

**FEDERAL RESERVE BANK of NEW YORK** *Serving the Second District and the Nation*

PRESS RELEASE

**New York Fed Releases Notice of Interest for the Municipal Liquidity Facility**

May 15, 2020

The Federal Reserve Bank of New York today released a Notice of Interest (NOI) for Eligible Issuers to express interest in selling notes to the special purpose vehicle (SPV) Municipal Liquidity Facility LLC. Filling out the notice of interest is the initial step for an Eligible Issuer to provide eligibility information to the SPV for review.

An Eligible Issuer should submit an NOI only when it has determined its financial needs and schedule. Each Eligible Issuer has an allocated amount of note borrowing capacity as detailed in Appendix A of the FAQs posted on the Reserve Bank's website (FAQs).

The municipal securities market is an important part of the financial system, which helps provide states, cities, and counties (and their political subdivisions and other governmental entities) with the funding needed to provide essential public services to their citizens. The COVID-19 pandemic caused a swift and dramatic increase in interest rates on municipal securities, and while some issuers subsequently have been able to issue debt or secure loans, many issuers have not been able to meet their financing needs through the capital markets. By ensuring the smooth functioning of the municipal securities market, particularly in times of strain, the Federal Reserve is providing credit that will support families, businesses, and jobs in communities, large and small, across the nation.

The New York Fed also announced that the SPV, Municipal Liquidity Facility LLC, designated BLX Group LLC (BLX) as its administrative agent for the execution phase of the MLF. In serving as the administrative agent, BLX will receive notices of interest and applications from Eligible Issuers interested in selling notes to the SPV. BLX will review those notices and applications based on criteria established by the New York Fed and will be available to respond to questions from Eligible Issuers. Decisions to purchase eligible notes will be in the sole discretion of the SPV.

Sign up to receive email alerts for MLF.

For more information, see:

[MLF Website](#)

[Frequently Asked Questions](#)

[MLF Notice of Interest](#)

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