

November 7, 2017

The Honorable Peter Roskam
United States House of Representatives
2246 Rayburn House Office Building
Washington, DC 20515

Dear Congressman Roskam,

On behalf of the Illinois Health and Hospital Association's (IHA's) more than 200 hospitals and nearly 50 health systems, I am writing to express concern with Sec. 3601 of the *Tax Cuts and Jobs Act (H.R. 1)* which would eliminate the tax exemption for private activity bonds (PAB), and I urge you to reject this proposal.

Private activity bonds are a vital source of affordable financing that enables non-profit hospitals to make investments in their facilities and new technologies as they seek to maintain services and improve patient access to quality care. Over the years, this relatively small federal tax exemption has helped to generate billions of dollars of investments in life-saving technologies and healthcare facilities in Illinois, while creating and retaining well-paying jobs. Eliminating the PAB exemption will add to the cost of hospitals' capital investments, possibly delaying or preventing improvements that are critical to advancing access to healthcare the residents of Illinois.

Hospitals in Illinois are major job creators and economic anchors for their communities. Hospitals employ a quarter of a million people and have an annual economic impact of more than \$88 billion. One in every 10 jobs in the state is in healthcare. Currently, more than 40 percent of hospitals in every area of the state are losing money or barely have a positive margin. Maintaining access to tax-exempt financing is critical to ensuring these hospitals can efficiently fulfill their mission and focus on providing care to their communities.

As Congress works to improve the nation's tax system, I urge you to consider the impact that harmful proposals like eliminating tax-exemption for PABs will have on your communities and the economy.

Sincerely,

A.J. Wilhelmi
President & CEO

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