



MARITIME EXCHANGE

for the Delaware River and Bay

Leading the Way to Port Progress

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November 22, 2017

Tristate Congressional Members

RE: Maintain Tax-Exempt Status of Private Activity Bonds (PABs)

On behalf of the approximate 300 members of the Maritime Exchange for the Delaware River and Bay, we write to express our support to maintain the tax-exempt status for Private Activity Bonds, and the continuation of advance refunding of tax-exempt municipal bonds.

While the recently passed House tax bill, Tax Cuts and Jobs Act/H.R. 1 eliminates the tax-exempt status for PABs, we urge you to join us in supporting the Senate language included in the Finance Committee Chairman's Markup that passed last week, and which preserves the tax-exempt status for PABs.

The termination of tax-exempt PABs will adversely impact investment in port infrastructure projects throughout the U.S. This action undercuts the ability of states, municipalities, and the private sector to finance needed infrastructure in a market-driven, cost-effective manner. Given the current renaissance occurring at Delaware River port facilities throughout the tri-state region, this is not the time to eliminate such an important financial tool.

Additionally, both H.R. 1 and its companion bill released by the Senate Finance Committee eliminate the advance refunding of tax-exempt municipal and some PABs. This action will also hamper investments across the board with respect to critical port infrastructure projects. It is clear that minus the availability of this tax instrument, costs for projects increase, a scarcity of funds occurs, and unwanted delays in needed projects are all but assured.

We strongly urge that the tax-exempt status for PABs and advance refunding of bonds be included in any final tax reform package enacted by the Congress.

Thank you for your consideration of this request. Please feel free to contact me at dennis.rochford@maritimedelriv.com or at 215-925-2615 with questions or need for additional information.

Sincerely,

Dennis Rochford
President

cc: Lisa Hember, Vice President