and Fort Moultrie National Historical Park, which sits prominently at the mouth of the Charleston Harbor, a strategic location that was crucial to its defense. While here, explore the grounds of Fort Sumter. Stand on the grounds where America's deadliest war began at Fort Sumter and Fort Moultrie National Historical Park. The first shots were fired here, igniting a conflict that saw more than 700,000 casualties. Experience the opening battle of the American Civil War and explore its origins with a National Park Ranger. Your approximate 1-hour visit to Fort Sumter allows ample time to explore well-preserved fort ruins and browse Museum Store souvenirs. A visit to Fort Sumter and Fort Moultrie National Historical Park provides a window into the life and trials of America's heroes, from the Civil War to today's modern conflicts. Learn about the events leading to the war from knowledgeable National Park Rangers who will relay stories of courageous heroes in action from the Civil War's first battle. Walk in the steps of those who shaped this nation alongside a National Park Ranger. Then enjoy the beautiful views of the city as you ride the ferry back to Charleston.

## Charleston: Daytime or Sunset Historic Harbor Cruise

Experience Charleston on board a 1920s-Bay-Steamer-replica yacht. Listen carefully as your captain guides you on a journey through more than 300 years of American history. You'll pass by 75 landmarks and points-of-interest on this 20-mile trip. Get close-up views of the "Holy City," including Fort Sumter - where the first shots of the Civil War were fired. Glide past Confederate and Union army forts and see the famous "Fighting Lady" of World War II. As you pass by remnants of the Civil and Revolutionary wars, don't forget to look for dolphins and pelicans splashing nearby. Choose between indoor or outdoor seating. There is also an enclosed observatory and a partially-covered upper deck in case of rain.



## Charleston: Magnolia Plantation Tour and Transport



Witness a slice of living history at Magnolia Plantation and its world-famous gardens, owned by the Drayton family for 12 generations. Visit the Historic Gardens, Petting Zoo, and The Conservatory. Begin your half-day tour by boarding a climate-controlled coach in Charleston. Meet your professional guide and ride to Magnolia Plantation, dating from 1676 and the time of the British colony. Step into one of America's first tourist attractions and first public gardens, which have been open to the public since 1870. Take a guided walk through America's last large-

scale romantic garden. Experience history on a 45-minute narrated tram ride through the Audobon Swamp Gardens and visit important locations like Drayton Home (not Drayton Hall), Orientation Theater, and the Old African American Cabin.

## Charleston: 90-Minute Historic City Highlights Tour

The tour departs from Charleston Visitor's Center where you'll hop on board a deluxe, climate-controlled shuttle for a 90-minute tour of the city's historical highlights. Accompanied by a knowledgeable, local guide, visit over 100 of Charleston's most iconic sights of the past and present whilst listening to amazing tales and anecdotes about the city. On your tour, travel through some of the city's most historic parts. Visit Charleston's Historic Homes, The Battery Sea Wall, the Four Corners of Law, and Rainbow Row to name but a few. Other highlights of the tour include several historic churches, old markets, and picturesque neighborhoods.





### **Charleston: Historical Downtown Tour by Horse-drawn Carriage**

This 60-minute narrated carriage tour covers more than 2.5 miles and 30 blocks of historic downtown Charleston. It really is the best way to see the “Holy City” and learn about its rich and vast history. The tour begins at our stables just one block from the city market, where a number of our horses live. Restrooms and water are available as well as a loading ramp to easily board one of the custom-built

carriages. Departing from the barn, you will continue to the city gate located in the Old City Market. Historic Downtown Charleston is split up into a number of areas that each tour is directed to travel to. Some highlights of these areas are Charleston Harbor, Rainbow Row, 4 Corners of Law, King Street, White Point Gardens, and the Charleston Battery. A licensed tour guide will be narrating the entire tour with informative and entertaining commentary. At the end of the tour you will arrive back at the stables, where you will get off the carriage using the unloading dock.

### **Charleston: Small Group Food Tour – Savor the Flavors**

Taste your way through Charleston on a comprehensive food tour. Visit a variety of local eateries, culinary landmarks, restaurants, and bakeries, each with its own story. Experience more than 300 years of history while sampling delicious specialties. Gain a unique perspective on the area and food culture from your guides, each with their own culinary credentials. Enjoy small samples at each location that will equal a large meal. Typical tastings include:▪ Stone ground grits▪ Charleston benne wafers• Locally-made gourmet chocolates• Southern pralines• Sweet tea• Collard greens• Lowcountry barbeque.



### **Charleston: 90-Minute Ghost and Dungeon Walking Tour**

Test your nerve and explore the dark edges of Charleston’s haunted historic district, deeply steeped in South Carolina’s low country superstition. Venture through Charleston’s haunted historic district, one of the oldest places in America, and learn about its terrifying history. Continue along the eerie back alleys

and churches to find out why the Charleston is known as “The Holy City.” Visit the Old Exchange and Provost Dungeon to learn about its harrowing past, confining enslaved people, American revolutionaries, and British soldiers.

### **Charleston Harbor: Luxury Dinner Cruise**

Embark on a true Charleston Harbor dining experience aboard the Spirit of Carolina. Enjoy a three-course dinner, made to order from local seasonal ingredients. As you dine on a delicious multi-course plated dinner, cruise through the beautiful Charleston Harbor, past Fort Sumter, along the Battery and beneath the Ravenel Bridge. Take in the views from the large enclosed air-conditioned dining decks or the open-air observation deck. Enjoy music throughout the cruise, as well as a full-service bar.

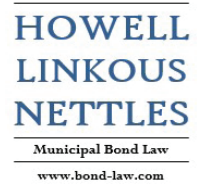


### **Charleston: Haunted Carriage Evening Tour**

Listen to spine-tingling tales of prisoners, rogues, and pirates that make up the history of Charleston. Cover over 300 years of history from the comfort of your carriage. Mysterious alleys and cobblestones await as your expert guide leads you through Historic Charleston on a 40-minute Haunted Carriage Tour. Start the tour at Old South Carriage Company’s stables where the tour explores the 15

block core that comprises Historic Charleston. Along the way you will see Old Exchange & Provost Dungeon, Circular Congregational Church and Graveyard, Charleston City Market, and St. Michael’s Episcopal Church. All tour guides of this activity are members of the Palmetto Guild, which indicates that they have successfully passed a comprehensive examination of the history of Charleston.





# GREETINGS FROM THE NAHEFFA CONFERENCE COMMITTEE

The NAHEFFA Sponsorship Committee would like to recognize and thank our 35 sponsors for 2022. The continuing support of our loyal sponsors is appreciated and allows us to hold more effective meetings and discussions in support of our organizational mission.

Acacia Financial Group  
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BondLink  
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Hillis Clark Martin & Peterson  
Howell Linkous Nettles, LLC  
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Kaufman Hall



Thank You!

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Zions Bank Corporate Trust



more broadly our nonprofits and the governmental borrowers are disclosing more information relevant to ESG or even the same information but branded as ESG. The issue for Advocacy is what role government has to play.

There's been a huge amount of publicity about the SEC's recent proposal on climate/ESG disclosures primarily for public companies. There is no question that much of the detail and analysis that went into that proposal eventually will apply one way or another in our sector but it literally does not apply. Closer to home, the MSRB asked for comments on ESG practices in the various municipal bond sectors and the value of on a voluntary or even mandatory basis setting forth criteria, procedures and formulae.

Almost uniformly there was a reaction, even by many analysts and investors, that it is premature for MSRB or SEC to be involved (big footing) in this evolving space. NAHEFFA's comments first emphasize that by its very nature nonprofit activity is supportive of the goals of environmental protection, social justice and even governance. This is true of the governmental sector as well, of course.

Second, we question whether MSRB has authority to be involved in this area. Even more fundamentally, our point is that many issuers and borrowers are trying out various formulae and approaches to ESG disclosures, whether, as mentioned above, simply repackaging previous disclosures or looking at new issues and analyses. GFOA has issued valuable guidance, but at this point it is widely agreed that the federal government should stay out of this arena. Let's see how the market reacts to these increased disclosures, including, but certainly not limited to, the self-proclaimed green bonds and the various certification programs that back their claims. Then in a few years we can better determine whether there is a need for the federal government to be involved to ensure uniformity and appropriate transparency.

The reality is that as long as there is a Democratic administration we will see a continued ESG push and therefore expanding voluntary disclosure efforts are commendable and useful to show that regulatory action is not required. If the midterms and, more importantly, the presidential election change the party in power then this issue will be significantly diminished. But ESG has enough validity and legs to it that it will continue at the local level and through investor and green group pressure regardless.

Discussion of all these issues will continue at the upcoming meeting in Charleston. Our Neal Martin and Brian Egan from the National Association of Bond Lawyers will do the advocacy panel and Emily Brock from GFOA will discuss the ESG issues.

....

From Chuck Samuels: I regret that I will not be able to attend the conference because of an unalterable conflict. The pandemic has changed so many schedules that it is hard to coordinate things. I was grateful to see you in Milwaukee last year.

Because I'm not going to be there, I want to take advantage of this space to note my sadness at the departure from our ranks of Dennis Reilly and – at some point! – Harry Huntley. Dennis and Harry are not just mensches, they are highly skilled professionals who have advanced their authorities' mission in a magnificent fashion, and from NAHEFFA's and my selfish point of view they have been incredible leaders as Chairs, meeting hosts, advocacy activists, and supporters of all our Washington efforts.

SEE YOU  
SOON!



**NAHEFFA Focus**

The Association promotes the common interests of organizations which have the authority to provide capital financing for not-for-profit healthcare and higher education institutions and facilitates national advocacy, support, networking and education on behalf of its members. NAHEFFA focuses its efforts on issues which directly influence the availability of, or access to, tax exempt financing for healthcare and higher educational institutions.

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Minnesota

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