



Tax-Exempt Bonds State-of-Play in Congress: Making the Most of Your DC Hill Visits

**Alex Hecht – Executive Vice President
ML Strategies**



ML Strategies, LLC

- ❑ **Bipartisan consulting firm retained by NAHEFFA to help defend tax-exempt bonds in tax reform**
- ❑ **Strong ties to House Ways & Means, Senate Finance, and House & Senate Leadership**
- ❑ **Work closely NAHEFFA's long-time general counsel Chuck Samuels**



David J. Leiter
President - DC Office
Chief of Staff to
Democratic Senator on
Finance Committee



Alexander Hecht
Executive Vice President
Chief Counsel to
Republican Senator on
Finance Committee



Rodney Whitlock
Vice President
Senior Policy Advisor to
Senator Grassley and
Senate Finance
Committee



Neal Martin
Sr. Manager, Government
Relations
Staffer to Democratic
Senator

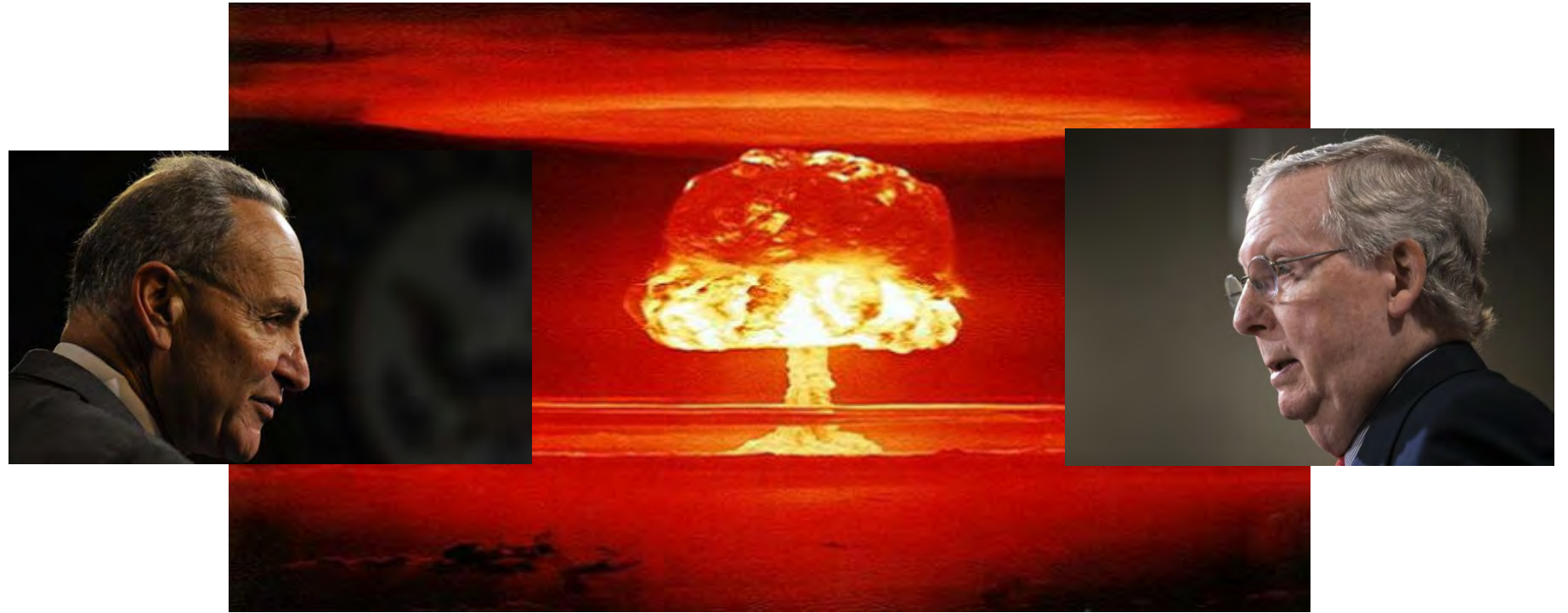
Update on ML Strategies Activities for NAHEFFA

- **Drafted** and implemented a short- and long-term NAHEFFA advocacy strategy
- **Developed** advocacy/messaging materials for NAHEFFA and members
- **Ongoing** advocacy and engagement with House Ways & Means Committee and Senate Finance Committee on NAHEFFA's policy goals
- **Implemented** a *Call to Action on Tax Reform* to have NAHEFFA member authorities contact all footprint members of the House Ways & Means Committee and the Senate Finance Committee urging their support for tax-exempt municipal bonds
- **Supported** NAHEFFA members in effort to secure signatories to the Congressional Municipal Finance Caucus letter to Ways & Means Committee leadership urging support for tax-exempt municipal bonds in tax reform

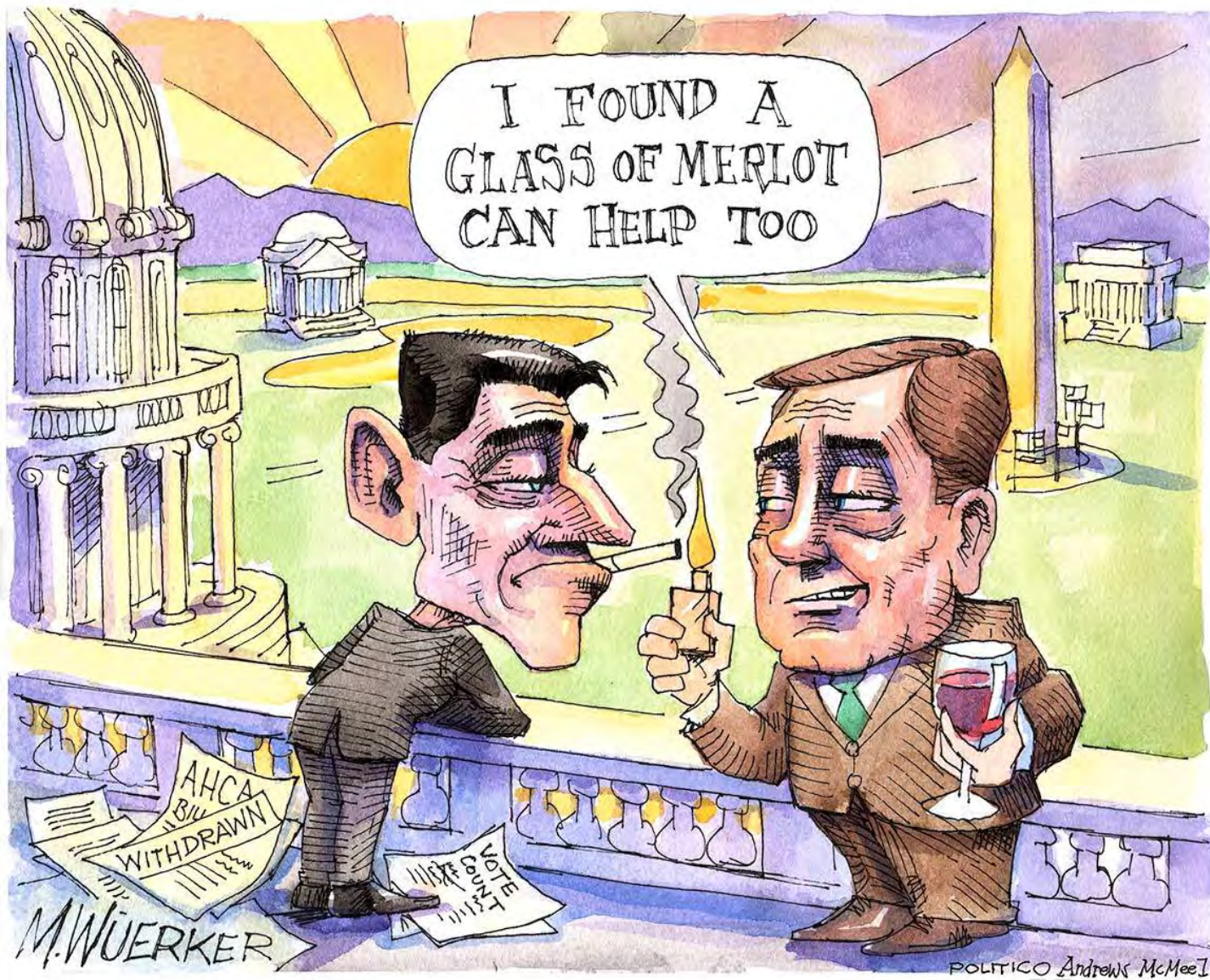
Update on ML Strategies Activities for NAHEFFA (continued)

- **Coordinated** fly-ins with NAHEFFA President and Advocacy Chair
- **Gathered** intel from key decision-makers on Capitol Hill regarding tax reform and shared with the Advocacy Committee
- **Provided** strategic guidance to several individual NAHEFFA member authorities on tax reform
- **Assisted** NAHEFFA members with development of Spring Conference meeting material
- **Secured** congressional lobbying visits for NAHEFFA members during Spring Conference
- **Represented** NAHEFFA at stakeholder meetings in Washington, DC
 - Don't Mess With Our Bonds Coalition
 - Public Finance Network
 - Municipal Bonds for America

So What is the Senate Thinking This Week....?



And How about the U.S. House....?



KEY LOBBY VISIT OBJECTIVES

- **Educate** Members and staff on the value of TEBs
- **Highlight** state/district/local success stories
- **Encourage** Members to support maintaining tax treatment of TEBs
- **Listen** to what Members and staff tell you and report intel to Neal Martin at RNMartin@mlstrategies.com



QUIRKY HILL TERMS

LD, LA, LC



Legislative Director, Legislative Assistant, Legislative Correspondent; staff positions in Congressional offices in descending order of seniority

CLOTURE



For most bills in the Senate, the process by which a filibuster is overridden; 60 votes are needed

RECONCILIATION



A process by which the Senate can pass filibuster-proof legislation (needing only 51 votes) through the budgeting process; ***This is the process by which the House and Senate appear likely to take up tax reform***

**CHAIRMAN &
RANKING MEMBER**



The leaders of the majority and minority party, respectively, in committees and subcommittees



TALKING POINTS

- **Tax exempt municipal bonds work!** They have helped state and local governments pay for the majority of our infrastructure for more than a century.
- **TEBs are extremely safe with a nearly zero default rate.**
- State and local governments build three-quarters of all public infrastructure in the U.S. and need the support of investors to finance critical infrastructure like hospitals and educational facilities.
- The federal government is able to **support billions of dollars of infrastructure in exchange for providing a small tax benefit**
- **Elimination or reduction of the exemption means that state and local governments will pay more to finance projects resulting in fewer projects – or a transfer of project costs to taxpayers**

LOGISTICS

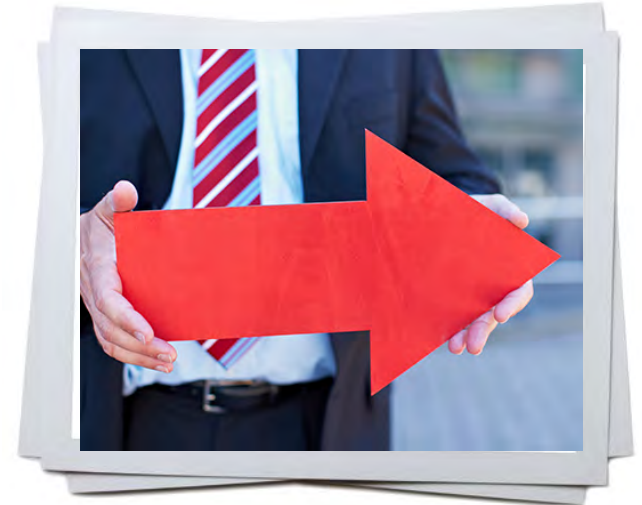
- Meet your group after lunch
- Depart for the Hill – find your own cab
- Allow at least 45 minutes for travel to DC and getting through building security
- Go to your first meeting – **You'll do great!**





TYPICAL MEETING FLOW

- Arrival
- Introductions
- What is NAHEFFA? ***Who you are & Who you are not.....***
- Describe your Authority and work you do
- Describe your support for TEBs
- Explain why maintaining the TEB status is critical
- Ask if the Member or staff have any questions
- Listen for intel, strategic recommendations, and confirm next steps
- Wrap Up & Thank You



ARRIVAL

- Before the meeting, designate one participant to start discussion
- When all members of your group are present, have one person go into the office and let the front desk know you are ready
- Have your business cards handy!
- You may or may not meet with the Member, but staff are just as important
- **REMEMBER** – You may not meet in an office. It is not uncommon to meet in hallways or other common areas



INTRODUCTIONS

- Designated lead kicks it off
- Others introduce themselves
- **KEEP IT SIMPLE AND SHORT!**
- If meeting with a Member they could be called away – so get to the point quickly



WHAT IS NAHEFFA?

- A pre-designated meeting participant should describe NAHEFFA
- Talk About Your Local Success Stories
 - Describe your Authority and the work you do in the state or district – highlighting financed projects and interest saved



LEAVE TIME FOR QUESTIONS

- Ask if there are any questions
- If the Member or staff ask a question you don't know – DON'T ANSWER IT
- Let them know you'll get back to them



WRAP UP & THANK YOU

- Thank the Member/staff for meeting
- Leave behind appropriate documents
- Review any follow up or action items
- Encourage the staff to utilize NAHEFFA and your authority if they have questions about TEBs and tax reform





Questions?

Send a summary of your meeting notes to Neal Martin at

RNMartin@mlstrategies.com