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May 26, 2020

House Local Government Committee

Pennsylvania House of Representatives

Re: House Bill 2536

Dear Representative,

On behalf of 4,500 locally elected school board members across Pennsylvania, **PSBA requests your support of House Bill 2536,** legislation that would allow local government units to finance tax anticipation notes over a 15 to 26 month term during the pandemic crisis.  Currently these notes only can be financed for a period of one year.  This additional flexibility is needed and should provide further support to school districts that may experience cash flow issues because of the severe downturn in local revenues due to the crisis.

Specifically, A local government unit shall establish a maturity date for a tax anticipation note issued under this legislation which shall not be later than the last day of the following fiscal year of the local government unit which ends not less than 15 months nor more than 26 months following the enactment of the legislation.  The emergency flexibility granted under HB 2536 expires on December 31, 2021.

PSBA wants to thank the Local Government Commission for their work on this legislation as well as the prime sponsor Representative James and the members of the Local Government Commission for supporting this emergency flexibility.

We appreciate your time and attention to these matters. If you have any questions or concerns, please feel free to contact me.

Sincerely,

John M. Callahan

John M. Callahan

Chief Advocacy Officer