QUALIFIED ENERGY CONSERVATION BONDS (QECBS)

EPC
ENERGY PROGRAMS CONSORTIUM

December 2014

Nothing contained in this issue paper should be construed or relied upon as legal advice. Instead, this issue paper is intended as a general introduction to the subject of the use of qualified energy conservation bonds to finance energy and mass transit projects, from which better informed requests for advice can be formulated.

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About Energy Programs Consortium (EPC)

The purpose of the Energy Programs Consortium (EPC) is to foster coordination and cooperation among state and federal agencies in the areas of energy policy and program development. EPC is a joint venture of the National Association of State Community Services Programs (NASCSP), representing the state weatherization and community service programs directors; the National Association of State Energy Officials (NASEO), representing the state energy policy directors; the National Association of State Regulatory Utility Commissioners (NARUC), representing the state public service commissioners; and the National Energy Assistance Directors' Association (NEADA), representing the state directors of the Low Income Home Energy Assistance Program.

EPC provides technical assistance to states to develop energy efficiency, water conservation, resilience and renewable finance programs. We examine options for states to issue tax credit bonds to support the financing of energy projects. We also coordinate efforts with the National Association of State Energy Officials (NASEO), the U.S. Department of Energy (DOE), the National Renewable Energy Laboratory (NREL) and Lawrence Berkeley National Laboratory (LBNL) to provide model documents and other QECB resources.[1]

If you are a state or local official exploring your options for energy program financing, EPC and NASEO can offer assistance by sharing state and local government officials' experiences, putting you in touch with issuers who may have dealt with similar issues, and providing comments and feedback. Conversely, if you have any experiences to share, we would very much like to hear from you so that other state and local governments may benefit from your work.

If you would like more information or if you have information on your state to feature, please contact Elizabeth Bellis at ebellis@energyprograms.org.

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[1] The NASEO QECB resource page (http://www.naseo.org/financing-resources-qecb) contains helpful documents, including examples of authorizing orders and legislation and bond documentation.

I. INTRODUCTION

Qualified Energy Conservation Bonds (QECBs) were authorized by Congress in the 2008 Energy Improvement and Extension Act. The original legislation authorized just $800 million of QECBs nationwide.

In the American Recovery and Reinvestment Act of 2009 ("ARRA"), Congress increased to $3.2 billion the funding for states, territories, large local governments, and tribal governments to issue QECBs to finance renewable energy and energy efficiency projects. The total allocation was divided among the state and territorial issuers according to population, as shown in Table 1A.

At least 187 projects, totaling just over $1 billion, have been funded to date. Projects have been financed with QECBs in at least 36 states. Some states, such as Kansas and Colorado have exhausted or nearly exhausted their allocations (with Kentucky, Nebraska, Montana, California and Alabama close behind)[2], while up to 15[3] states have yet to use any portion of their allocation. Approximately 34% of the $3.2 billion in allocations provided by ARRA are now known to have been issued.

QECBs are among many federal programs that have experienced sequestration cuts. See Section VI. Under current federal law, however, the authority to issue these bonds does not sunset.

II. QUALIFIED ENERGY CONSERVATION BOND PROCESS AND MECHANICS

As described above, the U.S. Congress allocated QECB volume to the states and territories[4] and indicated that the states "shall" suballocate a portion of these allocations to large local governments and municipalities (those with a population of 100,000 or more).[5] These counties, municipalities or tribes may issue bonds up to the amount of their respective suballocations or waive their suballocations and return them to the states. See Appendix I for a list of known suballocations.

A. Qualified Projects

QECBs may only be issued for qualified conservation purposes as defined in section 54D of the U.S. Internal Revenue Code. "Qualified conservation purposes" include capital expenditures:

1. To reduce energy consumption in publicly owned buildings by at least 20%
2. To implement green community programs (including the use of grants, loans, or other repayment mechanisms to implement such programs)[6]
3. For rural development (including the production of renewable energy)

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[2] As of December 2014, percentages in these states are: Kansas, 99.98%; Colorado, 96.38%; Kentucky, 93.24%; Nebraska, 88.23%; Montana, 83.03%; California, 82.31%; and South Dakota, 78.81%.

[3] States not yet known to have issued are: Alaska, Delaware, District of Columbia, Florida, Hawaii, Idaho, Iowa, Mississippi, New Jersey, New Mexico, Oklahoma, Rhode Island, Vermont, West Virginia, and Wyoming. The five U.S. territories that received allocations (American Samoa, Guam, Northern Marianas, Puerto Rico and US Virgin Islands) have also yet to issue.

[4] As per IRS Notice 2009-29, the term state includes the District of Columbia and any possession of the United States.

[5] See IRS Notice 2009-29 (state-by-state allocations). The suballocation process has not been completed in some states. See Appendices for examples of state authorizing orders (Appendix C: State Executive Orders) and legislation (Appendix B: State QECB Legislation). Local governments often authorize issuances through a resolution or ordinance. See Appendix G: Local Resolutions. With respect to tribes, Notice 2009-29 provides: "Under § 54D(h), an Indian tribal government shall be treated as a large local government, except that (1) an Indian tribal government shall be treated as located within a State to the extent of so much of the population of such government as resides within the State, and (2) any bond issued by an Indian tribal government shall be treated as a qualified energy conservation bond only if issued as part of an issue the available project proceeds of which are used for purposes for which such Indian tribal government could issue bonds to which § 103(a) applies."

[6] Note: If QECBs are used to provide funding for loans, grants, or other repayment mechanisms related to green community programs, they are not treated as private activity bonds. See 26 USC 54D(e)(4). To operate a green community program as an energy efficiency loan program, the issuing government might partner with a lender that in turn makes loans to homeowners. See Department of Energy Technical Assistance Program, "Taking Advantage of Qualified Energy Conservation Bonds" (September 22, 2010). Alternatively, the issuing government might use QECB proceeds to make loans directly to homeowners. See, for example, St. Louis County Saves, www.stlouiscountysaves.com.

4. For certain renewable energy facilities (such as wind, solar, and biomass)[7]
5. For certain mass commuting projects

To ensure that bonds are being used appropriately, QECB issuers should consider requesting an opinion of qualified and experienced bond counsel that the bonds will qualify as QECBs.

In assessing QECB questions, issuers should keep in mind that the IRS/Treasury, and not the Department of Energy, will audit bond issuances for compliance with section 54D. IRS/Treasury is not bound by Department of Energy interpretation of IRS and Treasury rules and regulations. **A working relationship with experienced bond counsel is critical for potential issuers.** For a list of counsel known to have advised on QECB issuances, see Appendix A.

B. Waivers: Returning Large Local Government Sub-Allocations to the State

States have used different approaches to the process by which large local governments return their sub-allocations to the states, including the following:

(1) Affirmative Waiver: A large local government must affirmatively waive its suballocations (generally by an act such as a resolution or motion of the county or city council) or the state does not recognize the waiver.

(2) Constructive Waiver: The state requests each large local government to notify the state by a certain date of its intent to utilize its suballocation, with failure to notify being treated as waiver.

See Appendix E for examples of waiver documentation jurisdictions have used.

Some outside bond counsel have questioned the validity of the latter approach and the issuances stemming from constructive waivers. In addition, some state counsel have questioned the authority of the state to require local government waivers. As such, affirmative waivers appear to be the more conservative approach. However, affirmative waivers are often more burdensome for states due to the difficulty of obtaining affirmative and proactive action by each large local government as a body. In addition, in some cases, local governments may be averse to "giving money back" even if there is no readily apparent use for the money at the present.

In our research we discovered a number of different approaches to putting waiver processes into place, including (1) simultaneous allocation and waiver authorization through Executive Order; (2) simultaneous allocation and waiver authorization through legislation; and (3) absence of any officially authorized waiver process.

At least thirteen states utilized Executive Orders to implement and authorize the allocation of QECBs.[8] Of the thirteen, two states, Idaho and Virginia, used an Executive Order to simultaneously authorize allocations and a constructive waiver process. Virginia issued two Executive Orders because the first expired before all of the state's allocations were utilized. We are not aware of any state that has used an Executive Order solely for the purpose of clawing QECB funds back to the state.

A plurality of states has an affirmative waiver process. 18 states either have no waiver process (or we have not been able to identify the waiver process) or do not provide information on QECBs at all.[9] There are still a few states that have not authorized the QECB funds and therefore have no QECB program in existence.[10]

Some states (including Nebraska, Tennessee, Texas and Washington) utilized a "Letter of Intent" (LOI) approach that might be properly characterized as either an affirmative or a constructive waiver depending in part on state law (See Appendix E for LOI examples from Texas and Washington.) In these states, the authorized party or agency sent a "Letter of Intent" to each large local government (LLG) asking whether the LLG was going to use its QECB allocation. If the LLG checked "no" on the Letter of Intent the QECB funds were allocated back to the state.

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[7] Other qualified purposes include geothermal, small irrigation power facilities, landfill gas facilities, trash to energy facilities, hydropower facilities, marine & hydrokinetic renewable energy facilities, and research activities, demonstration projects, and public education campaigns. See 26 USC 54D for exact language.
[8] Confirmed via State Agencies website or employees. See Appendix H for relevant agencies.
[9] Confirmed via State Agencies website or employees. See Appendix H for relevant agencies.
[10] See page 13 for discussion of state utilization and authorization.

Waiver Process - Number of States

Affirmative[11]	23
Constructive[12]	6
Letter of Intent[13]	4
No Waiver Process/Unknown[14]	18

C. Subsidy and Interest Rates

QECBs are similar to Build America Bonds (BABs) in that the interest on QECBs is taxable but the federal government offers a direct cash subsidy to the bond issuer to subsidize the interest costs. The subsidy on QECBs is (unless reduced by sequestration or similar federal action) twice as large as the standard BAB subsidy, making QECBs an extremely low-cost financing option for many issuers.

The QECB subsidy (70% of the Qualified Tax Credit Bond Rate) is generally correlated with Treasury yields and has historically ranged from 2.86% to 3.9%.[15] This corresponds to net financing costs for issuers of around 0.338% to 1.5%[16]. Actual market interest rates have ranged from a low of 0.28%% to a high of 5.375%, however, meaning that actual interest payments may, in some cases, be higher than the amount on which the subsidy is based.[17] Up-to-date Qualified Tax Credit Bond Rates (with respect to which QECB subsidies are set) can be found online at Treasury Direct's website, sponsored by the U.S. Treasury Bureau of the Public Debt (www.treasurydirect.gov/GA-SL/SLGS/selectQTCDate.htm). According to the Department of Energy Clean Energy Finance Guide, the rate is set so that the present value of principal payments equals 50% of the original principal amount.[18]

Issuers can choose to issue taxable bonds with a corresponding tax credit to the holders of the bonds or (as is more commonly done) elect to receive a direct cash payment from Treasury in lieu of the allowance of the tax credit to the holders.[19] Tax credit bonds, unlike direct pay bonds, do not appear to be subject to sequestration cuts but no written guidance confirming this is available as of December, 2014.

In the more popular direct-pay QECB, the issuer pays a taxable coupon to the investor and repays principal at the end of the term.[20] Treasury pays the issuer the lesser of the taxable coupon rate or 70% of the tax credit rate.[21]

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[11] Alabama, Arizona, Arkansas, Connecticut, Georgia, Illinois, Iowa, Kentucky, Louisiana, Maine, Massachusetts, Michigan, Minnesota, Missouri, Nevada, New Hampshire, New Jersey, New York, North Carolina, , Oregon, Pennsylvania, Utah, Wisconsin

[12] California, Colorado, Kansas, Idaho, South Carolina, Virginia

[13] Nebraska, Tennessee, Texas, Washington

[14] Alaska, Delaware, District of Columbia, Florida, Hawaii, Indiana, Maryland, Mississippi, Montana, New Mexico, North Dakota, Ohio, Oklahoma, Rhode Island, South Dakota, Vermont, West Virginia, Wyoming

[15] Wells Fargo Monthly QECB Activity Updates (June 2011–January 2013), www.treasurydirect.gov/GA-SL/SLGS/selectQTCDate.htm

[16] Wells Fargo Monthly QECB Activity Updates (June 2011–January 2013), www.treasurydirect.gov/GA-SL/SLGS/selectQTCDate.htm

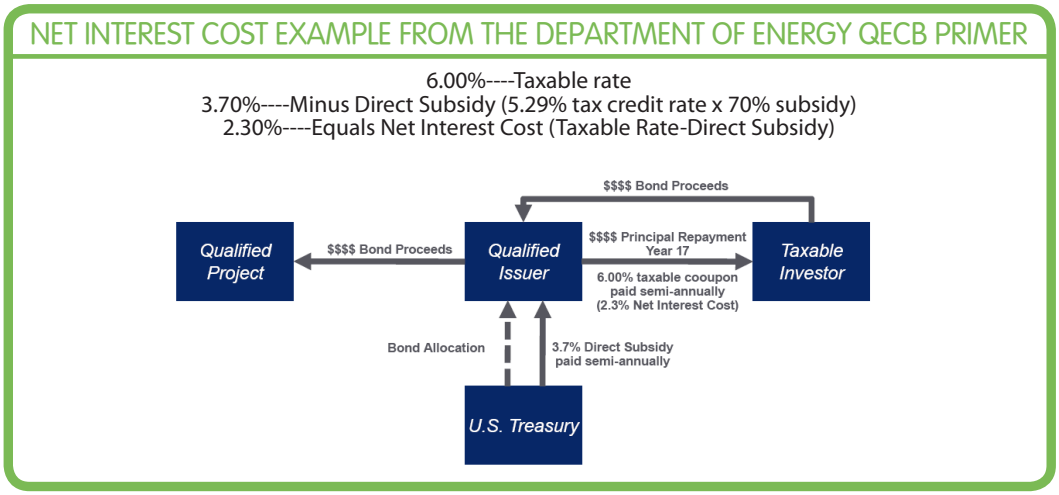
[17] Bloomberg NYPL QECB search, October 2013.

[18] 13 See Chapter 2 in U.S. Department of Energy Clean Energy Finance Guide (December 2010), p. 11, www4.eere.energy.gov/wip/solutioncenter/finance_guide/content/chapter_documents?print=1. =

[19] H.R. 2847 Section 301.

[20] In conjunction, the issuer may make level annual payments into a fund known as a "sinking fund," for payment of principal. Sinking funds are invested at the permitted sinking fund yield established at pricing (not shown in the Department of Energy QECB Primer illustration below). See: U.S. Department of Energy QECB Primer, p. 12, http://www1.eere.energy.gov/wip/pdfs/qecb_creb_primer.pdf.

[21] See IRS Notice 2010-35, p. 5



D. Maturity and Repayment Structures

QECBs are fairly long-term financing options. The maximum amount of time the bonds can be outstanding ("maturity") is set by the government periodically and has historically ranged from 12.5 to 26 years. [22]

Up-to-date maturities can be found online at Treasury Direct's website, sponsored by the U.S. Treasury Bureau of the Public Debt (www.treasurydirect.gov/GA-SL/SLGS/selectQTCDate.htm).

Issuers can choose to issue bonds of any maturity ***up to*** the maximum maturity.

E. Call Provisions

QECBs may be issued with one or more "call provisions." Call provisions give the bond issuer the right to purchase (or "call") part or all of a bond issue at specified times. Sometimes the bonds must be recalled if certain events occur ("mandatory redemption"); other provisions allow the issuer to decide whether to repurchase the bonds ("optional redemption"). If the issuer may recall the bonds if certain unusual or "extraordinary" events occur, the provision is known as an "extraordinary optional redemption." In some cases, investors may demand a premium to be paid if the issuer calls the bonds early or before a specified date. The Municipal Securities Rulemaking Board (MSRB) provides a number of examples of redemption provisions that may be of interest to potential issuers.[23]

In 2014, EPC reviewed the subset of known QECB issuances for which we were able to obtain Official Statements and has identified two call provisions common to this type of bonds: (1) repurchase due to failure to expend proceeds and (2) repurchase due to failure to receive Treasury subsidy payments.

Unexpended Proceeds Provision: These provisions give the issuer the right to redeem the bonds if bond proceeds remain unexpended by a specific date (in this case, generally the date by which they must be used for the bonds to retain eligibility for subsidy payments). Some examples of this type of provision are Allegheny County, Pennsylvania, Itasca County, Minnesota, and Yakima County, Washington.[24] That is, the issuer will repurchase the bonds if proceeds are not

[22] Wells Fargo Monthly QECB Activity Updates (June 2011-January 2013); www.treasurydirect.gov/GA-SL/SLGS/selectQTCDate.htm.

[23] "Optional redemptions often can be exercised only on or after a specified date, typically beginning approximately ten years after the issue date. Some types of mandatory redemptions occur either on a scheduled basis (made in specified amounts or in amounts then on deposit in the sinking fund) or whenever a specified amount of money is available in the sinking fund ("sinking fund redemptions"). An extraordinary redemption may be triggered by, among other things, bond proceeds remaining unexpended by a specified date (an "unexpended proceeds redemption"), a determination that interest on the bonds is taxable (a "tax call"), a change in use of a project financed with bond proceeds that would cause interest on the bonds to become taxable (a "change in use call"), a failure of the issuer to appropriate funds needed to pay debt service on lease rental bonds or certificates of participation that are subject to appropriation (an "appropriation or non-appropriation call") or the destruction of the facilities from which the bonds are payable (a "calamity or catastrophe call")." Source: http://www.msrb.org/Glossary/Definition/REDEMPTION-PROVISIONS.aspx.

[24] See Appendix G: Call Provisions

spent on qualifying projects within the time required by the Internal Revenue Service (IRS), usually three years under current law. Note that once issued and repurchased, an allocation can not be re-issued for another use and is effectively "lost". As such, issuers may wish to consider whether their project will be able to expend proceeds within the required time frames.

Revocation of Subsidy Provision. These provisions generally allow for repurchase due to events such as a change in law that results in subsidy revocation and exclude cases in which the revocation is due to the issuer's action or failure to act. Examples include Alma Center, Wisconsin, Yakima County, Washington, and Itasca County, Minnesota.[25]

In addition to these more common call provisions, some QECB issuers obtain the right to repurchase the bonds for any reason after a certain number of years. For example, Yakima, Washington, which issued $2.5 million in QECBs in September 2010, can repurchase its bonds at "par[26] plus accrued interest" after 10 years.[27]

F. Securing QECBs

When a municipality issues QECBs, it promises to make the principal and interest payments on the bond to bondholders. Sometimes an issuer secures its promise with a specific and limited revenue stream ("revenue bonds") and at other times it secures its promise more broadly as a general obligation backed by the full faith and credit of the issuer ("general obligation bonds"). In some cases, the issuer may offer specific equipment or property as collateral to secure its promise to pay the bondholders. Issuers may also provide for a debt service reserve fund to secure the bonds.

In 2014, EPC was able to identify the apparent bond security for 81 issuances for which Official Statements were publicly available (out of 187 known issuances). Of the 81 issuances for which the type of security were known, 47 (or 58%) appeared to be general obligation issuances.[28]

G. Nuts and Bolts

- QECB issuances often take several months to structure, market, price, and close.
- Once QECBs are issued, proceeds must be spent (or used to redeem bonds) within three years of issuance. U.S. Treasury can in theory extend the spending period if it finds reasonable cause to do so.[29] EPC is not aware of the IRS having done so for any issuance to date.
- Issuers must also have a binding commitment with a third party to spend at least 10% of the proceeds within six months of issuance.[30]
- Issuers can use up to 2% of the bond proceeds to finance costs of issuance.[31]
- Generally, QECBs are subject to rules that apply to tax-exempt bonds.[32]
- State Energy Program (SEP) and Energy Efficiency and Conservation Block Grant (EECBG) funds can be used to support QECB issuances within the limitations set by the Department of Energy. Department of Energy Guidance on the use of QECBs in conjunction with SEP and EECBG funds was provided in July 2010.[33] Additional tax rules may further restrict the use of outside funds in conjunction with QECBs and may result in the need for

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[25] See Appendix G: Call Provisions

[26] Par value is the value of a security expressed as a specific dollar amount marked on the face of the security, or the amount of money due at maturity. This is different from face value, which is the value (i.e., principal or maturity value) of a security appearing on the face of the instrument. Face value is also known as principal value. Source:

[27] The 2010B Bonds are subject to redemption, at the option of the County as a whole or in part, on any date on or after December 1, 2020 at a price of par plus accrued interest to the date of redemption. Yakima County, Washington Official Statement Dated September 22, 2010 for Series 2010 B QECBs Due June 1, 2027, p. 10.

[28] General obligation issuances include: Champaign County (2), Waterbury City, King County, Yakima County, Washington County Housing and Redevelopment Authority, Deerfield, Louisville-Jefferson County, Grant County, Itasca County, Fayette County, York County, Mount Horeb School District, Osseo Fairchild School District, Hartford No. 1 School District, Western Wisconsin Technical College (3), Jefferson School District, Alma-Hunter-Merrillan School District, Wyandotte County, State of Maryland, Belchertown, Lowell, ELY School District, Rochester City, Mandan School District, Allegheny County, Davison County, Menasha School District, Pleasant Prairie Village, Billings School District, Billings School District High School, Nashville and Davidson County, Thurston County, Rapid City, Spotsylvania County, and Goodhue County.

[29] See 26 USC 54A(d)(2)(a); see also IRS Notice 2010-35, available at www.irs.gov/pub/irs-drop/n-10-35.pdf.

[30] See 26 USC 54A(d)(2)(a); see also IRS Notice 2010-35, available at www.irs.gov/pub/irs-drop/n-10-35.pdf.

[31] See 26 USC 54A(e)(4).

[32] See IRS Notice 2010-35, available at www.irs.gov/pub/irs-drop/n-10-35.pdf.

[33] For EECBG and QECB guidance, please see "Guidance for Energy Efficiency and Conservation Block Grant Grantees on Qualified Energy Conservation Bonds and New Clean Renewable Energy Bonds," available at www1.eere.energy.gov/wip/pdfs/final_eecbg_guidance_qecbs_crebs.pdf, for SEP and QECB guidance, please see " Guidance for State Energy Program Grantees on Qualified Energy Conservation Bonds and New Clean Renewable Energy Bonds, available at http://www1.eere.energy.gov/wip/pdfs/final_sep_guidance_qecbs_crebs.pdf.

careful structuring. Jurisdictions interested in leveraging funds should consult with their bond counsel. In addition, provisions such as HIPA, NEPA, Davis Bacon, and Buy American may apply differently to issuances utilizing EECBG and SEP funds than those that do not.

- The governing body may need to make a formal, irrevocable election to designate the bonds as QECBs. The authorizing document for the issuance should have a section that generally describes provisions of the QECB, including the discussion of the direct subsidy payment (if applicable).[34]
- At least 30 days prior to the first interest payment date, the issuing authority must file Form 8038-TC with the US Treasury, along with the QECB debt service schedule.[35]
- At least 45 days prior to each corresponding interest payment date after the first payment date, Form 8038-CP must be filed. These forms are necessary to receive the subsidy.[36]
- QECBs are subject to sequestration. See Section IV B.

III. CASE STUDIES

Mass Commuting -- Spotsylvania, Virginia

Spotsylvania County issued $1.2 million in QECBs on July 19, 2012. Spotsylvania County is using the proceeds (along with $19.2m from a variety of sources including federal and state funds and other general obligation bonds) to construct and equip a passenger train station and 1,000 space parking area in the County along the Virginia Railway Express (VRE) rail line.

This project coincides with a VRE rail project through which commuter rail service is being extended from the neighboring city of Fredericksburg into Spotsylvania County. This will be Spotsylvania's first commuter rail station. About 900 Spotsylvania citizens are estimated to be VRE riders, but these riders had previously needed to drive a significant distance to reach the nearest VRE station in Fredericksburg.

Spotsylvania County estimates that up to 50 percent of the 900 drivers travelling the route from the existing VRE terminus by car will extend their VRE trip rather than drive this route when the station and the parking area are completed. The project experienced some delays and is now expected to be completed in June 2015.

The County, which was already familiar with the structure of QECBs because of its experience with BABs, chose to issue QECBs as part of the bond package for the deal because the debt service costs were significantly lower with QECBs than with tax exempt general obligation bonds. The County estimates the savings over the life of the bonds to be around $180,000.

Municipal Energy Efficiency -- Waterbury, Connecticut

The City of Waterbury, Connecticut, issued $4.7 million of general obligation QECBs[37] on August 12, 2010 to make heating and air-conditioning improvements and replace windows in the Waterbury city hall and library.[38] These bonds were issued as part of a larger issuance: Waterbury also issued tax exempt bonds, Recovery Zone Economic Development (RZED) bonds,[39] and Build America Bonds (BABs), for a total issuance of $45 million. The bonds mature in 2027 and may be redeemed by the city (at its option) on or after September 1, 2010.

Multifamily Energy Efficiency -- Boulder, Colorado

One of the first QECB issuances in the United States was the Boulder Housing Partners (BHP) August 25, 2010, issuance of $1.44 million for energy efficiency improvements to public housing projects. BHP used the bond proceeds for an Energy Performance Contract to do weatherization and other energy-reduction improvements on BHP's eight public

[34] See Department of Energy Technical Assistance Program "Taking Advantage of Qualified Energy Conservation Bonds" (September 22, 2010).
[35] See: www.irs.gov/pub/irs-pdf/i8038tc.pdf.
[36] See: www.irs.gov/pub/irs-pdf/i8038cp.pdf.
[37] This QECB issuance is a Tax Credit issuance.
[38] See www.ctcda.com/Financing/Bond_Financing/QUALIFIED_ENERGY_CONSERVATION_BONDS/.
[39] The BABs and RZEDs expired as of December 31, 2010. See www.irs.gov/pub/irs-drop/n-09-26.pdf and 26 USC 54AA.

housing sites, work that is expected to reduce carbon emissions in BHP's housing by 6,915 metric tons over the life of the project.[40] These QECBs were issued jointly with $120,000 of BABs, which were needed to finance planned water-conservation improvements after the IRS refused to rule that such improvements would count as energy reducing under the 20% test.[41]

The timeline for BHP's QECB issuance was as follows: BHP applied for the QECB allocation on November 16, 2009, and received its allocation from the state on February 11, 2010. In May 2010, it issued a Request for Proposals for bond counsel. In August 2010, BHP issued $1.45 million of 16-year QECBs to finance the improvements as well as issuance and bond counsel costs associated with the offering. BHP experienced some difficulty placing the bonds due to the small size of the offering. However, BHP's QECBs were successfully sold in a private placement to Bank of America. Construction commenced in September 2010 and is now complete. The energy savings realized, combined with the U.S. Department of Housing and Urban Development subsidy, cover the interest and principal payments on the bonds. BHP estimated that traditional financing would have cost 2 percentage points more than was achieved with this offering.[42]

Renewables -- Los Angeles, California

The Department of Water and Power of the City of Los Angeles (LADWP) used its QECB allocation for three renewable energy facilities: the Pine Tree Wind Turbine Expansion, the Pine Tree Solar Project, and the Adelanto Solar Project.

LADWP issued $131 million of revenue bond QECBs and $8 million of Clean Renewable Energy Bonds (CREBs) on August 17, 2010. These bonds mature in 2027 and are subject to redemption at the Department's option prior to maturity. The proceeds were used to (1) expand an existing facility, the Pine Tree Wind Turbine facility, with the addition of ten 1.5 MW wind turbines; (2) build a new photovoltaic generator targeted at 10 MW with an output of 34.5 kv (the Pine Tree Solar Project); and (3) build another 10 MW photovoltaic generator with an output of 4.16 kv and generating 20 Gwh per year (the Adelanto Solar Project).[43] LADWP installed, owns, and operates the Adelanto system.[44]

The Adelanto system features several innovative design elements, including interconnection with a critical bulk-grid substation as well as a more efficient, 1,000-volt solar power system.[45] The system also incorporates ground-mounted systems--solar panels held in place by racks or frames that are attached to ground-based mounting supports--to reduce site-preparation costs.[46] According to Northwest Community Energy, ground-mounted systems are best suited for utility-scale power or for an application where roof space is not available, and they can be oriented to capture more sunlight than rooftop solar panels. [47]

Renewables -- Washington State

In Washington, the owners of Swauk Creek Ranch, a privately owned land reserve in Kittitas County, partnered with Seattle-based energy and facility services firm McKinstry to develop and construct five wind turbines, which were completed in early 2013. The wind turbines, five Gamesa 850 kW, G58 model wind turbines are projected to deliver 4.25 megawatts of electricity for consumption in Kittitas County. This is enough to power more than 1,000 homes annually.[48] The turbines will connect to the existing power grid, thereby not requiring new, expensive transmission lines. The project

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[40] See http://stateenergyreport.com/2011/05/05/using-qecbs-for-multifamily-housing-upgrades-a-case-study/ -a-case-study/.

[41] See www.boulderhousing.org/sites/default/files/Final%202010%20Audit%20report%20BHP.pdf and http://stateenergyreport.com/2011/05/05/using-qecbs-for-multifamily-housing-upgrades-a-case-study/

[42] See www.boulderhousing.org/sites/default/files/Final%202010%20Audit%20report%20BHP.pdf and http://stateenergyreport.com/2011/05/05/using-qecbs-for-multifamily-housing-upgrades-a-case-study/

[43] Seehttps://www.ladwp.com/ladwp/faces/ladwp/aboutus/a-power/a-p-projects/aboutus-projects-adelanto?_adf.ctrl-state=yd6e86crz_4&_afrLoop=379084052200628&_afrWindowMode=0&_afrWindowId=qXKWgDe4#%40%3F_afrWindowId%3DqXKWgDe4%26_afrLoop%3D379084052200628%26_afrWindowMode%3D0%26_adf.ctrl-state%3Dc7x7wmzkm_17. Also see the official statement.

[44] See http://www.solarworld-usa.com/news-and-resources/news/ladwp-solar-project.aspx.

[45] See www.ladwpnews.com/go/doc/1475/986259/LADWP-and-SolarWorld-Partner-to-Develop-11-6-Megawatt-Solar-Power-System-for-Los-Angeles.

[46] See www.ladwpnews.com/go/doc/1475/986259/LADWP-and-SolarWorld-Partner-to-Develop-11-6-Megawatt-Solar-Power-System-for-Los-Angeles.

[47] See http://nwcommunityenergy.org/solar/siting-and-system-design/pv-system-design and http://www.getsolar.com/residential_Solar-Roof-vs-Ground-Installation.php.

[48] http://www.nawindpower.com/e107_plugins/content/content.php?content.11302

was financed in part through a $9 million allocation of QECBs that were issued by the Washington State Housing Finance Commission[49] – marking a first in the United States for a wind project of its kind.

University Improvements -- Louisville, KY

In 2006, the Kentucky general assembly passed HB 380, which authorized energy performance contracts in the state. In 2007, the University of Louisville completed its first project, under a master equipment lease structure with Siemens. In 2010, Phase II of the project was approved: improvements to the health science campus. Phase II will make improvements to 17 educational and general buildings. The estimated savings are $4,930 per day, totaling $1.8 million annually.[50] On December 15, 2010, the University of Louisville issued $20,942,000 in QECBs. It combined this funding with BABs to finance $25 million for these improvements. The improvements consisted of lighting retrofits, HVAC system replacement, building controls, motors, belts, water conservation, commissioning, and training.[51]

The University of Louisville issued BABs with an interest cost of 3.28% and QECBs with an interest cost of 1.64%. The term of the bonds was 17 years, and a QECB sinking fund is being utilized.[52]

Green Community Programs -- Commercial PACE -- Boulder, Colorado

In November 2010, Boulder County issued $1.515 million in QECBs for a Property Assessed Clean Energy (PACE) commercial program. PACE financing is an approach by which a municipality can fund commercial and/or residential energy improvements; those improvements are repaid through a yearly property assessment (rather than by traditional unsecured loan).[53]

Boulder County negotiated a private placement of the bonds with UMB Bank. The bonds have one maturity date and one interest rate.[54] These bonds were issued in three parts: $115,000 for 5-year loan terms, $1.4 million for 10-year loan terms, and $30,000 in non-QECBs.[55] Interest rates to consumers are below 3% for both the 5-year and 10-year term options.[56]

Commercial entities interested in the PACE commercial program had to submit project applications by August 2010.[57] Eligible entities included non-profits, apartment buildings, small manufacturing facilities, and multifamily, low-income, and/or elderly housing complexes. The county then pre-qualified and approved all of the improvements that would be funded before the QECBs were issued.[58] By requiring that applications be submitted prior to bond issuance, Boulder County could determine exactly how large a bond issuance it needed; the process also gave the county more confidence about bond repayment.[59]

Twenty-nine projects had been approved as of March 23, 2011 and the program is now fully subscribed. The average project size is $51,000. Fifty-five percent of the measures known funded through the Boulder PACE QECB proceeds are energy efficiency improvements: HVAC units (30%), cool roofs (11%), insulation of doors and/or windows (8%), and other insulation (6%). Sixteen percent are renewable energy improvements: solar (11%) and solar hot water (5%).

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[49] http://www.wshfc.org/admin/releases/2013.03.27SwaukWind.pdf

[50] U.S. Department of Energy, "QECB Updates from the Field" Webinar, http://www1.eere.energy.gov/wip/solutioncenter/media/Qualified%20Energy%20Conservation%20Bonds-QECBs-Updates%20From%20the%20Field%20Slides.pptx .

[51] See U.S. Department of Energy Technical Assistance Program, "Taking Advantage of Qualified Energy Conservation Bonds" (September 22, 2010).

[52] U.S. Department of Energy, "QECB Updates from the Field" Webinar, http://www1.eere.energy.gov/wip/solutioncenter/media/Qualified%20Energy%20Conservation%20Bonds-QECBs-Updates%20From%20the%20Field%20Slides.pptx.

[53] The U.S. Department of Energy has indicated that it considers PACE programs green community programs. However, issuers should note that the IRS has not provided any guidance or confirmation to this effect, and it is the IRS/Treasury that will perform audits and determine eligibility for the QECB subsidy payments.

[54] See University of North Carolina at Chapel Hill Environmental Finance Center "Qualified Energy Conservation Bonds: Potential for Energy Loan Programs Case Analysis" Case Analysis (January 2011), p. 3, http://www.efc.unc.edu/projects/EnergyFinance/QECBMemo_BoulderCounty.pdf.

[55] The $30,000 issuance helped cover issuance costs.

[56] See Renewable Funding, Clinton Climate Initiative, and Lawrence Berkeley National Laboratory, "PACE Financing: Update on Commercial Programs" Policy Brief (March 2011), p. 6, http://emp.lbl.gov/sites/all/files/POLICY%20BRIEF%20pace%20financing.pdf .

[57] See University of North Carolina at Chapel Hill Environmental Finance Center, "Qualified Energy Conservation Bonds: Potential for Energy Loan Programs" Case Analysis (January 2011), p. 3.

[58] See Glenn Barnes, "Using Qualified Energy Conservation Bonds to Promote Energy Efficiency in the Community" Blog Post (September 27, 2011), http://sogweb.sog.unc.edu/blogs/ced/?p=3404.

[59] See University of North Carolina at Chapel Hill Environmental Finance Center, "Qualified Energy Conservation Bonds: Potential for Energy Loan Programs" Case Analysis (January 2011), p. 3.

Twenty-nine percent of the projects are other measures, such as lighting, retro commissioning,[60] and energy managements systems.[61]

Green Community Programs--Residential Energy Efficiency Loans -- St. Louis, Missouri

In April 2011, St. Louis County issued $10.3 million in QECBs, in addition to EECBG funds, for a residential energy efficiency loan program. The program provides loans in amounts ranging from $2,500 to $15,000 with terms up to 10 year at a rate of 3.5%. Only owner-occupied, single-family homes are eligible, and homeowners must have credit scores of 660+ with a maximum debt-to-income ratio (DTI) of 45%.[62] In January 2013, the program was expanded to include commercial loans. These loans can be used to upgrade lighting, HVAC, and weatherization. The interest rates are fixed at 3.5% and loans ranging from $50,000-$250,000.

The county had originally planned to create a PACE residential program, but had to choose a different approach after the Federal Housing Finance Agency announced its decision on PACE in the summer of 2010. On May 5, 2010, Fannie Mae and Freddie Mac alerted their seller-servicers that programs with first liens run contrary to the Fannie Mae-Freddie Mac Uniform Security Instrument. Those lender letters remain in effect.[63]

The St. Louis program is anticipated to fund 1,400 home energy retrofits, which is 5 times more than could have been retrofitted if the county had used its EECBG funds for a rebate program. As of December, 2014 262 retrofits have been completed under St. Louis SAVES. The EECBG funds helped cover issuance and program administrative costs. [64] The QECBs are secured by the county's annual appropriation pledge,[65] with the designation of loan proceeds as the source of repayment.[66] The issuance was for serial bonds[67] with a final maturity of 15 years, with some bonds starting to mature annually in 2013.[68]

Green Community Programs -- Streetlight Programs --San Diego, CA and Richmond, CA

In 2011, San Diego used their $13.1M allocation to replace the cities HPS and LPs streetlight with induction lighting – which have an expected lifetime of 20 years and typical energy savings of 40% per-light. San Diego determined that the Broad Spectrum Street Light Conversion Program (BSSLCP) qualified for QECB use under the Green Community Program designation since it benefited the whole community of San Diego. The use of QECB funds allowed the program to replace a total of 39,000 streetlights (approximately 60% of the city's lights).[69]

In 2010, the City of Richmond, CA issued their $1.05M QECB allocation to fund energy efficiency project on city facilities and street lighting. Over $500,000 in QECBs was used for street lighting upgrades – they replaced incandescent

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[60] Retro commissioning is a systematic process for identifying less-than-optimal performance in a facility's existing equipment and control systems and making necessary repairs or enhancements to save energy and cost Source: www.pge.com/mybusiness/energysavingsrebates/rebatesincentives/retrocommissioning/.

[61] An energy-management system can be refer to a computer system which is designed specifically for the automated control and monitoring of the heating, ventilation and lighting needs of a building or group of buildings such as university campuses, office buildings or factories.
Source: www.nationalgridus.com/niagaramohawk/non_html/ee_conference/EnergyMgt.pdf.

[62] See Lawrence Berkeley National Laboratory, "Using Qualified Energy Conservation Bonds (QECBs) to Fund a Residential Energy Efficiency Loan Program: Case Study on Saint Louis County, MO" Clean Energy Financing Policy Brief (June 2011), p. 3, http://emp.lbl.gov/sites/all/files/POLICY%20BRIEF%20QECB%27s%20MO.pdf .

[63] See: www.fhfa.gov/webfiles/15884/PACESTMT7610.pdf.

[64] See Lawrence Berkeley National Laboratory, "Using Qualified Energy Conservation Bonds (QECBs) to Fund a Residential Energy Efficiency Loan Program: Case Study on Saint Louis County, MO" Clean Energy Financing Policy Brief, (June 2011), pp. 3–4.

[65] According to the MSRB, an annual appropriation pledge is typically found in the bond resolution and/or trust indenture for lease revenue bonds or securing a certificate of participation financing. It commits the issuer to make lease payments or periodic debt service payments to the extent that monies are budgeted and appropriated on an annual basis by the issuer's or obligor's governing body. The governing body is not legally obligated to make such appropriation in any year. An annual appropriation pledge is generally used only with projects that are considered to be essential to the issuer's operations so the governing body is likely to appropriate the money needed to pay debt service. An annual appropriations pledge can allow an issuer to undertake a long-term certificate of participation or other lease revenue obligation financing without technically incurring debt. Such obligations are not considered debt in most states and thus are not subject to debt limitations and/or referendum requirements. A certificate of participation is an instrument evidencing a pro rata share in a specific pledged revenue stream, usually lease payments by the issuer that are subject to annual appropriation. The certificate entitles the holder to receive a share, or participation, in the lease payments from a particular project. Source: http://www.msrb.org/glossary/definition/certificate-of-participation-_cop_.aspx and http://www.msrb.org/Glossary/Definition/ANNUAL-APPROPRIATION-PLEDGE.aspx

[66] St. Louis County, Missouri Official Statement Dated May 18, 2011 for Series 2011 A QECBs Due December 1, 2025, p. 14.

[67] Serial bonds mature in consecutive years. See: http://www.msrb.org/glossary/definition/serial-bonds.aspx.

[68] St. Louis County, Missouri Official Statement Dated May 18, 2011 for Series 2011 A QECBs Due December 1, 2025, p. 2.

[69] http://financing.lbl.gov/reports/street-lighting-qecb.pdf

street lighting with more efficient LED fixtures. These replacements are estimated to have an average energy savings of 45%, these energy savings combined with reduced maintenance costs should lead to significant savings.[70]

Green Community Programs -- North Carolina Agriculture Authority

In 2012 the North Carolina Agricultural Finance Authority ("the Authority") established a green community program to promote the development of renewable energy resources on agricultural land in North Carolina. Under the program, developers with a project that meets the necessary criteria apply for loans funded by QECBs issued by the Authority.

A wide variety of projects are eligible for the program including wind energy facilities, solar facilities, distributed generation initiatives, research facilities to support research into fossil fuel alternatives and demonstration projects that are designed to promote the commercialization of clean energy sources (such as the conversion of agricultural waste for use in the production of fuel.) In addition to meeting one of these criteria, the project much also have a significant nexus to agriculture.[71] Such a nexus can be demonstrated by locating the project on land that is leased from an owner who is also using the land for agricultural purposes, or the pursuit of some form of agriculture on the same land, or use of agricultural products or by-products as part of green energy production.

The program is open to any person who meets these qualifications. The Authority issues QECBs from the State of North Carolina's allocation on behalf of the project borrower, the Authority acts as a conduit issuer and loans the QECB issuance proceeds to the project borrower. Under this system, the project borrower is the one responsible for the repayment of the funds and these funds are not considered a debt of the state. The Authority charges each participant a fee equal to 1% of the aggregate amount of the loan closed and the fee may be paid from loan proceeds. The participant must also pay the Authority's fees and out-of-pocket expenses relating to the bonds and the project.

As of December 2014, 4 projects, all for solar installations on agricultural land, have been financed under this program.[72] The total value of QECBs issued under the program to date is $7,492,702. The bonds were all sold in private placements.

Green Community Programs -- NYSERDA -- Green Jobs Green New York

In August 2013,The New York State Energy Research and Development Authority (NYSERDA) issued $24.3 million of QECBs for the Green Jobs – Green New York (GJGNY) residential energy efficiency loan program. The bond proceeds were used to replenish the $42.5 million GJGNY revolving loan fund that began with the GJGNY Act of 2009, a statewide initiative to promote energy efficiency and the installation of clean technologies to reduce energy costs and greenhouse gas emissions, support sustainable community development and create opportunities for green jobs.

With no history as a bond issuer, NYSERDA struggled to achieve a rating that would enable the QECBs to be sold at an interest rate that made the transaction worthwhile. To achieve a more favorable rating, NYSERDA was able to obtain a guarantee from the New York State Environmental Facilities Corporation (EFC) through its State Revolving Fund (SRF) program. This guarantee enabled the bonds to be rated AAA/Aaa by Standard & Poor's and Moody's.

EFC manages the largest SRF in the nation, with nearly $13 billion in assets, and provides AAA-rated financial assistance to local governments and public entities to finance clean water and drinking water projects. Following discussions between NYSERDA and EFC, EFC submitted a letter to the U.S. Environmental Protection Agency (EPA) to ask for concurrence that energy efficiency financing is an eligible program purpose under the Clean Water SRF program. The EPA agreed that the bonds did qualify for financial assistance under the Clean Water SRF because residential energy efficiency improvements lead to reductions in fossil fuel combustion and related reductions in air pollutants being emitted and deposited into New York State's water bodies. This transaction was the first in the nation to utilize the SRF to support initiatives that address atmospheric depositions that impact public health and pollute critically-important water bodies.

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[70] http://financing.lbl.gov/reports/street-lighting-qecb.pdf

[71] Defined for this purpose as "the commercial production, storage, processing, marketing, distribution or export of any agronomic, floricultural, horticultural, viticultural, silvicultural or aquacultural crop including, but not limited to, farm products, livestock and livestock products, poultry and poultry products, milk and dairy products, fruit and other horticultural products, and seafood and aquacultural products

[72] The projects are: Avery Solar, 3/20/12, $1,977,702; Mayberry Solar, 5/15/12, $2,215,000; Sandy Cross Solar, 8/29/12, $1,200,000; and Progress Solar 1, 2/6/13, $2,100,000

The QECBs were sold with an average term of approximately 6.8 years and an average interest rate of approximately 3.21%. The net interest cost after QECB interest subsidies is anticipated at approximately 0.48 percent. This low cost of financing allowed NYSERDA to offer GJGNY loans to consumers at low interest rates (2.49%-3.99%) and allowed longer loan terms of up to 15 years. The bonds were secured with loan repayments from loans with an aggregate principal of $29.2 million, of which about 35% were On-Bill Recovery loans. The pledged loans resulted in a projected debt service coverage of 126%. About 35% of the bonds were sold to funds with social responsibility mandates and the deal went on to be named *The Bond Buyer* 2013 Small Issuer Deal of the Year.

IV. UTILIZATION TRENDS

Note: Although the IRS collects information on QECB issuances on Form 8038-TC, it has declined requests to disclose this information publicly. As such, it is not possible to ascertain definitively the exact number and quantity of QECB issuances to date. The information in this section has been gathered from various sources, including IRS Notice 2009-29, Bloomberg, the Municipal Securities Rulemaking Board, the U.S. Department of Energy, Lawrence Berkeley National Laboratory, Wells Fargo, state and local issuer websites, and state and local energy, development, finance, and commerce officials who have graciously spoken to or corresponded with EPC and/or NASEO regarding their issuance statuses. EPC's inventory and knowledge of QECB issuances is likely incomplete. ***We welcome and are grateful for your feedback regarding any issuances we have missed or errors contained in this paper.***

Eligible issuers of QECBs include states,[73] state agencies[74] and finance authorities,[75] territories, municipalities,[76] municipal utilities,[77] municipal agencies,[78] counties[79], tribes, school districts,[80] and higher education institutions.[81] See Tables 1C and 1D.

The most common use of QECBs to date, as of December 2014, has been capital improvements to reduce energy consumption in publicly owned buildings by at least 20%. (See Table 1B at the end of this paper). For example, such issuances make up almost all known issuances in the Northwest and Southeast regions[82] and around 70% of total known QECB issuances nationwide. A large number of bonds issued for this purpose are being used for school and university projects. (See Graph 6 at the end of this paper).

Although energy efficiency improvements are the most popular use of QECBs overall, investments in renewables are particularly popular in the Southwest. Of the QECBs issued in the Southwest**,** 67% have been used for renewable energy facilities, such as installing solar panels at public schools.

At least 16 issuances nationwide to date are known to have been used for, or issued under, green community programs: St. Louis, MO; Boulder, CO; San Diego, CA; Richmond, CA; Las Vegas, NV; GreenFinanceSF, CA; South Carolina SAVES, SC; Missouri Clean Energy District, MO; NYSERDA,NY; North Carolina Agricultural Finance Authority, NC (4 issuances), Kitsap County, WA and Roaring Fork Transportation Authority, CO (2 issuances). Green Community Programs typically issue QECBs in one of two ways. Some are structured so that the program is established and QECBs issued to fund it. The program then administers the funds for the stated purpose (e.g. San Diego streetlight improvements, St. Louis Saves residential energy efficiency loan program). The second option is that a Green Community Program is set up in conjunction with a state agency that is authorized to issue private activity bonds. QECBs are then issued on a per project basis with each separate project applying to the GCP for financing. For qualifying projects, the GCP works in conjunction with the relevant state agency and the agency acts as a conduit issuer, issuing QECBs and lending the

[73] For example, in July 2011 the state of Maryland issued $6.5 million of QECBs for improvements to public schools (direct issuance by state).
[74] The Commonwealth of Pennsylvania issued $15.8 million for retrofit projects for corrections facilities.
[75] For example, the Kansas Development Finance Authority issued $17.8 million for university projects.
[76] The city of Waterbury, Connecticut issued $4.7 million for city facilities retrofit projects (direct issuance by city).
[77] The Los Angeles Department of Water and Power issued $131 million for solar and wind projects.
[78] In Minnesota, the Washington County Housing and Redevelopment Authority issued $2.375 million for energy efficiency improvements.
[79] Sonoma County issued $1,977,500 for renewable generation
[80] The Menasha School District in Wisconsin issued $1.69 million for school improvements.
[81] The University of Colorado issued $4.375 million for university projects.
[82] States in each region (as per EPC): Central: Colorado, Kansas, Montana, Nebraska, North Dakota, Oklahoma, South Dakota, Texas, Wyoming. Midwest: Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Ohio, Wisconsin. Northeast: Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, West Virginia. Northwest: Alaska, Hawaii, Idaho, Oregon, Washington. Southeast: Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Virginia. Southwest: Arizona, California, Nevada, New Mexico, Utah.

proceeds to the project.[83] Examples of this type of structure include North Carolina Agricultural Authority GCP and Kitsap County, WA (with Washington State Housing Finance Authority acting as conduit issuer).

Known public education campaign issuances are rare, but one example is Western Wisconsin Technical College's July 2010 issuance. Similarly, the Spotsylvania, VA rail station and parking lot issuance in July 2012 is the only known mass commuting issuance to date. As of December 2014, EPC is not aware of any QECB issuances used for rural development or research or demonstration projects.

Private Activity Bond Issuances

At least eight QECB issuances to date have been private activity bond issuances, including three in Massachusetts,[84] one in Georgia, one in Lawrence, Kansas,[85] one in Washington state and two in Colorado.

Although Official Statements are not available to confirm, we have learned through interviews with Massachusetts that a state agency, MassDevelopment, issued the bonds on behalf of each private entity.[86] The Fairhaven Wind project issued approximately $3 million in QECBs in November 2011 and used the proceeds to build two 1.5 MW wind turbines. The Scituate Wind project issued approximately $1.5 million in August 2011 and used the proceeds to build one 1.5 MW wind turbine. The Westford Solar project issued $5.8 million in August 2011 and used the proceeds to help fund a 4.5 MW ground-mounted solar project. In Washington, a $9M wind turbine project was completed in early 2013. It is projected to produce 4.25 megawatts of electricity annually.

In Colorado, the Colorado Housing Finance Authority (CHFA) completed two QECB issuances on behalf of private entities. In April 2012, they issued $6.7 million in QECBs to a private developer with the proceeds used to finance the installation of solar panels on Denver Housing Authority properties. In August 2013, the CHFA issued $4.9 million in QECBS to various private entities to finance solar facilities for Denver International Airport, The City of Greeley and the State of Colorado Department of Corrections.

Energy Performance Contract Issuances

At least eighteen QECB issuances (as of December, 2014) are known to have utilized energy performance contracts.[87] One example is the University of Louisville, which issued $20.9 million in QECBs for such a project.

Utilization of QECB Allocations State-by-State

Across the United States, state utilization rates range from complete lack of known utilization to complete exhaustion of allocation (100% issued in Kansas); see Table 1A. In addition to Kansas, known state leaders include Colorado (96%), Kentucky (93%), Nebraska (88%), Montana (83%), California (82%), Alabama (81%) South Dakota (79%), and Louisiana (66%). Fifteen[88] states are not known to have issued any QECBs. One state has confirmed that QECBs have not yet been authorized: West Virginia. In addition, EPC has been unable to locate authorizing documentation for Hawaii, Mississippi, and Wyoming. QECB Authorization efforts in Hawaii appear to have stalled in 2012.[89] Florida was the most recent state to authorize QECBs with legislation passing in June 2014 to authorize the state's $190 million allocation.[90]

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[83] With a conduit issuance, a state agency issues the bonds but the bonds are not backed by the state and the borrower/project is solely responsible for their repayment
[84] Fairhaven Wind, Scituate Wind and Westford Solar
[85] Interview with Diane Stoddard, Assistant City Manager for the City of Lawrence.
[86] Interview with Elise Avers, Massachusetts Department of Energy Resources.
[87] These issuances are the Colorado School of Mines; Commonwealth of Pennsylvania, Fayette County; Kansas Development Finance Authority, Louisville-Jefferson County Metro Government; University of Kentucky; University of Louisville; Department of Corrections, Louisiana, Washington County Housing and Redevelopment Authority; and the Town of Marshfield, Massachusetts.
[88] In addition, 5 US territories have not issued QECBs; status of authorization is unknown as of December 2014
[89] HI HB1033, 2012. http://legiscan.com/HI/text/HB1033/id/623943
[90] FL CS/HB 7147m 2014 (page 18) http://www.flsenate.gov/Session/Bill/2014/7147/BillText/er/PDF

Regional Utilization of QECB Allocations

Regionally[91], known utilization rates range from about 20% in the Northeast to 66% in the Southwest (see Graph 5). The Southeast, Midwest, Northwest, and Central regions have utilization rates ranging from about 22% to 41%. See Graphs 3 and 4 at the end of this paper.

Local Utilization and Issuance Sizes

At the municipal level, known issuances have ranged from as little as $120,000 for Rantoul Township High School District 193 in Champaign County, Illinois, to as much as $131 million for the Los Angeles Department of Water and Power in California (see Table 1B). Large metropolitan areas that have issued QECBs include Albany, NY, Chicago, Philadelphia, Nashville and Davidson Counties (TN), Las Vegas, Los Angeles, San Diego, Houston and St. Louis. Many large metropolitan areas are not yet known to have utilized their allocations, however, and might benefit from coordination with state and territorial energy officials.

V. BARRIERS TO THE USE OF QECBS

In December 2011, EPC and NASEO reached out to state governments to confirm issuance data and ask questions about state experiences with barriers to issuing QECBs. Twelve states[92] provided information about barriers to issuances in their state. The most commonly cited barriers were (1) small allocations (four states, or 33% of those that provided information), (2) debt aversion at state and local levels (three states, or 25%), and (3) lack of awareness, familiarity, and/or understanding of QECBs or bonds generally at the state and local levels (two states, or 17%). More recently, in 2012 and 2013, a number of large local governments[93] have pointed to sequestration concerns.

Throughout 2013, EPC reached out to large local governments in 11 states[94] to discuss QECBs and inquire about reasons for nonuse. A total of 230 counties were contacted, with a response rate of 37%. Of the 86 counties who responded 33 provided reasons for nonuse; the most commonly cited barriers were: (1) unaware of QECB allocation (13 LLGs, 39% of respondents), (2) No current project (9 LLGs, 27% of respondents), (3) Debt Capacity (5 LLGs, 15% of respondents), and (4) Sequestration (4 LLGs, 12% of respondents).

Small Allocations and Issuance Costs

If a state has many local governments with populations greater than 100,000, this necessitates dividing up the total resource into many pieces and also can increase administrative burdens and implementation delays. Small allocation sizes make it challenging to pay issuance costs because small allocations often mean high transaction costs per dollar of bonds issued. This is particularly difficult as only 2% of QECB issuance proceeds may be used for issuance costs.[95] Transaction costs in many cases are relatively fixed regardless of the size of an issuance.[96]

In 2012, EPC reviewed 66 available official statements to learn more about issuance costs. Of the 66 available, 52 official statements contained information on issuance costs. Based on those statements,[97] EPC found that issuance costs ranged

[91] States in each region (as per EPC): Central: Colorado, Kansas, Montana, Nebraska, North Dakota, Oklahoma, South Dakota, Texas, Wyoming. Midwest: Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Ohio, Wisconsin. Northeast: Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, West Virginia. Northwest: Alaska, Hawaii, Idaho, Oregon, Washington. Southeast: Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Virginia. Southwest: Arizona, California, Nevada, New Mexico, Utah.

[92] Those 12 states are Arizona, Arkansas, District of Columbia, Illinois, Maine, Maryland, New Mexico, North Dakota, Tennessee, Texas, Virginia, and Wyoming. The city of Las Vegas also provided information.

[93] Examples include Schenectady County, NY and Gresham, Oregon.

[94] Illinois, Michigan, New York, North Carolina, Pennsylvania, Virginia, Minnesota, Missouri, Iowa, Alabama, Wisconsin.

[95] See 26 USC 54A(e)(4).

[96] "NASEO and EPC Summary of Barriers for Increasing QECB Activity at the State and Local Levels" (February 2012); "NASEO State Briefing on Qualified Energy Conservation Bonds" (March 2012).

[97] Official statements with breakdown of issuance costs: Allegheny County, PA; Belchertown, MA; Bellingham, WA; Boulder County, CO; Boulder PACE, CO; Chicago, IL; Commonwealth of Pennsylvania; Deerfield, IL; Ely ISD, MN; Fayette County, PA; Foothills, CO; Fort Collins, CO; Grant County, MN; Greene County, MO; Itasca County, MN; Kansas Development Finance Authority; King County, WA; Kitsap, WA; Lake County, SD; Los Angeles Department of Water and Power, CA; Louisville, KY; Mandan School District, ND; State of Maryland; McHenry School District, IL; Menasha School District, WI; Mitchell School District, SD; Pleasant Prairie, WI; Rancho Water District Financing Authority, CA; Champaign County School District 193, IL; Champaign County School District 116, IL; Rapid City, SD; Somerton, AZ; St. Louis County, MO; Tempe, AZ; Thurston County, WA; University of Colorado; University of Kentucky; Washington County Housing and

from a low of $2,400 (Champaign County Township High School District 193, Illinois) up to $399,000 (Tempe, Arizona)[98] for issuing QECBs. The median issuance cost was approximately $53,325 and the median as a percent of total proceeds was 2%. 42% of issuances for which we were able to find information noted issuance costs of 1% or less of total proceeds.

Small issuances may also be difficult to sell.

Techniques for Addressing Small Allocation Issues

Bundling. One approach to dealing with small allocation sizes is to bundle QECBs with other bonds. Of the 79 issuances[99] for which information about bundling was available at the time of our 2012 inquiry into this issue, 60 were issued as part of a bundled issuance with at least one other bond issuance. QECBs have been issued simultaneously with other taxable bonds, tax exempt general obligation bonds, revenue bonds, Air Quality Development Bonds,[100] Build America Bonds,[101] Clean Renewable Energy Bonds,[102] Qualified Zone Academy Bonds,[103] Recovery Zone Economic Development Bonds,[104] and Recovery Zone Facility Bonds.[105]

Energy Efficiency and Conservation Block Grants. Other jurisdictions have used their EECBGs to help cover issuance and administrative costs. The City of Los Angeles used EECBG funding to help cover interest costs for the first two years of the bond term. St. Louis County used EECBG funding to buy down customer interest rates and to cover the county's program administration costs.[106]

Pooling. Jurisdictions may be able to pool their allocations in order to reduce the transaction cost per dollar financed. This may be done simply by waiving sub-allocations back to the state, but in cases in which this is not possible or desirable, local jurisdictions may in some cases be able to pool their sub-allocations without state involvement. For example, jurisdictions have pooled other tax credit bonds. The Wisconsin Public Finance Authority has facilitated pooled issuances of variable rate revenue bonds,[107] multifamily housing revenue bonds,[108] disaster revenue bonds,[109] and various other types of revenue bond issuances. Similar to Wisconsin's PFA, the California Statewide Communities Development Authority (CSCDA) provides local governments with a tool for financing public agency, private activity, and energy finance programs. They have helped finance low-income multifamily and senior housing projects, energy and conservation measures, street lighting, and energy efficiency retrofits. New York has pursued MBBA pooled Financing of QECBS, meaning that local counties could join their QECB allocations together and issue as one entity. Unfortunately there has not been as much interest as expected. An effort to authorize similar pooling in Hawaii stalled earlier in 2012 after legislators

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Redevelopment Authority, MN; Waterbury, CT; Western State College, CO; Wyandotte, KS; Yakima County, WA; York, PA; Yuba Community College, CA; Billings School District, MT; Billings School District High School, MT; Spotsylvania County, VA; Nashville and Davidson Counties, TN; Knox County IN; Philadelphia Municipal Authority, PA; Goodhue County, MN.

[98] The University of Colorado had an issuance cost of $1.2 million but this was for the entire issuance, which included other bonds in addition to QECBs. The cost for the QECB issuance alone was not broken out in the official statement.

[99] EPC was able to locate publicly-available official statements for sixty-six issuances. The additional 13 issuances included in this figure are Ohio issuances for which bundling information was obtained from review of the Ohio Air Development Authority website, press releases, and interviews with staff.

[100] Twelve of the fourteen issuances in Ohio have involved bundling QECBs with Air Quality Development Bonds: South Euclid, Findlay, Licking County, Pickaway County, Owens State Community College, Ravenna, Hamilton County, three Kent State University issuances, City of Trotwood, Jefferson County, and Ohio University. The Pickaway County issuance involved bundling with Recovery Zone Economic Development Bonds.

[101] Twelve issuances were bundled with BABs: June 2010 Tucson issuance, University of Kentucky, University of Louisville, Commonwealth of Pennsylvania, Thurston County, City of Chicago, University of Colorado, Champaign County School District 193, Champaign County School District 116, Waterbury City, King County, Kitsap County. Only the University of Kentucky and University of Louisville were issuances of QECBs and BABs alone. The other issuances were bundled with other types of bonds as well.

[102] Only the Los Angeles Department of Water and Power bundled their QECBs with CREBs.

[103] Four QECB issuances are known to have been bundled with Qualified Zone Academy Bonds: Alma Center School District, Billings School District High School, Champaign County School District 116, and the state of Maryland. The Alma Center and Billings School District High School issuances were a combination of QECBs and QZABs. The other issuances were bundled with other types of bonds as well.

[104] Seven issuances are known to have been bundled with RZEDs: Wyandotte County, Champaign County School District 193, Champaign County School District 116, King County, Kitsap County, Pickaway County and Waterbury City. Only Wyandotte and Pickaway Counties bundled QECBs and RZEDs without any other bonds included.

[105] Lawrence, Kansas bundled its QECBs with Recovery Zone Facility Bonds.

[106] See Lawrence Berkeley National Laboratory, "Using Qualified Energy Conservation Bonds (QECBs) to Fund a Residential Energy Efficiency Loan Program: Case Study on Saint Louis County, MO" (June 2011), p. 3.

[107] February 15, 2012 issuance. See Official Statement at http://emma.msrb.org/ER577249-ER448110-ER850651.pdf.

[108] September 27, 2011 issuance. See Official Statement at http://emma.msrb.org/EP571658-EP448706-EP848602.pdf.

[109] September 22, 2011 issuance. See Official Statement at http://emma.msrb.org/EP572032-EP449005-EP848916.pdf.

and advocates were unable to obtain guidance from IRS, and an effort led by MBBA in 2013 has not yet resulted in any issuances.[110]

Debt Aversion and Debt Caps

Some state and local governments are unwilling to take on additional debt . Other jurisdictions have statutory debt volume caps, which may decrease their motivation to "spend" their volume cap on QECBs versus other types of bonds. In these instances, QECBs and energy efficiency projects may not rank high enough on the state or local government's overall set of priorities for bond issuances.[111]

In some cases, a state may be averse to debt whereas some of its municipalities lack financing options. In these instances, a state might consider an application and award process such as the ones Colorado and Tennessee utilized.[112] In this process, the state requests applications for allocation awards and cedes portions of its allocation to local applicants who can utilize the funding. Because the allocations are issued by local issuers, they need not increase state-level debt.

Alternatively, debt averse issuers may prefer to cede up to 30% of their allocations (or sub-allocations, as applicable) to private developers for private activity bond issuances.

Davis Bacon Act and "Buy American" Requirements

All funds made available under ARRA are subject to the requirements of the Davis Bacon Fair Wage Act[113] and, if applicable, the Buy American Provision found in § 1605 of ARRA.[114] These requirements place a greater burden on the issuer and, especially in cases where other low cost capital is available, make QECBs a less attractive source of financing. Davis Bacon requirements in particular are often cited as a reason for non-use of QECBs, both from a cost perspective and from an administrative standpoint with states/large local governments indicating that their systems are unable to handle the necessary Davis Bacon compliance.

Familiarity and Coordination

In some states a designated agency must be utilized whenever bonds are to be issued; in others a number of different agencies were possible candidates for implementing the QECB program and one was chosen and designated in an executive order or state legislation authorizing the QECB program and suballocations. At least 22 State Energy Offices (SEOs) have been charged with implementing QECBs. See Appendix H for an unofficial list of apparent administering agencies. In other states, bonding authorities, development authorities, or other agencies have been authorized to run the QECB programs. In some instances, the bonding authority may be unclear about eligibility of projects or methodologies for measuring 20% savings. In instances in which the SEO is the designated agency, the SEO may not have bonding experience or may not have a working relationship with bond professionals. In short, increased coordination across state agencies would facilitate implementation in some states.[115]

Similarly, technical assistance and support from the state or the federal government is helpful and, in some cases, necessary for local governments to use QECBs.[116]

Some state agencies administering the QECBs did extensive outreach to local governments to make them aware of this funding opportunity. For example, Maryland Energy Administration (MEA) wrote and distributed QECB information

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[110] Interview with Colin Bishopp.
[111] "NASEO and EPC Summary of Barriers for Increasing QECB Activity at the State and Local Levels" (February 2012).
[112] See Appendix D: State Applications for examples of state application process documentation
[113] 40 U.S.C. §§ 276a-276a-7, which provides that locally prevailing wages and fringe benefits must be paid to laborers and mechanics employed on federally funded contracts exceeding $2,000 that may involve construction, alteration, maintenance or repair
[114] The Buy American provision in the American Recovery and Reinvestment Act of 2009 (section 1605 of Title XVI), provides that, unless one of three listed exceptions applies (nonavailability, unreasonable cost, and inconsistent with the public interest), and a waiver is granted, none of the funds appropriated or otherwise made available by the Act may be used for a project for the construction, alteration, maintenance, or repair of a public building or public work unless all the iron, steel, and manufactured goods used are produced in the United States. For further discussion of the applicability of these provisions see http://www1.eere.energy.gov/recovery/buy_american_faq.html#q1
[115] "NASEO and EPC Summary of Barriers for Increasing QECB Activity at the State and Local Levels" (February 2012).
[116] "NASEO and EPC Summary of Barriers fInterview with Dan Bresette of the Maryland Energy Administration.or Increasing QECB Activity at the State and Local Levels" (February 2012).

papers and worked with the state Treasurer and the Governor's office. In Fall 2009, the Governor's office sent letters to executives and council presidents of each "large local government", as applicable, with copies to finance directors. The letters included a table of suballocations, MEA/Treasurer contact information, and were followed by a series of phone calls with local government finance staff soliciting feedback on the QECB program and helping establish the groundwork for issuances in Maryland. MEA, the Treasurer, and the Community Development Administration (CDA) continue to consult with suballocees re QECBs.

Uncertainty

Regulatory and legal concerns also presented a barrier to QECB issuances, particularly in the first years of the program before Notice 2012-44 was issued in June 2012; those concerns and the notice are discussed below. Similarly, after September 2012 but prior to sequester becoming a reality, the threat of cuts to subsidy payments on QECBs was cited by at least one state and one local government as a barrier to issuance. See Section VI for an update on sequestration.

VI. UNCERTAINTY, NOTICE 2012-44, AND SEQUESTRATION BACKGROUND

A. Introduction

During the early years of the QECB program, a number of legal and regulatory issues delayed or postponed issuances. On June 25, 2012, the IRS issued Notice 2012-44 and resolved many of these issues. Some questions remain. These issues are discussed further below.

Only months after Notice 2012-44 seemed to resolve the most commonly raised concerns regarding QECBs, budget talks surrounding the "fiscal cliff" resulted in a different but equally problematic uncertainty: it was no longer clear how much, if any, subsidy payment QECB issuers would receive, even if they had issued bonds prior to the date on which sequestration cuts were to occur.

B. Sequestration

The White House Office of Management and Budget (OMB) released a report on September 14, 2012 noting potential spending cuts that could come into effect on January 2, 2013, if Congress did not act to modify the Budget Control Act of 2011. With the passage of The American Taxpayer Relief Act of 2012 (H.R. 8), March 1st, 2013 replaced January 2nd, 2013, as the date when cuts will occur should Congress fail to reach an agreement on budget cuts. Since Congress did not provide otherwise, a "sequestration" process occurred that reduced funding for a wide range of government programs, including QECBs.

The OMB report indicated that among the potential cuts under sequestration are an estimated $2 million reduction to the Qualified Energy Conservation Bond (QECB) program which would likely affect the issuers of existing bonds. At the time, Reuters and the Bond Buyer reported that similar cuts to the Build America Bond program could take away subsidy payments on existing bonds. Although the FY 2013, FY 2014 and FY 2015 sequester amount for QECBs are not very large in the context of the overall program, the difference could be significant for issuers on tight margins.

To access OMB's reports on sequestration, please visit:http://www.whitehouse.gov/omb/legislative_reports/sequestration

Sequester Effects on QECBs

In October 2014, the IRS issued the fiscal year 2015 update regarding the effect of sequestration on QECB issuers.[117] The sequester reduction is applied to section 6431 amounts claimed by an issuer on any Form 8038-CP filed with the Service which results in a payment to such issuer on or after October 1, 2014. The sequestration reduction rate will be applied unless and until an intervening Congressional action, at which time the sequestration rate is subject to change, effectively making these cuts permanent. As determined by OMB, payments to issuers from the budget accounts associated to these qualified bonds are subject to a reduction of 7.3% of the amount budgeted for such payments.

[117] http://www.irs.gov/Tax-Exempt-Bonds/Update-Effect-of-Sequestration-on-State-&-Local-Government-Filers-of-Form-8038CP-FY2015

The prior sequester notice, issued in September 2013, had a reduction of 7.2% and was effective through September 30, 2013. In the most recent sequester notice; the rate of reduction has been increased by 0.1% to 7.3%. The new rate is effective unless and until Congress takes action, with no specified end date.

The sequester's effect on QECBs issued as tax credit bonds (with tax credits for the holders rather than cash subsidies for the issuer) remains unclear, as it is not specifically mentioned in any IRS guidance. It appears that tax credit QECBs may not be subject to the cuts.

Six counties have cited sequestration as a reason for not actively pursuing QECBs. Two of these counties have expressed reluctance to issue tax credit bonds in general, due to the effect of sequester on BABs, and their experience with those bonds.

C. Notice 2012-44

Intended Scope

The Notice confirms that Congress intended to give state and local governments "wide" and "broad" discretion issuing QECBs. This confirmation should guide IRS auditors when reviewing issuances and provide some additional comfort to issuers and their counsel.

Capital Expenditure Requirement

The QECB legislation requires for some uses that QECB proceeds be spent on capital expenditures. Notice 2012-44 provides guidance on determining whether an expenditure is a "capital expenditure" for purposes of the QECB rules, helpful clarification for issuers of any type of QECB.

20% Savings

As noted earlier, a common use of QECBs is to reduce energy consumption in publicly owned buildings by at least 20% through capital improvements. Prior to the publication of Notice 2012-44, however, there was a great deal of uncertainty about how exactly issuers were required to estimate or measure the required energy savings.

Notice 2012-44 provides pages of information on how issuers can properly estimate projected reductions in energy consumption due to improvements financed by QECBs. It explicitly distinguishes the rules applicable in the context of Internal Revenue Code section 179D, another provision that provides tax benefits for reductions in energy consumption in government buildings.

Instead, the Notice provides specific guidelines for QECB issuers. Energy savings can be measured building by building or across all the buildings improved with the QECB proceeds. They can also be measured by a component or multiple components of the energy system of the building or buildings in question (e.g., HVAC, hot water, lighting, building envelope, or "plug load" due to items plugged into outlets such as refrigerators).

The issuer must "reasonably expect" that the capital expenditures to be financed with the bond proceeds will result in a 20 percent or greater reduction in energy consumption for the selected building, buildings or building system component using a "common energy unit" such as a MMBtu (one million British thermal Units).

In order to determine whether the issuer's expectation was reasonable, Treasury will look to whether the issuer or its engineer used such tools as an ASHRAE level 3 audit, building energy use simulation techniques and estimating software (including the DOE (Department of Energy) 2 based Quick Energy Simulation Tool (eQUEST)) or other qualified computer software for calculating commercial building energy and power cost savings that meet federal tax incentive requirements as listed by Department of Energy's Building Technology Program at: http://apps1.eere.energy.gov/buildings/tools_directory/.

The issuer must use a "reasonable and consistently applied" method to measure (actual or projected) energy savings over a "reasonable and consistent time period" of at least one year (e.g. energy use in the year before the improvements were made and in the year following the improvements). The issuer need not subsequently demonstrate energy savings. An issuer may rely on an engineer's certification (an example is provided in the notice) if the actual capital improvements financed by the QECB proceeds are substantially similar to those contemplated as the basis for the certification.

Green Community Programs

Despite great interest, there have been relatively few green community program issuances. The term "green community programs" was not defined in the statute or IRS guidance until June 2012; Notice 2012-44 addresses this issue. To qualify as a "green community program" for QECB purposes, the Notice provides that a program must both promote "energy conservation, energy efficiency or environmental conservation initiatives related to energy consumption, broadly construed" and either involve property that is available for "general public use" (such as replacing streetlights on public

roads with LED bulbs) or loans/grants that have "broad public availability" (including residential housing or private building energy efficiency initiatives that provide grants or loans that are broadly available for homeowners or businesses).

The Notice incorporates the frequently-cited conference report that indicates that a green community program can finance retrofits of existing private buildings through loans and/or grants to individual homeowners or businesses, or through other repayment mechanisms.[118] Retrofits can include heating, cooling, lighting, water[119], conservation, storm-water reduction, or other efficiency measures.[120]

Issuance Trends since IRS Notice 2012-44 & The Sequester

In July of 2012, IRS issued notice 2012-44, which provided clarification on eligible QECB projects and Green Community Programs. The issuance of the notice was followed by a $24 million (40%) increase in issuances over two quarters ($84.33 million in Q3 and Q4 as compared to $60.35 million in Q1 and Q2 of that year). Early in 2013 the increasing threat of sequester (among other factors) began to loom which may have attributed to the fact that there were only 3 known issuances totaling $13.21 million in Q1 of 2013. However the rest of 2013 proved to be a strong year with total issuances of $91.77 million (a 32% increase over 2012). 2014 saw a downturn in the number of QECBs issued, with only 14 issuances totaling $59.19 (a decrease of 69% from 2013) but it is not known whether the sequester or other factors contributed to this low volume. See Graph 2: Amount of QECBs Known to be issued by Quarter.

Notice 2012-44 indicates that the contact at the IRS is Zoran Stojanovic. The phone number listed in the notice has been updated to: (202) 317-4564.

[118] The conference report provides: "...the provision clarifies that capital expenditures to implement green community programs includes grants, loans, and other repayment mechanisms to implement such programs. For example, this expansion will enable States to issue these tax credit bonds to finance retrofits of existing private buildings through loans and/or grants to individual homeowners or businesses or through other repayment mechanisms. Other repayment mechanisms can include periodic fees assessed on a government bill or utility bill that approximate the energy savings of energy efficiency or conservation retrofits. Retrofits can include heating, cooling, lighting,water-savings, stormwater-reducing, or other efficiency measures." See H.R. Report 111-16 Conference Report to Accompany H.R. 1: Making Supplemental Appropriations for Job Preservation and Creation, Infrastructure Investment, Energy Efficiency and Science, Assistance to the Unemployed, and State and Local Fiscal Stabilization, for the Fiscal Year Ending September 30, 2009 and for other purposes. February 12, 2009 p. 627

[119] One issuer reported that the IRS declined to rule favorably on whether water-conserving improvements were valid uses of QECBs issued under the 20% reduction in energy consumption prong of the eligible conservation purposes definition.

[120] See: www1.eere.energy.gov/wip/solutioncenter/pdfs/taking_advantage_of_qualified_energy_conservation_bonds_qecbs_presentation.pdf.

VII. UPDATES SINCE EPC QECB MEMO DATED June 2014

The increase in known projects from 173 to 187 consists of 7 new QECB issuances since our June report and 8 previously unknown issuances. Newly reported issuances include**:**

- Montgomery County Commission, Alabama, $4.4 million, June 30, 2014, energy efficiency improvements to youth detention facility
- Monroe County, Michigan, $10.5 million, June 6, 2014, sewer improvements
- State of Oregon, $2,080,000, June 26, 2014, various energy improvement, conservation and renewable energy projects within the state
- City of Houston, Texas, $9,000,000, July 2014, energy efficiency retrofit for libraries and city facilities
- Hamshire-Fannet ISD, Texas, $2,608,093, July 2014, infrastructure service contract for schools
- Village of Bensenville, Ill, $ 6,815,000, November 18, 2014, energy efficiency upgrades to police station
- Missouri Clean Energy District/Wornall Plaza Condominiums, $571,430, November 6, 2014, green community program – PACE loan for multifamily residential energy efficiency improvements

See Table 1B for a complete list of known issuances. In addition, we have removed one previously reported issuance which has since been determined not to have closed: Clarksville, Tennessee.

Taking into account all of these issuances, total known QECB issuances have now reached $1.08 billion. See Graph 1 at the end of this paper. This figure represents an increase of $70 million (7 percent) since the publication of the June 2014 version of this paper.

Due to the addition of new and previously unknown issuances, known state utilization rates increased in 7 states: Alabama, Colorado, Georgia, Illinois, Michigan, Missouri, North Carolina, Oregon and Texas.

Known utilization rates have increased in four of six regions. See Graph 5 at the end of this paper. The Southeast showed the biggest change, increasing from 17.7% to 22.3% as a result of a one new and one previously unknown issuance in Alabama, four previously unknown issuances is North Carolina and one previously unknown issuance in Georgia. The Central region increased to 29.7% as a result of two new issuances in Texas and one previously unknown issuance in Colorado. The Midwest showed an increase to 41.4% due to one new issuance in Illinois, one new and one previously unknown issuance in Michigan and one new issuance in Missouri. The Northwest increased to 37.1% due to one new issuance in Oregon. The Northeast and the Southwest showed no change, remaining at 19.8% and 65.7% respectively.

Graph 2 shows the rate of QECB issuances on a quarterly basis beginning in the first quarter of 2010. $59.19 million of QECBs were issued in 2014, a 60% decrease over the total of $191.77 million issued in 2013. 2014 showed a relatively consistent pattern of issuances across all quarters with each quarter significantly lower than the same quarter in 2013. Much of the difference in volume is related to the lack of larger issuances that were seen in 2013 such as LA Water and Power ($27 million, Q2 2013) and NYSERDA ($24 million, Q3 2013). The lack of large issuances helps explain the significant differences seen in Q2 and Q3 of 2014 compared with 2013 with a 55% decrease in volume for Q2 and an 88% decrease in volume for Q3.

VIII. Tables and Charts

Table 1A: State and Local Issuances of QECBs (as of December 31, 2014)				
State	**Amount**	**Known Issued**	**Percent Issued**	**Remaining**
Alabama	$48,364,000	$39,325,325	81.31	$9,038,674
Alaska	$7,120,000	0	0.00	$7,120,000
American Samoa	$673,000	0	0.00	$673,000
Arizona	$67,436,000	$16,023,804	23.76	$51,412,196
Arkansas	$29,623,000	$9,125,000	30.80	$20,498,000
California	$381,329,000	$313,853,250	82.31	$67,475,750
Colorado	$51,244,000	$49,390321	96.38	$1,853,679
Connecticut	$36,323,000	$10,700,000	29.46	$25,623,000
Delaware	$9,058,000	0	0.00	$9,058,000
District of Columbia	$6,140,000	0	0.00	$6,140,000
Florida	$190,146,000	0	0.00	$190,146,000
Georgia	$100,484,000	$22,306,000	22.20	$78,178,000
Guam	$1,826,000	0	0.00	$1,826,000
Hawaii	$13,364,000	0	0.00	$13,364,000
Idaho	$15,809,000	0	0.00	$15,809,000
Illinois	$133,846,000	$82,795,000	61.86	$51,051,000
Indiana	$66,155,000	$19,500,000	29.48	$46,655,000
Iowa	$31,150,000	0	0.00	$31,150,000
Kansas	$29,070,000	$29,065,000	99.98	$5,000
Kentucky	$44,291,000	$41,297,000	93.24	$2,994,000
Louisiana	$45,759,000	$30,318,244	66.26	$15,440,756
Maine	$13,657,000	$4,097,100	30.00	$9,559,900
Maryland	$58,445,000	$10,665,000	18.25	$47,780,000
Massachusetts	$67,413,000	$33,133,237	49.15	$34,279,763
Michigan	$103,780,000	$25,675,544	24.74	$78,104,456
Minnesota	$54,159,000	$16,025,000	29.59	$38,134,000
Mississippi	$30,486,000	0	0.00	$30,486,000
Missouri	$61,329,000	$12,006,430	19.58	$49,322,570
Montana	$10,037,000	$8,334,000	83.03	$1,703,000
Nebraska	$18,502,000	$16,325,000	88.23	$2,177,000
Nevada	$26,975,000	$8,135,950	30.16	$18,839,050
New Hampshire	$13,651,000	$1,129,348	8.27	$12,521,652
New Jersey	$90,078,000	0	0.00	$90,078,000
New Mexico	$20,587,000	0	0.00	$20,587,000
New York	$202,200,000	$29,469,870	14.57	$172,730,130
North Carolina	$95,677,000	$7,492,702	7.83	$88,184,298
North Dakota	$6,655,000	$3,780,000	56.80	$2,875,000
Northern Marianas	$899,000	0	0.00	$899,000
Ohio	$119,160,000	$77,806,888	65.30	$41,353,112

Oklahoma	$37,787,000	0	0.00	$37,787,000
Oregon	$39,320,000	$9,680,000	24.62	$29,640,000
Pennsylvania	$129,144,000	$41,835,000	32.39	$87,309,000
Puerto Rico	$41,021,000	0	0.00	$41,021,000
Rhode Island	$10,901,000	0	0.00	$10,901,000
South Carolina	$46,475,000	$2,000,000	4.30	$44,475,000
South Dakota	$8,343,000	$6,575,000	78.81	$1,768,000
Tennessee	$64,476,000	$6,440,000	9.99	$58,036,000
Texas	$252,378,000	$11,608,093	4.60	$240,769,907
US Virgin Islands	$1,140,000	0	0.00	$1,140,000
Utah	$28,389,000	$6,918,774	24.37	$21,470,226
Vermont	$6,445,000	0	0.00	$6,445,000
Virginia	$80,600,000	$3,710,000	4.60	$76,890,000
Washington	$67,944,000	$43,550,000	64.10	$24,394,000
West Virginia	$18,824,000	0	0.00	$18,824,000
Wisconsin	$58,387,000	$26,322,883	45.08	$32,064,117
Wyoming	$5,526,000	0	0.00	$5,526,000
Total	**$3,200,000,000**	**$1,076,414,763**	**33.64**	**$2,123,585,237**

1. The information attached hereto has been gathered from various sources, including IRS Notice 2009-29, Municipal Securities Rulemaking Board, Department of Energy (DOE), Wells Fargo, state and local issuer websites, state and local government contacts. The amount issued figure may be rounded.

2. Chart compiled by Elizabeth Bellis, Director, QECB Program, Gabriel Weil, EPC, and Susan Rosenthal, EPC, and funded by the Energy Foundation, Ford Foundation, and others. Chart includes all known QECB issuances through December 31, 2014 but may not include all QECB issuances.

For more information, please contact Elizabeth Bellis at ebellis@energyprograms.org, or 202.999.996, Susan Rosenthal at srosenthal@energyprograms.org.

Table 1B: Qualified Energy Conservation Bonds Known Issued by State (as of December 31, 2014)				
Issuer	**State**	**Issue Date**	**Amount Issued**	**Use of Proceeds**
Montgomery County Commission	Alabama	6/30/14	$4,350,986	EE- improvements to youth detention facility
City of Trussville	Alabama	4/20/14	$2,485,000	EE - lighting - sports complex
Montgomery County Commission	Alabama	3/9/12	$4,416,936	EE - government buildings
Scottsboro- City	Alabama	11/29/12	$5,750,000	EE - retrofit - schools
City of Foley	Alabama	1/30/13	$2,900,000	EE - retrofits - citywide
City of Vestavia Hills	Alabama	5/15/13	$4,245,000	EE - lighting - sports fields
Madison County Board of Education	Alabama	11/18/13	$5,647,153	EE- schools
Madison County Board of Education	Alabama	7/3/13	$9,530,250	EE- schools
Tempe	Arizona	7/1/11	$7,300,000	EE/Water
Tucson City	Arizona	6/9/11	$1,430,000	EE
Tucson City	Arizona	6/23/10	$5,590,000	EE / Renewable generation
Navajo County/City of Show Lo	Arizona	1/3/12	$723,804	ESPC
Somerton	Arizona	11/22/11	$980,000	Renewable generation
Arkansas Development Finance Authority	Arkansas	5/23/13	$4,630,000	ESPC
Osceola County School District	Arkansas	11/1/13	$4,495,000	EE - schools
GreenFinanceSF (City and County of San Francisco)	California	Oct-12	$1,400,000	GCP - EE / renewable energy upgrades - multi-tenant commercial buildings - C-PACE
Yuba College Central Plant Efficiency Project	California	6/3/11	$6,324,000	EE - university
Yuba Community College	California	6/21/11	$15,040,000	Renewable generation
Richmond	California	12/1/10	$1,070,000	GCP - lighting - streetlights and municipal capital improvements
San Diego	California	4/15/11	$13,141,596	GCP - lighting conversion program
Santa Clara County Photovoltaic Project	California	2/10/11	$20,368,000	Renewable generation
Sonoma County	California	8/6/10	$1,977,500	Renewable generation
Kern County	California	4/12/11	$4,337,131	Renewable generation - solar project
Yolo County	California	3/16/11	$2,019,214	Renewable generation - solar project - 1MW
Santa Barbara County	California	5/25/11	$4,170,000	Renewable generation - solar project at Calle Real campus
Los Angeles County	California	8/31/11	$14,000,000	Renewable generation - solar projects
City of Los Angeles	California	10/25/11	$11,920,000	EE - retrofit - city facilities
San Francisco County	California	10/1/11	$8,291,079	EE - retrofit - public facilities

Irvine Unified School District	California	7/29/10	$4,840,000	EE - schools
Lodi Unified School District Project	California	11/18/10	$9,915,000	Renewable generation - solar improvements in schools
Oxnard Union High School District Project	California	9/29/10	$19,067,730	Renewable generation - solar improvements in schools
Los Angeles Dep't of Water & Power	California	6/4/13	$27,855,000	EE - university
Los Angeles Dep't of Water & Power	California	8/17/10	$131,020,000	Renewable generation - solar & wind
Fallbrook Public Utility District Project	California	11/18/10	$7,227,000	Renewable generation - solar improvements
Rancho Water District Financing Authority	California	11/7/11	$9,870,000	Water / wastewater capital improvement
Regents of the University of Colorado	Colorado	10/20/10	$4,375,000	EE - university - cooling systems
Western State College	Colorado	8/19/10	$1,635,000	EE - university
Colorado School of Mines	Colorado	4/12/11	$2,800,000	ESPC - university
Boulder Housing Partners	Colorado	8/25/10	$1,443,881	ESPC - public housing
Roaring Fork Transportation Authority	Colorado	8/21/12	$6,650,000	GCP -Clean Energy Buses
Roaring Fork Transportation Authority	Colorado	11/21/13	$1,300,000	GCP - Clean Energy Buses
Boulder County PACE	Colorado	11/5/10	$1,515,000	GCP C-PACE
Boulder County	Colorado	2/2/10	$5,800,000	EE - county buildings
City of Boulder	Colorado	9/27/10	$1,500,000	ESPC - municipal buildings
City of Englewood	Colorado	9/15/10	$1,286,440	Capital improvements - municipal
Foothills Park & Rec Dt	Colorado	8/13/10	$1,000,000	ESPC - parks and recreation
Fort Collins City	Colorado	6/28/10	$6,410,000	Smart Grid
Colorado Housing Finance Authority (private issuance)	Colorado	4/20/12	$6,775,000	Renewable generation - solar - 2.5 MW PV project for Denver Housing Authority
Colorado Housing Finance Authority (private issuance)	Colorado	8/30/13	$4,900,000	Renewable generation - solar - Denver Airport, City of Greeley, CO Dept of Corrections
Mesa County School District #51	Colorado	10/29/10	$2,000,000	EE - schools - lighting/HVAC
East Hartford	Connecticut	4/10/10	$6,000,000	ESPC - municipal buildings
Waterbury City	Connecticut	8/11/10	$4,700,000	EE - municipal
Development Authority of Fulton County/MAS ASB Cogen, LLC Project	Georgia	5/11/12	$16,934,000	CHP generating facility
Fulton County	Georgia	8/23/11	$5,372,000	Capital improvements - schools
Southern Illinois Univ Bd of Trustees	Illinois	12/6/12	$5,365,000	EE
Illinois Central College / Tazewell County	Illinois	3/13/14	$1,300,000	Sustainability Center
Cook County	Illinois	7/23/13	$24,945,000	Capital improvements - county facilities
City of Chicago	Illinois	11/4/10	$29,665,000	Water - wastewater reclamation facility reconstruction

Deerfield	Illinois	9/26/11	$12,500,000	Water - wastewater capital improvement
Champaign Cty (Rantoul) Township High School District 193	Illinois	12/20/10	$120,000	Capital improvements - schools
McHenry CCSD	Illinois	8/31/11	$1,500,000	EE - schools
Champaign Cty School District 116 (Urbana)	Illinois	12/14/10	$585,000	EE /Water - upgrades to water system
Village of Bensenville	Illinois	11/18/14	$6,815,000	EE - Police station
Ivy Technical Community College	Indiana	10/1/10	$3,300,000	EE - retrofits - hospital
Knox County	Indiana	4/12/12	$16,200,000	EE - retrofits - hospital
Kansas Development Finance Authority	Kansas	12/21/10	$17,815,000	ESPC - university (KSU)
Wyandotte County/Kansas Unified Govt.	Kansas	11/18/10	$2,530,000	EE improvements - municipal
Lawrence City	Kansas	3/10/11	$8,720,000	Renewable generation
University of Kentucky	Kentucky	11/19/10	$12,955,000	ESPC - university
University of Louisville	Kentucky	12/20/10	$20,942,000	ESPC - university
Louisville-Jefferson County Metro Govt.	Kentucky	9/14/10	$7,400,000	EE improvements - government
Department of Corrections	Louisiana	12/15/11	$30,318,244	EE
Portland Housing Authority, Portland	Maine	6/7/13	$4,097,100	EE improvements
Montgomery County	Maryland	10/3/13	$4,165,000	Equipment lease purchase
State of Maryland - St. Mary's County Public schools - Leonardtown Middle School	Maryland	7/27/11	$6,500,000	Capital improvements - schools
Belchertown	Massachusetts	9/20/11	$3,140,000	EE
Georgetown	Massachusetts	10/18/12	$2,199,000	EE
Lowell City	Massachusetts	12/2/11	$2,648,000	EE
South Hadley	Massachusetts	12/18/13	$1,901,000	ESPC - municipal buildings
City of Northampton	Massachusetts	12/22/10	$1,698,790	EE improvements - public buildings
Town of Gill	Massachusetts	8/25/11	$127,500	ESPC - schools
Town of Marshfield	Massachusetts	7/2/12	$5,000,000	ESPC - schools and public buildings
Lancaster Town	Massachusetts	9/18/12	$1,484,000	Renewable Generation
Cathartes Private Investments/ Westford Solar	Massachusetts	8/22/11	$5,800,000	Renewable generation
Fairhaven Wind	Massachusetts	11/7/11	$3,035,957	Renewable generation
Scituate Wind/Town of Scituate	Massachusetts	8/10/11	$1,531,480	Renewable generation
Pentucket Regional School District	Massachusetts	10/21/11	$4,567,510	EE - schools
Genesee County	Michigan		$7,815,784	ESPC

Osceola County	Michigan		$650,000	EE - county annex building
Saginaw	Michigan	12/20/10	$2,088,779	EE improvements - county facilities
City of Greenville	Michigan		$800,000	
Ottawa County	Michigan		$2,825,981	
Grant Schools	Michigan		$995,000	EE- Schools
Monroe County	Michigan	6/6/14	$10,500,000	Water - sewer improvements
New Hope Economic Development Authority	Minnesota	11/18/11	$3,505,000	EE
Washington County Housing and Redevelopment Authority	Minnesota	2/22/12	$2,375,000	ESPC
Grant County	Minnesota	2/1/11	$2,000,000	EE - upgrades - courthouse
Gilbert City	Minnesota	6/24/12	$350,000	EE
Goodhue County	Minnesota	8/16/12	$1,295,000	EE
Itasca County	Minnesota	2/8/11	$3,690,000	EE
ELY ISD #696	Minnesota	5/19/11	$2,810,000	EE - schools
Greene County	Missouri	3/3/11	$1,130,000	EE
St. Louis County	Missouri	4/29/11	$10,305,000	GCP - Green community loan program
Missouri Clean Energy Program/Wornall Plaza Condominiums	Missouri	11/6/14	$571,430	GCP - PACE program, Wornall Plaza Condominiums, Kansas City
Billings High SD #2	Montana	7/12/12	$3,780,000	EE - schools - HVAC, windows, and roof upgrades
Billings SD #2	Montana	7/12/12	$4,554,000	EE - schools - HVAC, windows, and roof upgrades
University of Nebraska	Nebraska	4/1/14	$4,325,000	EE - university - energy monitoring system
Nebraska Utilities Corp	Nebraska	2/6/14	$5,500,000	Renewable generation - renewable energy system for university
Nebraska Utilities Corp	Nebraska	2/1/14	$6,500,000	Renewable generation - renewable energy system for university
City of Reno	Nevada	6/1/10	$2,261,650	EE retrofit - municipal - Reno City Hall
Las Vegas	Nevada	3/16/11	$5,874,300	GCP (streetlights) / EE - municipal buildings
Manchester	New Hampshire	11/1/10	$1,129,348	EE - schools
Albany Co - New York	New York	12/27/12	$1,600,000	EE
Rochester City	New York	6/16/10	$2,166,400	EE - HVAC replacement
Chautauqua County	New York	1/19/11	$1,403,470	Renewable generation
NYSERDA	New York	8/13/13	$24,300,000	GCP - NYSERDA's Green Jobs - Green NY program- Residential EE loans
Morton County (Mandan S.D.)	North Dakota	2/9/2011; 5/4/2011	$3,780,000	EE - schools
Avery Solar	North Carolina	3/20/12	$1,977,702	GCP - Solar installation on agricultural land -North Carolina Agricultural Finance Authority GCP

Mayberry Solar	North Carolina	5/15/12	$2,215,000	GCP - Solar installation on agricultural land -North Carolina Agricultural Finance Authority GCP
Sandy Cross Solar	North Carolina	8/29/12	$1,200,000	GCP - Solar installation on agricultural land -North Carolina Agricultural Finance Authority GCP
Progress Solar I	North Carolina	2/6/13	$2,100,000	GCP - Solar installation on agricultural land -North Carolina Agricultural Finance Authority GCP
Ohio University	Ohio	8/1/12	$8,500,000	EE - university
University of Akron	Ohio	9/30/13	$15,000,000	EE / renewable generation - lighting, HVAC, & solar
Kent State University (Main Campus)	Ohio	5/31/11	$7,000,000	EE and conservation improvements
Kent State University (Regional Campus)	Ohio	3/30/11	$2,693,612	EE and conservation improvements
Kent State University (Stark Campus)	Ohio	6/11/10	$672,130	EE and conservation improvements
Owens State Community College	Ohio	3/18/10	$3,125,000	EE and conservation improvements
Kent State University	Ohio	10/25/12	$7,500,000	EE retrofit
Ohio State University	Ohio	12/20/12	$2,340,000	EE retrofit
Wright State University	Ohio	2/28/13	$8,312,700	EE retrofit
Central State University	Ohio	5/16/13	$7,000,000	EE retrofit
City of South Euclid	Ohio	8/31/11	$386,145	EE
City of Trotwood	Ohio	4/12/12	$883,361	EE
Jefferson County	Ohio	5/12/12	$658,040	EE
City of Akron	Ohio	8/15/13	$2,355,914	EE - municipal facilities
Franklin County	Ohio	5/23/13	$3,806,167	EE retrofit
Licking County	Ohio	11/20/12	$796,252	EE retrofit
Findlay	Ohio	6/30/11	$518,010	EE retrofit
Hamilton County	Ohio	10/22/11	$2,063,750	EE retrofit
Licking County	Ohio	9/29/11	$2,121,000	EE retrofit
Pickaway County	Ohio	12/15/10	$1,479,807	EE retrofit
Williams Co (Edgerton) LSD	Ohio	2/23/12	$595,000	EE- School improvements
Gresham County	Oregon	7/30/13	$7,600,000	Renewable generation - wind
State of Oregon	Oregon	6/26/14	$2,080,000	EE-public service facilities
Philadelphia Municipal Authority	Pennsylvania	5/11/12	$6,250,000	ESPC - retrofit - city facilities
Allegheny County	Pennsylvania	11/22/10	$9,385,000	EE retrofit - municipal facilities
Fayette County	Pennsylvania	9/28/11	$1,490,000	ESPC - retrofit - municipal facilities

York County	Pennsylvania	12/28/11	$2,200,000	EE retrofit - municipal facilities
Commonwealth of PA Department of Corrections	Pennsylvania	9/30/10	$15,810,000	ESPC - equipment purchase - prison system
Tri-Valley School District	Pennsylvania	12/30/13	$1,500,000	EE – schools
SC Saves/Randolph Trucking	South Carolina	5/24/14	$2,000,000	GCP - gas compressed vehicles for truck company
Lancaster County	Pennsylvania	8/7/13	$5,200,000	EE
Rapid City	South Dakota	11/1/11	$4,000,000	EE/ Renewable generation - schools
Lake County	South Dakota	6/1/11	$850,000	Renewable generation
Davison County (Mitchell) #17-2	South Dakota	11/10/10	$1,725,000	Renewable generation - wind 1.5 MW turbine
Nashville and Davidson County	Tennessee	8/15/12	$6,440,000	EE
City of Houston	Texas	7/2014	$9,000,000	EE retrofit - libraries and city facilities
Hamshire-Fannet ISD	Texas	7/2013	$2,608,093	EE schools
Utah County	Utah	10/22/10	$5,000,970	EE
Salt Lake County	Utah	7/12/11	$1,917,804	Renewable generation
Norfolk	Virginia	11/7/13	$2,470,000	EE - municipal
Spotsylvania County	Virginia	7/19/12	$1,240,000	Mass Commuting - commuter train station
Washington State Housing Finance Commission/Town and Country Market	Washington	3/6/14	$1,150,000	GCP - Kitsap County - Town & Country Market retrofit
Kitsap County	Washington	12/16/10	$1,110,000	Water - sewers
Bellingham City	Washington	4/13/11	$6,480,000	EE
King Co- Washington	Washington	12/10/12	$6,020,000	EE
Yakima County	Washington	9/8/10	$2,430,000	EE - courthouse
King County	Washington	11/15/10	$5,825,000	EE - HVAC project
Renton	Washington	7/1/13	$3,200,000	EE - lighting - LED Streetlights
Mason County	Washington	12/10/13	$1,620,000	EE - correctional facility
Okanogan County	Washington	9/5/13	$1,115,000	EE
Thurston County	Washington	10/26/10	$2,040,000	EE - retrofit - municipal
Longview	Washington	4/18/13	$3,560,000	EE - retrofit - municipal facilities and vehicles
Swauk Creek Ranch (WSHFC)	Washington	12/27/12	$9,000,000	Renewable generation - wind
Western Wisconsin Tech College Dt	Wisconsin	1/27/11	$1,500,000	EE - HVAC - university
Western Wisconsin Tech College Dt	Wisconsin	7/27/11	$1,200,000	EE - HVAC - university
Western Wisconsin Tech College Dt	Wisconsin	7/21/10	$1,500,000	Public Education Campaign

Pleasant Prairie Village	Wisconsin	8/16/10	$1,890,000	EE- retrofit - municipal
Jefferson School District	Wisconsin	3/18/11	$2,345,000	EE
Racine Unified School District	Wisconsin	6/10/13	$2,020,000	EE - district buildings
Alma Center-Humbird-Merillan School District	Wisconsin	8/18/11	$4,600,000	EE - schools
Osh Kosh School District	Wisconsin	1/26/11	$1,817,883	EE - schools
Osseo Fairchild School District	Wisconsin	11/1/11	$750,000	EE - schools
Rock Co (Beloit) SD	Wisconsin	8/28/12	$2,215,000	EE - schools
Menasha School Dist (Winnebago County)	Wisconsin	6/28/11	$1,690,000	EE - schools - lighting, boiler system, HVAC, and vending machine upgrades
Dane Co (Mount Horeb) ASD	Wisconsin	4/18/11	$2,500,000	Renewable generation
School Dist Hartford No. 1 (Dodge and Washington Counties)	Wisconsin	4/11/11	$2,295,000	Renewable generation
Total			**$1,076,414,763**	
Note: Abbreviation "EE" is energy efficiency; "HVAC" is Heating, Ventilation, and Air Conditioning.; “GCP” is Green Community Program; and “ESPC” is Energy Saving Performance Contract				

Table 1C: Total Number of Qualified Energy Conservation Bonds Known Issued by Issuer Type (as of December 31, 2014)	
Issuer	**Number of Issuances to Date**
County	53
Higher Education	24
Municipal Agency	9
Municipal Government	48
Private Activity Issuance[121]	8
State/State Agency	15
School District	29
Utility Authority	6
Total	**192**[122]

[121] These issuances are conduit issuances, the actual issuer is a state agency that issues on behalf of the private entity; we have treated them separately from state agencies here for purposes of indicating how many private activity issuances have taken place

[122] Five issuances have issuers that fall into 2 categories or feature co-issuuers. These issuers are counted twice for the purpose of categorizing issuer type and this is therefore reflected in this total which is higher than that indicated on page 2.

Table 1D: Qualified Energy Conservation Bonds Known Issued by Issuer Type (as of December 31, 2014)

Issuer Type Abbreviations:
Co = County
HE = Higher Education
MA = Municipal Authority
MG = Municipal Government
PA = Private Activity Issuance
SA = State/State Agency
SD = School District
UA = Utilities Authority
Note: Where (GCP) follows issuer type, this indicates that the issuer was a state/municipal authority acting as conduit issuer for a project receiving financing via a Green Community Program.

Issuer	State	Issue Date	Amount Issued	Use of Proceeds	*Type of Issuer*
Montgomery County Commission	Alabama	6/30/14	$4,350,986	EE- improvements to youth detention facility	*Co*
Montgomery County Commission	Alabama	3/9/12	$4,416,936	EE - government buildings	*Co*
Sonoma County	California	8/6/10	$1,977,500	Renewable generation	*Co*
Kern County	California	4/12/11	$4,337,131	Renewable generation - solar project	*Co*
Yolo County	California	3/16/11	$2,019,214	Renewable generation - solar project - 1MW	*Co*
Santa Barbara County	California	5/25/11	$4,170,000	Renewable generation - solar project at Calle Real campus	*Co*
Santa Clara County Photovoltaic Project	California	2/10/11	$20,368,000	Renewable generation	*Co*
Los Angeles County	California	8/31/11	$14,000,000	Renewable generation - solar projects	*Co*
San Francisco County	California	10/1/11	$8,291,079	EE - retrofit - public facilities	*Co*
Boulder County PACE	Colorado	11/5/10	$1,515,000	GCP C-PACE	*Co*
Boulder County	Colorado	2/2/10	$5,800,000	EE - county buildings	*Co*
Knox County	Indiana	4/12/12	$16,200,000	EE - retrofits - hospital	*Co*
Montgomery County	Maryland	10/3/13	$4,165,000	Equipment Lease Purchase	*Co*
Genesee County	Michigan		$7,815,784	ESPC	*Co*
Osceola County	Michigan		$650,000	EE - county annex building	*Co*
Ottawa County	Michigan		$2,825,981		*Co*
Monroe County	Michigan	6/6/14	$10,500,000	Water - sewer improvements	*Co*
Grant County	Minnesota	2/1/11	$2,000,000	EE - upgrades - courthouse	*Co*
Goodhue County	Minnesota	8/16/12	$1,295,000	EE	*Co*
Itasca County	Minnesota	2/8/11	$3,690,000	EE	*Co*
Greene County	Missouri	3/3/11	$1,130,000	EE	*Co*
St. Louis County	Missouri	4/29/11	$10,305,000	GCP - Green community loan program	*Co*
Albany Co - New York	New York	12/27/12	$1,600,000	EE	*Co*

Chautauqua County	New York	1/19/11	$1,403,470	Renewable generation	*Co*
Jefferson County	Ohio	5/12/12	$658,040	EE	*Co*
Franklin County	Ohio	5/23/13	$3,806,167	EE retrofit	*Co*
Licking County	Ohio	11/20/12	$796,252	EE retrofit	*Co*
Hamilton County	Ohio	10/22/11	$2,063,750	EE retrofit	*Co*
Licking County	Ohio	9/29/11	$2,121,000	EE retrofit	*Co*
Pickaway County	Ohio	12/15/10	$1,479,807	EE retrofit	*Co*
Gresham County	Oregon	7/30/13	$7,600,000	Renewable generation - wind	*Co*
Allegheny County	Pennsylvania	11/22/10	$9,385,000	EE retrofit - municipal facilities	*Co*
Fayette County	Pennsylvania	9/28/11	$1,490,000	ESPC - retrofit - municipal facilities	*Co*
York County	Pennsylvania	12/28/11	$2,200,000	EE retrofit - municipal facilities	*Co*
Lancaster County	Pennsylvania	8/7/13	$5,200,000	EE	*Co*
Lake County	South Dakota	6/1/11	$850,000	Renewable generation	*Co*
Davison County (Mitchell) #17-2	South Dakota	11/10/10	$1,725,000	Renewable generation - wind 1.5 MW turbine	*Co*
Utah County	Utah	10/22/10	$5,000,970	EE	*Co*
Salt Lake County	Utah	7/12/11	$1,917,804	Renewable generation	*Co*
Spotsylvania County	Virginia	7/19/12	$1,240,000	Mass Commuting - commuter train station	*Co*
King Co- Washington	Washington	12/10/12	$6,020,000	EE	*Co*
Yakima County	Washington	9/8/10	$2,430,000	EE - courthouse	*Co*
King County	Washington	11/15/10	$5,825,000	EE - HVAC project	*Co*
Kitsap County	Washington	12/16/10	$1,110,000	Water - sewers	*Co*
Okanogan County	Washington	9/5/13	$1,115,000	EE	*Co*
Thurston County	Washington	10/26/10	$2,040,000	EE - retrofit - municipal	*Co*
Mason County	Washington	12/10/13	$1,620,000	EE - correctional facility	*Co*
Fulton County	Georgia	8/23/11	$5,372,000	Capital improvements - schools	*Co*
Cook County	Illinois	7/23/13	$24,945,000	Capital improvements - county facilities	*Co*
Navajo County/City of Show Lo	Arizona	1/3/12	$723,804	ESPC	*Co/MG*
Wyandotte County/Kansas Unified Govt.	Kansas	11/18/10	$2,530,000	EE - improvements - municipal	*Co/SA*
Ohio University	Ohio	8/1/12	$8,500,000	EE - university	*HE*
University of Akron	Ohio	9/30/13	$15,000,000	EE / renewable generation - lighting, HVAC, & solar	*HE*

Kent State University (Main Campus)	Ohio	5/31/11	$7,000,000	EE and conservation improvements	*HE*
Kent State University (Regional Campus)	Ohio	3/30/11	$2,693,612	EE and conservation improvements	*HE*
Kent State University (Stark Campus)	Ohio	6/11/10	$672,130	EE and conservation improvements	*HE*
Owens State Community College	Ohio	3/18/10	$3,125,000	EE and conservation improvements	*HE*
Kent State University	Ohio	10/25/12	$7,500,000	EE retrofit	*HE*
Ohio State University	Ohio	12/20/12	$2,340,000	EE retrofit	*HE*
Wright State University	Ohio	2/28/13	$8,312,700	EE retrofit	*HE*
Central State University	Ohio	5/16/13	$7,000,000	EE retrofit	*HE*
Yuba College Central Plant Efficiency Project	California	6/3/11	$6,324,000	EE - university	*HE*
Yuba Community College	California	6/21/11	$15,040,000	Renewable generation	*HE*
Regents of the University of Colorado	Colorado	10/20/10	$4,375,000	EE - university - cooling systems	*HE*
Western State College	Colorado	8/19/10	$1,635,000	EE - university	*HE*
Colorado School of Mines	Colorado	4/12/11	$2,800,000	ESPC - university	*HE*
Southern Illinois Univ. Bd of Trustees	Illinois	12/6/12	$5,365,000	EE	*HE*
Illinois Central College / Tazewell County	Illinois	3/13/14	$1,300,000	Sustainability Center	*HE*
Ivy Technical Community College	Indiana	10/1/10	$3,300,000	EE - retrofits - hospital	*HE*
University of Kentucky	Kentucky	11/19/10	$12,955,000	ESPC - university	*HE*
University of Louisville	Kentucky	12/20/10	$20,942,000	ESPC - university	*HE*
University of Nebraska	Nebraska	4/1/14	$4,325,000	EE - university - energy monitoring system	*HE*
Western Wisconsin Tech College Dt	Wisconsin	1/27/11	$1,500,000	EE - HVAC - university	*HE*
Western Wisconsin Tech College Dt	Wisconsin	7/27/11	$1,200,000	EE - HVAC - university	*HE*
Western Wisconsin Tech College Dt	Wisconsin	7/21/10	$1,500,000	Public Education Campaign	*HE*
Boulder Housing Partners	Colorado	8/25/10	$1,443,881	ESPC - public housing	*MA*
Roaring Fork Transportation Authority	Colorado	8/21/12	$6,650,000	GCP -Clean Energy Buses	*MA*
Roaring Fork Transportation Authority	Colorado	11/21/13	$1,300,000	GCP - Clean Energy Buses	*MA*
Foothills Park & Rec Dt	Colorado	8/13/10	$1,000,000	ESPC - parks and recreation	*MA*
Portland Housing Authority, Portland	Maine	6/7/13	$4,097,100	EE improvements	*MA*
New Hope Economic Development Authority	Minnesota	11/18/11	$3,505,000	EE	*MA*

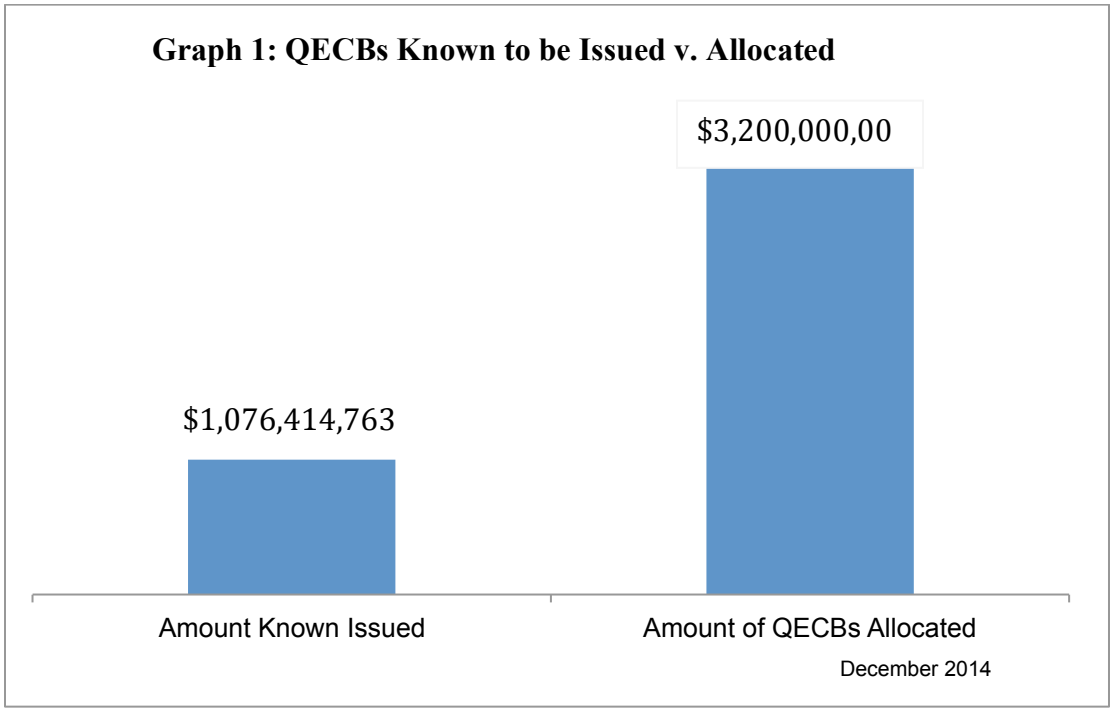
Washington County Housing and Redevelopment Authority	Minnesota	2/22/12	$2,375,000	ESPC	*MA*
Philadelphia Municipal Authority	Pennsylvania	5/11/12	$6,250,000	Retrofit - city facilities -ESPC	*MA*
GreenFinanceSF (City and County of San Francisco)	California	Oct-12	$1,400,000	GCP - EE / renewable energy upgrades - multi-tenant commercial buildings - C-PACE	*MA (GCP)*
City of Trussville	Alabama	4/20/14	$2,485,000	EE - lighting - sports complex	*MG*
Scottsboro- City	Alabama	11/29/12	$5,750,000	EE - retrofit - schools	*MG*
City of Foley	Alabama	1/30/13	$2,900,000	EE - retrofits - citywide	*MG*
City of Vestavia Hills	Alabama	5/15/13	$4,245,000	EE - lighting - sports fields	*MG*
Tempe	Arizona	7/1/11	$7,300,000	EE/Water	*MG*
Tucson City	Arizona	6/9/11	$1,430,000	EE	*MG*
Tucson City	Arizona	6/23/10	$5,590,000	EE / Renewable generation	*MG*
Somerton	Arizona	11/22/11	$980,000	Renewable generation	*MG*
Richmond	California	12/1/10	$1,070,000	GCP - lighting - streetlights and municipal capital improvements	*MG*
San Diego	California	4/15/11	$13,141,596	GCP - lighting conversion program	*MG*
City of Los Angeles	California	10/25/11	$11,920,000	EE - retrofit - city facilities	*MG*
City of Boulder	Colorado	9/27/10	$1,500,000	ESPC - municipal buildings	*MG*
City of Englewood	Colorado	9/15/10	$1,286,440	Capital improvements - municipal	*MG*
Fort Collins City	Colorado	6/28/10	$6,410,000	Smart Grid	*MG*
East Hartford	Connecticut	4/10/10	$6,000,000	ESPC - municipal buildings	*MG*
Waterbury City	Connecticut	8/11/10	$4,700,000	EE - municipal	*MG*
City of Chicago	Illinois	11/4/10	$29,665,000	Water - wastewater reclamation facility reconstruction	*MG*
Deerfield	Illinois	9/26/11	$12,500,000	Water - wastewater capital improvement	*MG*
Village of Bensenville	Illinois	11/18/14	$6,815,000	EE - Police station	*MG*
Louisville-Jefferson County Metro Govt.	Kentucky	9/14/10	$7,400,000	EE improvements - government	*MG*
City of Houston	Texas	7/2014	$9,000,000	EE retrofit - libraries and city facilities	*MG*
Belchertown	Massachusetts	9/20/11	$3,140,000	EE	*MG*
Georgetown	Massachusetts	10/18/12	$2,199,000	EE	*MG*
Lowell City	Massachusetts	12/2/11	$2,648,000	EE	*MG*
South Hadley	Massachusetts	12/18/13	$1,901,000	ESPC - municipal buildings	*MG*
City of Northampton	Massachusetts	12/22/10	$1,698,790	EE improvements - public buildings	*MG*

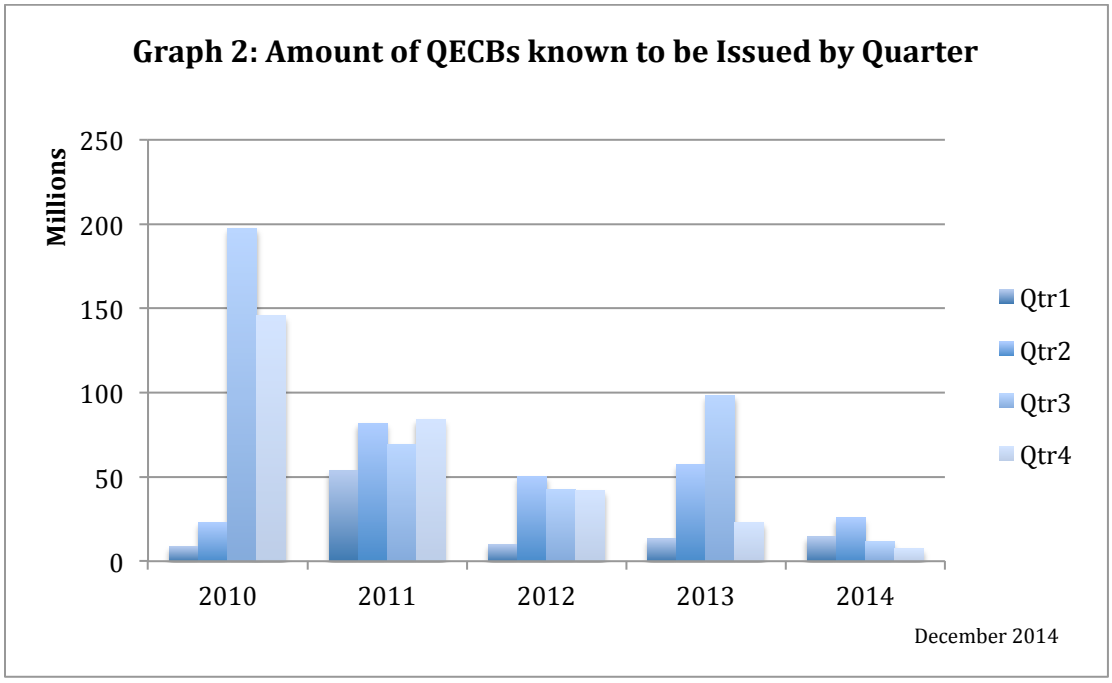
Town of Gill	Massachusetts	8/25/11	$127,500	ESPC - schools	*MG*
Town of Marshfield	Massachusetts	7/2/12	$5,000,000	ESPC - schools and public buildings	*MG*
Lancaster Town	Massachusetts	9/18/12	$1,484,000	Renewable Generation	*MG*
Saginaw	Michigan	12/20/10	$2,088,779	EE improvements - county facilities	*MG*
City of Greenville	Michigan		$800,000		*MG*
Gilbert City	Minnesota	6/24/12	$350,000	EE	*MG*
City of Reno	Nevada	6/1/10	$2,261,650	EE retrofit - municipal - Reno City Hall	*MG*
Las Vegas	Nevada	3/16/11	$5,874,300	GCP (streetlights) / EE - municipal buildings	*MG*
Manchester	New Hampshire	11/1/10	$1,129,348	EE - schools	*MG*
Rochester City	New York	6/16/10	$2,166,400	EE - HVAC replacement	*MG*
City of South Euclid	Ohio	8/31/11	$386,145	EE	*MG*
City of Trotwood	Ohio	4/12/12	$883,361	EE	*MG*
City of Akron	Ohio	8/15/13	$2,355,914	EE - municipal facilities	*MG*
Findlay	Ohio	6/30/11	$518,010	EE retrofit	*MG*
Rapid City	South Dakota	11/1/11	$4,000,000	EE/ Renewable generation - schools	*MG*
Norfolk	Virginia	11/7/13	$2,470,000	EE - municipal	*MG*
Bellingham City	Washington	4/13/11	$6,480,000	EE	*MG*
Renton	Washington	7/1/13	$3,200,000	EE - lighting - LED Streetlights	*MG*
Longview	Washington	4/18/13	$3,560,000	EE - retrofit - municipal facilities and vehicles	*MG*
Pleasant Prairie Village	Wisconsin	8/16/10	$1,890,000	EE- retrofit - municipal	*MG*
Nashville and Davidson County	Tennessee	8/15/12	$6,440,000	EE	*MG/Co*
Colorado Housing Finance Authority (private issuance)	Colorado	4/20/12	$6,775,000	Renewable generation - solar - 2.5 MW PV project for Denver Housing Authority	*PA*
Colorado Housing Finance Authority (private issuance)	Colorado	8/30/13	$4,900,000	Renewable generation - solar - Denver Airport, City of Greeley, CO Dept of Corrections	*PA*
Development Authority of Fulton County/MAS ASB Cogen, LLC Project	Georgia	5/11/12	$16,934,000	CHP generating facility	*PA*
Lawrence City	Kansas	3/10/11	$8,720,000	Renewable generation	*PA*
Cathartes Private Investments/ Westford Solar	Massachusetts	8/22/11	$5,800,000	Renewable generation	*PA*
Fairhaven Wind	Massachusetts	11/7/11	$3,035,957	Renewable generation	*PA*

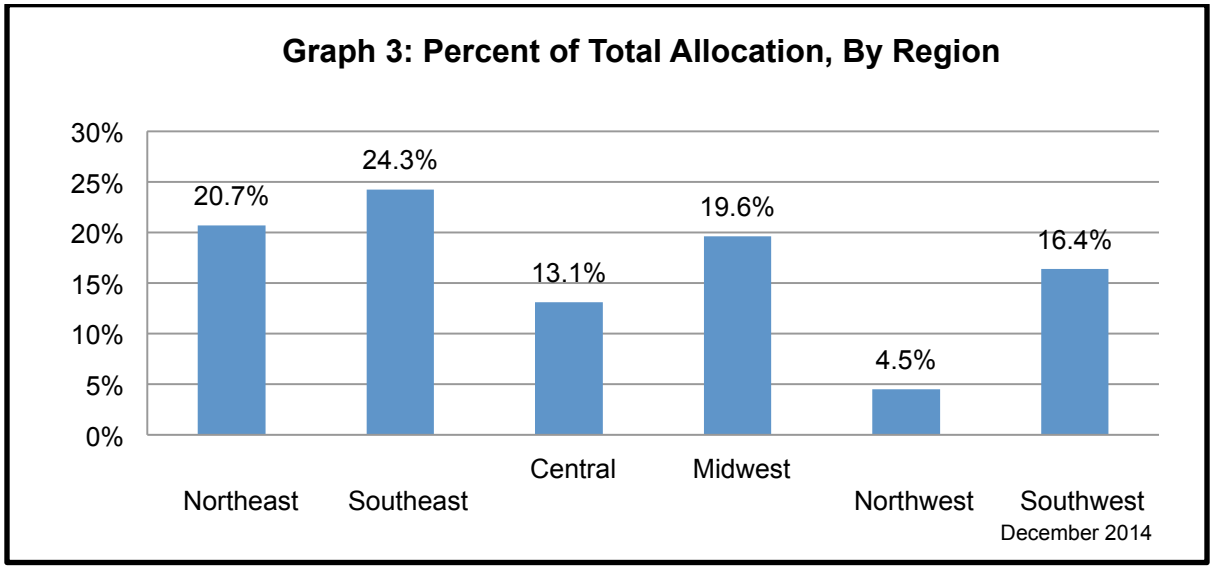
Scituate Wind/Town of Scituate	Massachusetts	8/10/11	$1,531,480	Renewable generation	*PA*
Swauk Creek Ranch (WSHFC)	Washington	12/27/12	$9,000,000	Renewable generation - wind	*PA*
Arkansas Development Finance Authority	Arkansas	5/23/13	$4,630,000	ESPC	*SA*
Kansas Development Finance Authority	Kansas	12/21/10	$17,815,000	ESPC - university (KSU)	*SA*
Department of Corrections	Louisiana	12/15/11	$30,318,244	EE	*SA*
NYSERDA	New York	8/13/13	$24,300,000	GCP - NYSERDA's Green Jobs - Green NY program- Residential EE loans	*SA*
State of Oregon	Oregon	6/26/14	$2,080,000	EE-public service facilities	*SA*
Commonwealth of PA Department of Corrections	Pennsylvania	9/30/10	$15,810,000	ESPC - equipment purchase - prison system	*SA*
Missouri Clean Energy Program/Wornall Plaza Condominiums	Missouri	11/6/14	$571,430	GCP - PACE program, Wornall Plaza Condominiums, Kansas City	*SA (GCP)*
Avery Solar	North Carolina	3/20/12	$1,977,702	GCP - Solar installation on agricultural land -North Carolina Agricultural Finance Authority GCP	*SA (GCP)*
Mayberry Solar	North Carolina	5/15/12	$2,215,000	GCP - Solar installation on agricultural land -North Carolina Agricultural Finance Authority GCP	*SA (GCP)*
Sandy Cross Solar	North Carolina	8/29/12	$1,200,000	GCP - Solar installation on agricultural land -North Carolina Agricultural Finance Authority GCP	*SA (GCP)*
Progress Solar I	North Carolina	2/6/13	$2,100,000	GCP - Solar installation on agricultural land -North Carolina Agricultural Finance Authority GCP	*SA (GCP)*
SC Saves/Randolph Trucking	South Carolina	5/24/14	$2,000,000	GCP - gas compressed vehicles for truck company	*SA (GCP)*
Washington State Housing Finance Commission/Town and Country Market	Washington	3/6/14	$1,150,000	GCP - Kitsap County - Town & Country Market retrofit	*SA (GCP)*
State of Maryland - St. Mary's County Public schools - Leonardtown Middle School	Maryland	7/27/11	$6,500,000	Capital improvements - schools	*SA/SD*
Madison County Board of Education	Alabama	11/18/13	$5,647,153	EE- schools	*SD*
Madison County Board of Education	Alabama	7/3/13	$9,530,250	EE- schools	*SD*
Osceola County School District	Arkansas	11/1/13	$4,495,000	EE - schools	*SD*
Irvine Unified School District	California	7/29/10	$4,840,000	EE - schools	*SD*
Lodi Unified School District Project	California	11/18/10	$9,915,000	Renewable generation - solar improvements in schools	*SD*
Oxnard Union High School District Project	California	9/29/10	$19,067,730	Renewable generation - solar improvements in schools	*SD*

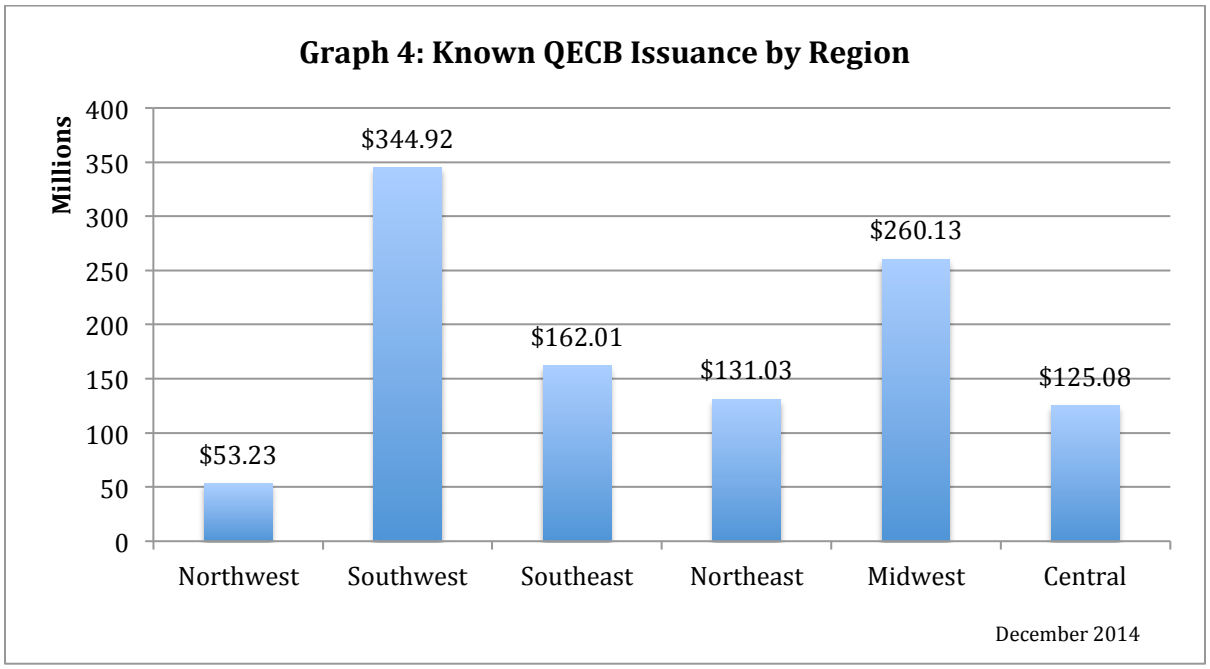
Mesa County School District #51	Colorado	10/29/10	$2,000,000	EE - schools - lighting/HVAC	*SD*
Champaign Cty (Rantoul) Township High School District 193	Illinois	12/20/10	$120,000	Capital improvements - schools	*SD*
McHenry CCSD	Illinois	8/31/11	$1,500,000	EE - schools	*SD*
Champaign Cty School District 116 (Urbana)	Illinois	12/14/10	$585,000	EE/Water - upgrades to water system	*SD*
Grant Schools	Michigan		$995,000	EE- Schools	*SD*
Hamshire-Fannet ISD	Texas	7/2014	$2,608,093	EE schools	*SD*
Pentucket Regional School District	Massachusetts	10/21/11	$4,567,510	EE - schools	*SD*
ELY ISD #696	Minnesota	5/19/11	$2,810,000	EE - schools	*SD*
Billings High SD #2	Montana	7/12/12	$3,780,000	EE - schools - HVAC, windows, and roof upgrades	*SD*
Billings SD #2	Montana	7/12/12	$4,554,000	EE - schools - HVAC, windows, and roof upgrades	*SD*
Williams Co (Edgerton) LSD	Ohio	2/23/12	$595,000	EE- School improvements	*SD*
Tri-Valley School District	Pennsylvania	12/30/13	$1,500,000	EE - schools	*SD*
Jefferson School District	Wisconsin	3/18/11	$2,345,000	EE	*SD*
Racine Unified School District	Wisconsin	6/10/13	$2,020,000	EE - district buildings	*SD*
Alma Center-Humbird-Merillan School District	Wisconsin	8/18/11	$4,600,000	EE - schools	*SD*
Osh Kosh School District	Wisconsin	1/26/11	$1,817,883	EE - schools	*SD*
Osseo Fairchild School District	Wisconsin	11/1/11	$750,000	EE - schools	*SD*
Rock Co (Beloit) SD	Wisconsin	8/28/12	$2,215,000	EE - schools	*SD*
Menasha School Dist. (Winnebago County)	Wisconsin	6/28/11	$1,690,000	EE - schools - lighting, boiler system, HVAC, and vending machine upgrades	*SD*
Dane Co (Mount Horeb) ASD	Wisconsin	4/18/11	$2,500,000	Renewable generation	*SD*
School Dist Hartford No. 1 (Dodge and Washington Counties)	Wisconsin	4/11/11	$2,295,000	Renewable generation	*SD*
Morton County (Mandan S.D.)	North Dakota	2/9/2011; 5/4/2011	$3,780,000	EE - schools	*SD/Co*
Los Angeles Dep't of Water & Power	California	6/4/13	$27,855,000	EE - university	*UA*
Los Angeles Dep't of Water & Power	California	8/17/10	$131,020,000	Renewable generation - solar & wind	*UA*
Fallbrook Public Utility District Project	California	11/18/10	$7,227,000	Renewable generation - solar improvements	*UA*
Rancho Water District Financing Authority	California	11/7/11	$9,870,000	Water / wastewater capital improvement	*UA*
Nebraska Utilities Corp	Nebraska	2/6/14	$5,500,000	Renewable generation - renewable energy system for university	*UA*

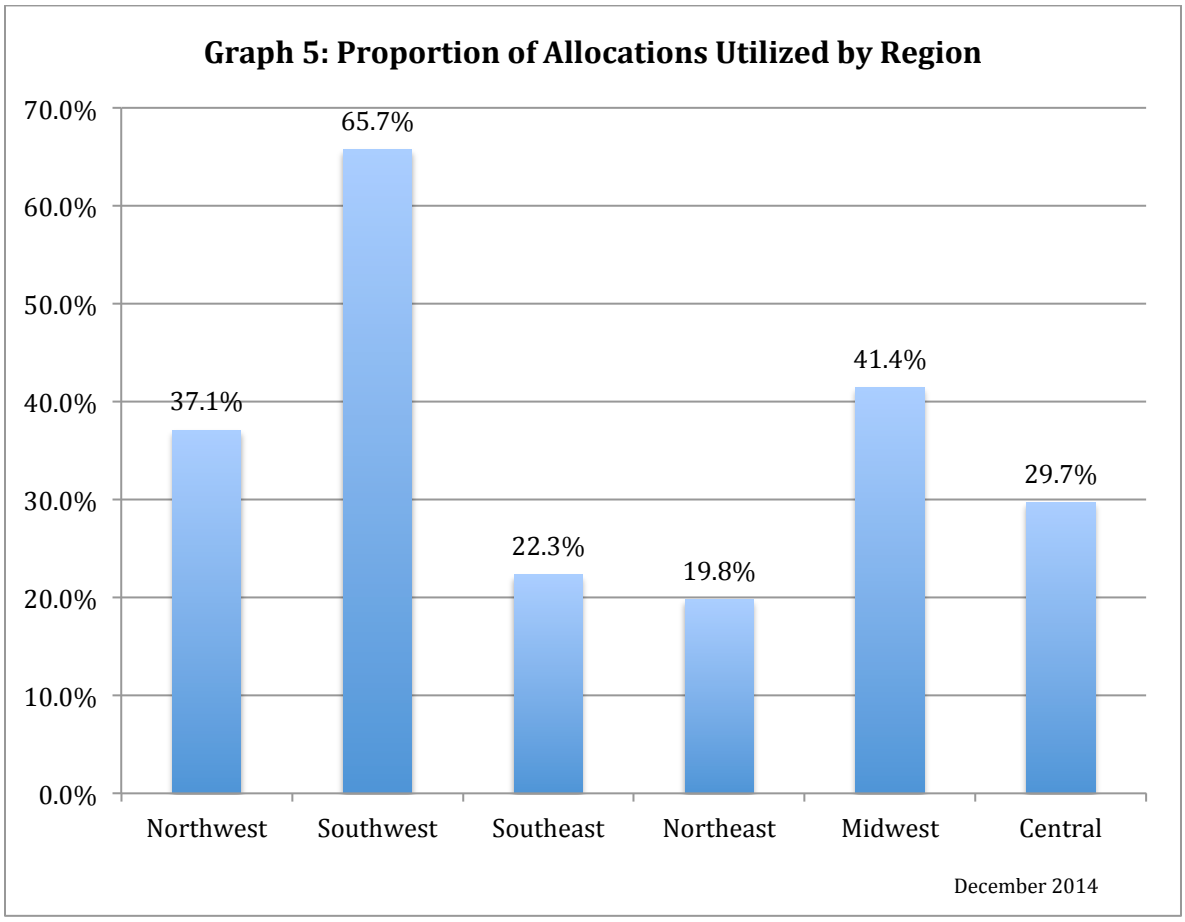
Nebraska Utilities Corp	Nebraska	2/1/14	$6,500,000	Renewable generation - renewable energy system for university	*UA*
Total			**$1,076,414,763**		

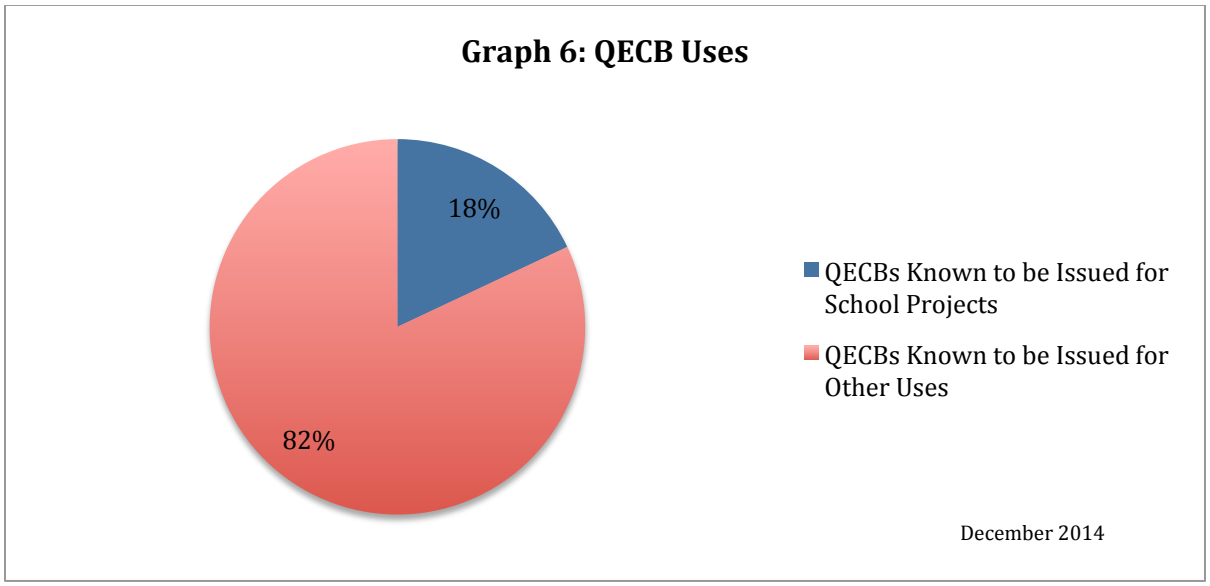

Graph 1: QECBs Known to be Issued v. Allocated
$3,200,000,00
$1,076,414,763
Amount Known Issued
Amount of QECBs Allocated
December 2014


Graph 2: Amount of QECBs known to be Issued by Quarter
Millions
250
200
150
100
50
0
2010
2011
2012
2013
2014
Qtr1
Qtr2
Qtr3
Qtr4
December 2014


Graph 3: Percent of Total Allocation, By Region
30%
25%
20%
15%
10%
5%
0%
20.7%
24.3%
13.1%
19.6%
4.5%
16.4%
Northeast
Southeast
Central
Midwest
Northwest
Southwest
December 2014


Graph 4: Known QECB Issuance by Region
Millions
400
350
300
250
200
150
100
50
0
$53.23
$344.92
$162.01
$131.03
$260.13
$125.08
Northwest
Southwest
Southeast
Northeast
Midwest
Central
December 2014


Graph 5: Proportion of Allocations Utilized by Region
70.0%
60.0%
50.0%
40.0%
30.0%
20.0%
10.0%
0.0%
37.1%
65.7%
22.3%
19.8%
41.4%
29.7%
Northwest
Southwest
Southeast
Northeast
Midwest
Central
December 2014


Graph 6: QECB Uses
18%
82%
QECBs Known to be Issued for School Projects
QECBs Known to be Issued for Other Uses
December 2014

APPENDIX A: QECB Counsel, Underwriters, Banks and Trustees

Bond Counsel

- **Adams & Reese LLP**
- **Arntson Stewart Wegner PC**
- **Ballard Spahr LLP**
- **Bass, Berry & Sims PLC**
- **Briggs & Morgan**
- **Burke Burns & Pinelli, Ltd.**
- **Chapman & Cutler LLP**
- **Dinsmore and Shohl LLP**
- **Dorsey & Whitney LLP**
- **Eckert Seamans Cherin & Mellot, LLC**
- **Edwards Wildman Palmer LLP**
- **Foster Pepper PLLC**
- **Fryberger Buchanan Smith**
- **Gilmore & Bell PC**
- **Godfrey & Kahn S.C.**
- **Greenberg Traurig LLP**
- **Grogan Graffam PC**
- **Gust Rosenfeld PLC**
- **Hall, Render, Killian, Heath & Lyman P.C.**
- **Hawkins Delafield & Wood LLP**
- **Hills Clark Martin & Peterson P.S.**
- **Hogan Lovells US LLP**
- **Hunton & Williams LLP**
- **Ice Miller LLP**
- **Jones Hall**
- **K&L Gates**
- **Katten Muchin Rosenman LLP**
- **Kaufman & Canoles, P.C.**
- **Kennedy & Graven**
- **Kutak Rock LLP**
- **McGuire Woods LLP**
- **McNees Wallace & Nurick LLC**
- **Meierhenry Sargent LLP**
- **Miller Canfield P.L.C.**
- **Orrick, Herrington and Sutcliffe LLP**
- **Perkins Coie LLP**
- **Quarles & Brady LLP**
- **Sherman & Howard LLC**
- **Shipman & Goodwin LLP**
- **Stites & Harbison PLLC**
- **Strandling Yocca Carson Rauth, P.C.**

Source: Bond Documents, Bloomberg.

Purchaser's Counsel

- **McGuire Woods**

Source: Bond Documents, Client Testimonial.

Underwriters

- **Banc of America**
- **Barclays Capital Inc.**
- **BMO Capital Markets**
- **BOSC, Inc.**
- **Cabrera Capital Markets**
- **Crews & Associates**
- **D.A. Davidson & Co.**
- **George K. Baum & Company**
- **Jefferies & Company Inc.**
- **JP Morgan Securities LLC**
- **Morgan Keegan**
- **Northland Securities**
- **Oppenheimer & Company Inc.**
- **Piper Jaffray Companies**
- **RBC Capital Markets**
- **Robert W. Baird & Co. Inc.**
- **Samuel A Ramirez & Co Inc.**
- **Seattle-Northwest Securities**
- **Southwest Securities Inc.**
- **Stern Brothers & Co.**
- **Sterne Agee & Leach Inc.**
- **Stifel Nicolaus & Co Inc.**
- **Stone & Youngberg LLC**
- **William Blair & Company**

Source: Bloomberg.

Banks, Buyer, or Trustee

- **Bank of America**
- **Bank of NY Mellon Trust**
- **Wells Fargo Bank**
- **U.S. Bank**
- **UMB Bank**
- **Southwest Trust Company**
- **Associated Trust**

APPENDIX B: State QECB Legislation

COLORADO LEGISLATION

Source: http://www.state.co.us/gov_dir/leg_dir/olls/sl2009a/sl_402.htm

HOUSE BILL 09-1346

BY REPRESENTATIVE(S) Carroll T., Casso, Fischer, Frangas, Green, Kefalas, Kerr A., Labuda, Pace, Ryden, Scanlan, Schafer S., Todd, Vigil; also SENATOR(S) Shaffer B., Bacon, Boyd, Foster, Gibbs, Groff, Hodge, Hudak, Morse, Schwartz, Tochtrop.

CONCERNING AUTHORIZATION FOR PUBLIC ENTITIES IN THE STATE TO FULLY UTILIZE THE FINANCING INSTRUMENTS AVAILABLE TO THEM UNDER THE FEDERAL ECONOMIC STIMULUS ACT KNOWN AS THE "AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009".

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. Title 11, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW ARTICLE to read:

ARTICLE 59.7

Colorado Recovery and Reinvestment Finance Act of 2009

11-59.7-101. Short title. THIS ARTICLE SHALL BE KNOWN AND MAY BE CITED AS THE "COLORADO RECOVERY AND REINVESTMENT FINANCE ACT OF 2009".

11-59.7-102. Legislative declaration. (1) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT:

(a) THE FEDERAL "AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009", PUB.L. 111-5, WAS ENACTED BY THE UNITED STATES CONGRESS IN RESPONSE TO A NATIONAL ECONOMIC CRISIS IN ORDER TO STIMULATE SPENDING, INCREASE EMPLOYMENT, AND REDUCE UNEMPLOYMENT IN THE UNITED STATES AS RAPIDLY AS POSSIBLE, INCLUDING SPENDING ANDEMPLOYMENT BY STATES AND LOCAL GOVERNMENTS AND THOSE WHO PROVIDE GOODS AND SERVICES TO STATES AND LOCAL GOVERNMENTS;

(b) THE PURPOSE OF THIS ARTICLE IS TO STIMULATE SPENDING, INCREASE EMPLOYMENT, AND REDUCE UNEMPLOYMENT IN COLORADO AS RAPIDLY AS POSSIBLE BY AUTHORIZING COLORADO PUBLIC ENTITIES TO TAKE FULL ADVANTAGE OF FINANCING OPPORTUNITIES AVAILABLE UNDER THE FEDERAL RECOVERY AND REINVESTMENT ACT; AND

(c) THIS ARTICLE SHALL BE INTERPRETED IN A MANNER THAT STIMULATES THE MAXIMUM AMOUNT OF SPENDING, INCREASES THE MAXIMUM AMOUNT OF EMPLOYMENT, AND REDUCES THE MAXIMUM AMOUNT OF UNEMPLOYMENT IN COLORADO AS RAPIDLY AS POSSIBLE THROUGH THE ACTIONS OF COLORADO PUBLIC ENTITIES IN TAKING FULL ADVANTAGE OF FINANCING OPPORTUNITIES UNDER THE FEDERAL RECOVERY AND REINVESTMENT ACT.

11-59.7-103. Definitions. AS USED IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "ANCILLARY AGREEMENT" MEANS ANY CONTRACT, AGREEMENT, OR OTHER ARRANGEMENT THAT A PUBLIC ENTITY DETERMINES IS NECESSARYOR CONVENIENT IN CONNECTION WITH A STIMULUS OBLIGATION, INCLUDING BUT NOT LIMITED TO ANY AGREEMENT, CONTRACT, OR OTHER ARRANGEMENT:

(a) PURSUANT TO WHICH THE PROCEEDS OF SUCH STIMULUS OBLIGATION ARE LOANED OR MADE AVAILABLE TO OR SECURED FOR ANOTHER PUBLIC ENTITY, A NONPROFIT OR FOR-PROFIT CORPORATION, A CHARTER SCHOOL, OR ANY OTHER PERSON IN ACCORDANCE WITH THE FEDERAL RECOVERY AND REINVESTMENT ACT;

(b) RELATING TO PROPERTY THAT IS LEASED OR SUBLEASED PURSUANT TO A LEASE-PURCHASE AGREEMENT OR ON WHICH THE PROCEEDS OF A LEASE-PURCHASE FINANCING ARE SPENT;

(c) FOR CREDIT OR LIQUIDITY ENHANCEMENT OF, CREDIT OR LIQUIDITY SUPPORT FOR, OR INTEREST RATE PROTECTION WITH RESPECT TO THE STIMULUS OBLIGATION;

(d) THAT IS AN INTEREST RATE EXCHANGE AGREEMENT UNDER ARTICLE 59.3 OF THIS TITLE;

(e) THAT RELATES TO THE INVESTMENT OF PROCEEDS OF THE STIMULUS OBLIGATION;

(f) FOR THE PURCHASE, SALE, MARKETING, OR REMARKETING OF THE STIMULUS OBLIGATION; OR

(g) FOR SERVICES IN CONNECTION WITH THE STIMULUS OBLIGATION.

(2) "BALLOT ISSUE" HAS THE SAME MEANING AS SET FORTH IN SECTION 1-1-104 (2.3), C.R.S.

(3) “BALLOT QUESTION” HAS THE SAME MEANING AS SET FORTH IN SECTION 1-1-104 (2.7), C.R.S.

(4) “BOND” MEANS ANY BOND, NOTE, INTERIM CERTIFICATE, CONTRACT, EVIDENCE OF INDEBTEDNESS, LOAN, FINANCING AGREEMENT, INSTALLMENT PURCHASE OR SALE AGREEMENT, LEASE, OR LEASE-PURCHASE AGREEMENT ON WHICH PAYMENTS BY A PUBLIC ENTITY ARE NOT SUBJECT TO ANNUAL APPROPRIATION BY ITS GOVERNING BODY OR ANY DEBT OR

MULTIPLE-FISCAL YEAR FINANCIAL OBLIGATION ISSUED OR ENTERED INTO BY A PUBLIC ENTITY.

(5) “BUILD AMERICA BOND” HAS THE SAME MEANING AS SET FORTH IN SECTION 54AA OF THE INTERNAL REVENUE CODE.

(6) “CHARTER SCHOOL” MEANS A CHARTER SCHOOL AS DEFINED IN SECTION 22-30.5-103 (2), C.R.S., AN INDEPENDENT CHARTER SCHOOL AS DEFINED IN SECTION 22-30.5-302 (6), C.R.S., OR AN INSTITUTE CHARTER SCHOOL AS DEFINED IN SECTION 22-30.5-502 (6), C.R.S.

(7) “CHARTER SCHOOL BOND ISSUER” MEANS ANY PUBLIC ENTITY THAT IS AUTHORIZED UNDER STATE LAW TO FINANCE OR REFINANCE A PROJECT FOR THE BENEFIT OF A CHARTER SCHOOL THROUGH THE ISSUANCE OF BONDS OR THE EXECUTION OF A LOAN AGREEMENT, FINANCING AGREEMENT, OR LEASE-PURCHASE AGREEMENT WITH A CHARTER SCHOOL.

(8) “CLEAN RENEWABLE ENERGY BOND” HAS THE SAME MEANING AS SET FORTH IN SECTION 54 OF THE INTERNAL REVENUE CODE.

(9) “COMMISSION ON HIGHER EDUCATION” MEANS THE COLORADO COMMISSION ON HIGHER EDUCATION CREATED AND EXISTING PURSUANT TO ARTICLE 1 OF TITLE 23, C.R.S.

(10) “FEDERAL DIRECT PAYMENTS” MEANS AMOUNTS THAT THE FEDERAL GOVERNMENT IS TO PAY TO A PUBLIC ENTITY THAT ISSUES OR ENTERS INTO A BUILD AMERICA BOND AND ELECTS TO RECEIVE DIRECT PAYMENTS FROM THE FEDERAL GOVERNMENT PURSUANT TO SECTIONS 54AA AND 6431 OF THE INTERNAL REVENUE CODE OR THAT ISSUES OR ENTERS INTO A RECOVERY ZONE ECONOMIC DEVELOPMENT BOND AND ELECTS TO RECEIVE DIRECT PAYMENTS FROM THE FEDERAL GOVERNMENT PURSUANT TO SECTIONS 1400U-2 AND 6431 OF THE INTERNAL REVENUE CODE.

(11) “FEDERAL RECOVERY AND REINVESTMENT ACT” MEANS THE FEDERAL “AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009”,PUB.L. 111-5, AND ANY AMENDMENTS THERETO.

(12) “GOVERNING BODY” MEANS A CITY COUNCIL, BOARD OF TRUSTEES, COMMISSION, BOARD OF COUNTY COMMISSIONERS, BOARD OF DIRECTORS, GOVERNING BOARD OF A PUBLIC INSTITUTION OF HIGHER EDUCATION, OR OTHER LEGISLATIVE BODY OF A PUBLIC ENTITY IN WHICH THE LEGISLATIVE POWERS OF THE PUBLIC ENTITY ARE VESTED. THE GOVERNING BODY OF THE STATE TREASURER, OR OF THE STATE TREASURER, ACTING ON BEHALF OF THE STATE, IS THE STATE TREASURER.

(13) “GOVERNOR’S ENERGY OFFICE” MEANS THE GOVERNOR’S ENERGY OFFICE CREATED IN SECTION 24-38.5-101 (1), C.R.S.

(14) “INTERNAL REVENUE CODE” HAS THE SAME MEANING AS SET FORTH IN SECTION 39-23.5-102 (9.5), C.R.S.

(15) “LARGE LOCAL GOVERNMENT” HAS THE SAME MEANING AS SET FORTH IN SECTION 54D OF THE INTERNAL REVENUE CODE.

(16) “LARGE MUNICIPALITY” HAS THE SAME MEANING AS SET FORTH IN SECTION 1400U-1 OF THE INTERNAL REVENUE CODE.

(17) “LEASE-PURCHASE AGREEMENT” MEANS ANY AGREEMENT BETWEEN A PUBLIC ENTITY AND ANY OTHER PERSON:

> (a) THAT IS A LEASE OR LEASE-PURCHASE AGREEMENT UNDER THE LAWS OF THIS STATE;
>
> (b) PURSUANT TO WHICH THE PUBLIC ENTITY HAS AGREED TO MAKE PAYMENTS IN FUTURE FISCAL YEARS SUBJECT TO ANNUAL APPROPRIATION OF THE PAYMENTS BY THE GOVERNING BODY OF THE PUBLIC ENTITY; AND
>
> (c) THAT IS TREATED AS AN INSTALLMENT SALE AGREEMENT FOR FEDERAL INCOME TAX PURPOSES.

(18) “NEW CLEAN RENEWABLE ENERGY BOND” HAS THE SAME MEANING AS SET FORTH IN SECTION 54C OF THE INTERNAL REVENUE CODE.

(19) “PROJECT” MEANS ANY PROPERTY, GOODS, OR SERVICES ON WHICH THE PROCEEDS OF A BOND OR LEASE-PURCHASE FINANCING ARE OR MAY BE SPENT, INCLUDING BUT NOT LIMITED TO ANY JOB TRAINING OR EDUCATIONAL PROGRAM ON WHICH THE PROCEEDS OF RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS MAY BE SPENT UNDER FEDERAL LAW.

(20) “PUBLIC ENTITY” MEANS THE STATE, ANY AGENCY, DEPARTMENT, OR POLITICAL SUBDIVISION OF THE STATE, ANY QUASI-GOVERNMENTAL ENTITY, OR ANY OTHER ENTITY CREATED BY OR PURSUANT TO THE CONSTITUTION OR LAWS

OF THE STATE THAT IS AUTHORIZED UNDER STATE LAW TO ISSUE BONDS OR ENTER INTO A LEASE-PURCHASE AGREEMENT, INCLUDING BUT NOT LIMITED TO:

(a) THE STATE TREASURER OR THE STATE TREASURER, ACTING ON BEHALF OF THE STATE;

(b) A STATE AGENCY OR DEPARTMENT;

(c) A STATE AUTHORITY;

(d) A PUBLIC INSTITUTION OF HIGHER EDUCATION, STATE EDUCATIONAL INSTITUTION, OR OTHER STATE INSTITUTION, INCLUDING ITSGOVERNING BODY OR ANY OTHER ISSUING AUTHORITY OF THE INSTITUTION CONSTITUTING A BODY CORPORATE;

(e) A COUNTY OR CITY AND COUNTY;

(f) A MUNICIPALITY;

(g) A SCHOOL DISTRICT;

(h) A SPECIAL DISTRICT ORGANIZED OR ACTING PURSUANT TO THE PROVISIONS OF TITLE 32, C.R.S.;

(i) A DISTRICT OR AUTHORITY ORGANIZED OR ACTING PURSUANT TO THE PROVISIONS OF TITLE 29, 30, OR 31, C.R.S.;

(j) A WATER CONSERVANCY DISTRICT CREATED PURSUANT TO ARTICLE 45 OF TITLE 37, C.R.S.;

(k) ANY OTHER POLITICAL SUBDIVISION OR GOVERNMENTAL OR QUASI-GOVERNMENTAL ENTITY OF THE STATE;

(l) ANY OTHER PUBLIC ENTITY AS DEFINED IN SECTION 24-75-601(1), C.R.S.;

(m) A RECOVERY AND REINVESTMENT ACT FINANCE AUTHORITY;

(n) AN ENTERPRISE OF ANY PUBLIC ENTITY LISTED IN PARAGRAPHS (a) TO (m) OF THIS SUBSECTION (20); AND

(o) A NONPROFIT CORPORATION ORGANIZED UNDER THE LAWS OF THE STATE THAT IS AUTHORIZED BY LAW, OR A TRUST CREATED UNDER THE LAWS OF THE STATE THAT IS AUTHORIZED UNDER ITS GOVERNING DOCUMENTS, TO ISSUE BONDS OR ENTER INTO LEASE-PURCHASE AGREEMENTS ON BEHALF OF ONE OR MORE PUBLIC ENTITIES LISTED IN PARAGRAPHS (a) TO (n) OF THIS SUBSECTION (20).

(21) “PUBLIC INSTITUTION OF HIGHER EDUCATION” MEANS ANY STATE-SUPPORTED INSTITUTION OF HIGHER EDUCATION THAT IS OBLIGATED TO CONFORM TO THE POLICIES SET BY THE COMMISSION ON HIGHER EDUCATION PURSUANT TO SECTION 23-1-102 (2), C.R.S.

(22) “PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD” MEANS THE BOARD CREATED IN SECTION 22-43.7-106 (1) (a), C.R.S.

(23) “QUALIFIED ENERGY CONSERVATION BOND” HAS THE SAME MEANING AS SET FORTH IN SECTION 54D OF THE INTERNAL REVENUE CODE.

(24) “QUALIFIED ENERGY CONSERVATION BOND VOLUME CAP” MEANS THE DOLLAR AMOUNT OF QUALIFIED ENERGY CONSERVATION BONDS ALLOCATED TO THE STATE AND THE STATE’S LARGE LOCAL GOVERNMENTS PURSUANT TO SECTION 54D OF THE INTERNAL REVENUE CODE.

(25) “QUALIFIED SCHOOL CONSTRUCTION BOND” HAS THE SAME MEANING AS SET FORTH IN SECTION 54F OF THE INTERNAL REVENUE CODE.

(26) “QUALIFIED SCHOOL CONSTRUCTION BOND VOLUME CAP” MEANS THE SCHOOL DISTRICT QUALIFIED SCHOOL CONSTRUCTION BOND VOLUME CAP AND THE STATE QUALIFIED SCHOOL CONSTRUCTION BOND VOLUME CAP AND INCLUDES ANY PORTION OF THE SCHOOL DISTRICT QUALIFIED SCHOOL CONSTRUCTION BOND VOLUME CAP THAT IS REALLOCATED TO THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD PURSUANT TO SECTION 11-59.7-106.

(27) “QUALIFIED ZONE ACADEMY BOND” HAS THE SAME MEANING AS SET FORTH IN SECTION 54E OF THE INTERNAL REVENUE CODE.

(28) “QUALIFIED ZONE ACADEMY BOND VOLUME CAP” MEANS THE VOLUME CAP FOR QUALIFIED ZONE ACADEMY BONDS ALLOCATED BY THE FEDERAL GOVERNMENT TO THE STATE PURSUANT TO SECTION 54E OF THE INTERNAL REVENUE CODE.

(29) “RECOVERY AND REINVESTMENT ACT FINANCE AUTHORITY” MEANS A SEPARATE LEGAL ENTITY CREATED BY CONTRACT BETWEEN OR AMONG PUBLIC ENTITIES FOR THE PURPOSE OF ISSUING STIMULUS OBLIGATIONS PURSUANT TO SECTION 11-59.7-110.

(30) “RECOVERY ZONE” MEANS:

> (a) ANY AREA DESIGNATED BY THE PUBLIC ENTITY THAT ISSUES OR ENTERS INTO A RECOVERY ZONE BOND AS HAVING SIGNIFICANT POVERTY, UNEMPLOYMENT, RATE OF HOME FORECLOSURES, OR GENERAL DISTRESS;

(b) ANY AREA DESIGNATED BY THE PUBLIC ENTITY THAT ISSUES OR ENTERS INTO A RECOVERY ZONE BOND AS ECONOMICALLY DISTRESSED BY REASON OF THE CLOSURE OR REALIGNMENT OF A MILITARY INSTALLATION PURSUANT TO THE FEDERAL "DEFENSE BASE CLOSURE AND REALIGNMENT ACT OF 1990", PUB.L. 101-510; AND

(c) ANY AREA FOR WHICH A DESIGNATION AS AN EMPOWERMENT ZONE OR RENEWAL COMMUNITY IS IN EFFECT.

(31) "RECOVERY ZONE BOND" MEANS BOTH A RECOVERY ZONE ECONOMIC DEVELOPMENT BOND AND A RECOVERY ZONE FACILITY BOND.

(32) "RECOVERY ZONE ECONOMIC DEVELOPMENT BOND" HAS THE SAME MEANING AS SET FORTH IN SECTION 1400U-2 OF THE INTERNAL REVENUE CODE.

(33) "RECOVERY ZONE ECONOMIC DEVELOPMENT BOND PROJECT" MEANS ANY PROPERTY, GOODS, OR SERVICES ON WHICH THE PROCEEDS OF RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS MAY BE SPENT UNDER FEDERAL LAW.

(34) "RECOVERY ZONE ECONOMIC DEVELOPMENT BOND VOLUME CAP" MEANS THE DOLLAR AMOUNT OF RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS TO BE ALLOCATED BY THE FEDERAL GOVERNMENT TO THE STATE AND BY THE STATE TO THE STATE'S COUNTIES AND LARGE MUNICIPALITIES PURSUANT TO SECTION 1400U-1 OF THE INTERNAL REVENUE CODE.

(35) "RECOVERY ZONE FACILITY BOND" HAS THE SAME MEANING AS SET FORTH IN SECTION 1400U-3 OF THE INTERNAL REVENUE CODE.

(36) "RECOVERY ZONE FACILITY BOND VOLUME CAP" MEANS THE DOLLAR AMOUNT OF RECOVERY ZONE FACILITY BONDS TO BE ALLOCATED BY THE FEDERAL GOVERNMENT TO THE STATE AND BY THE STATE TO THE STATE'S COUNTIES AND LARGE MUNICIPALITIES PURSUANT TO SECTION 1400U-1 OF THE INTERNAL REVENUE CODE.

(37) "SCHOOL DISTRICT QUALIFIED SCHOOL CONSTRUCTION BOND VOLUME CAP" MEANS THE VOLUME CAP FOR QUALIFIED SCHOOL CONSTRUCTION BONDS ALLOCATED BY THE FEDERAL GOVERNMENT TO SCHOOL DISTRICTS OF THE STATE PURSUANT TO SECTION 54F OF THE INTERNAL REVENUE CODE.

(38) "STATE QUALIFIED SCHOOL CONSTRUCTION BOND VOLUME CAP" MEANS THE VOLUME CAP FOR QUALIFIED SCHOOL CONSTRUCTION BONDS ALLOCATED BY THE FEDERAL GOVERNMENT TO THE STATE PURSUANT TO SECTION 54F OF THE INTERNAL REVENUE CODE.

(39) “STIMULUS OBLIGATION” MEANS ANY BOND OR LEASE-PURCHASE AGREEMENT THAT QUALIFIES AS A BUILD AMERICA BOND, CLEAN RENEWABLE ENERGY BOND, NEW CLEAN RENEWABLE ENERGY BOND, QUALIFIED ENERGY CONSERVATION BOND, QUALIFIED SCHOOL

CONSTRUCTION BOND, QUALIFIED ZONE ACADEMY BOND, OR RECOVERY ZONE BOND.

(40) “STIMULUS OBLIGATION DOCUMENT” MEANS ANY RESOLUTION, ORDINANCE, TRUST INDENTURE, LOAN AGREEMENT, FINANCING AGREEMENT, LEASE-PURCHASE AGREEMENT, LEASE, AGREEMENT, CONTRACT, OR OTHER INSTRUMENT UNDER WHICH A STIMULUS OBLIGATION IS ISSUED OR ENTERED INTO OR PURSUANT TO WHICH A PUBLIC ENTITY INCURS OBLIGATIONS WITH

RESPECT TO A STIMULUS OBLIGATION AND ANY ANCILLARY AGREEMENT ENTERED INTO PURSUANT TO SECTION 11-59.7-104 (2).

(41) “TYPE OF” MEANS, WHEN USED WITH RESPECT TO ANY STIMULUS OBLIGATION, ANY ONE OF A BUILD AMERICA BOND, CLEAN RENEWABLE ENERGY BOND, NEW CLEAN RENEWABLE ENERGY BOND, QUALIFIED ENERGY CONSERVATION BOND, QUALIFIED SCHOOL CONSTRUCTION BOND, QUALIFIED ZONE ACADEMY BOND, OR RECOVERY ZONE BOND.

(42) “VOLUME CAP” MEANS THE DOLLAR AMOUNT OF ANY STIMULUS OBLIGATION ALLOCATED TO THE STATE OR ANOTHER PUBLIC ENTITY PURSUANT TO THE FEDERAL RECOVERY AND REINVESTMENT ACT OR ANY OTHER FEDERAL LAW.

11-59.7-104. Stimulus obligations authorized under state law - ancillary agreements.

(1) PUBLIC ENTITIES MAY ISSUE OR ENTER INTO STIMULUS OBLIGATIONS AS AUTHORIZED BY THIS ARTICLE. EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION AND SECTION 11-59.7-105, EACH TYPE OF STIMULUS OBLIGATION SHALL BE ISSUED OR ENTERED INTO BY A PUBLIC ENTITY IN ACCORDANCE WITH A LAW OF THE STATE THAT AUTHORIZES OR PERMITS THE PUBLIC ENTITY TO ISSUE BONDS OR ENTER INTO A LEASE-PURCHASE AGREEMENT TO FINANCE OR REFINANCE A PROJECT THAT MAY BE FINANCED OR REFINANCED WITH PROCEEDS OF THE TYPE OF STIMULUS OBLIGATION UNDER FEDERAL LAW. NOTWITHSTANDING ANY INCONSISTENT PROVISION OF ANY OTHER LAW OF THE STATE:

> (a) ANY PUBLIC ENTITY THAT IS AUTHORIZED OR PERMITTED UNDER THE LAWS OF THE STATE TO ISSUE BONDS TO FINANCE OR REFINANCE A PROJECT THAT UNDER FEDERAL LAW MAY BE FINANCED OR REFINANCED WITH PROCEEDS OF BUILD AMERICA BONDS MAY ISSUE THE BONDS AS BUILD AMERICA BONDS. ANY PUBLIC ENTITY THAT IS AUTHORIZED OR PERMITTED

UNDER THE LAWS OF THE STATE TO ENTER INTO A LEASE-PURCHASE AGREEMENT TO FINANCE OR REFINANCE A PROJECT THAT MAY BE FINANCED OR REFINANCED UNDER FEDERAL LAW WITH PROCEEDS OF BUILD AMERICA BONDS MAY ENTER INTO THE LEASE-PURCHASE AGREEMENT AS A BUILD AMERICA BOND.

(b) (I) ANY PUBLIC ENTITY THAT IS AUTHORIZED OR PERMITTED UNDER THE LAWS OF THE STATE TO ISSUE BONDS TO FINANCE OR REFINANCE A PROJECT THAT UNDER FEDERAL LAW MAY BE FINANCED OR REFINANCED WITH PROCEEDS OF A TYPE OF STIMULUS OBLIGATION OTHER THAN A BUILD AMERICA BOND MAY ISSUE THE TYPE OF STIMULUS OBLIGATION:

(A) TO FINANCE OR REFINANCE ANY PROJECT THAT MAY BE FINANCED OR REFINANCED UNDER FEDERAL LAW WITH PROCEEDS OF THE TYPE OF STIMULUS OBLIGATION; AND

(B) TO ISSUE BONDS AS THE TYPE OF STIMULUS OBLIGATION UNDER FEDERAL LAW.

(II) ANY PUBLIC ENTITY THAT IS AUTHORIZED OR PERMITTED UNDER THE LAWS OF THE STATE TO ENTER INTO A LEASE-PURCHASE AGREEMENT TO FINANCE OR REFINANCE A PROJECT THAT MAY BE FINANCED OR REFINANCED UNDER FEDERAL LAW WITH PROCEEDS OF A TYPE OF STIMULUS OBLIGATION OTHER THAN A BUILD AMERICA BOND MAY:

(A) ENTER INTO A LEASE-PURCHASE AGREEMENT TO FINANCE OR REFINANCE ANY PROJECT THAT MAY BE FINANCED OR REFINANCED UNDER FEDERAL LAW WITH PROCEEDS OF THE TYPE OF STIMULUS OBLIGATION; AND

(B) ENTER INTO THE LEASE-PURCHASE AGREEMENT AS A STIMULUS OBLIGATION UNDER FEDERAL LAW.

(c) TO THE EXTENT ELECTED BY A PUBLIC ENTITY PURSUANT TO SECTION 11-57-204 (1), PART 2 OF ARTICLE 57 OF THIS TITLE SHALL APPLY TO STIMULUS OBLIGATIONS ISSUED OR ENTERED INTO BY PUBLIC ENTITIES, STIMULUS OBLIGATIONS SHALL BE SECURITIES, AND PUBLIC ENTITIES, AS DEFINED IN SECTION 11-59.7-103 (20), SHALL ALSO BE PUBLIC ENTITIES FOR PURPOSES OF PART 2 OF ARTICLE 57 OF THIS TITLE.

(d) A STIMULUS OBLIGATION MAY BE SOLD AT ANY PRICE, BE SUBJECT TO OPTIONAL OR MANDATORY REDEMPTION OR OPTIONAL OR MANDATORY TENDER AT ANY TIME AND AT ANY PRICE, AND CONTAIN ANY OTHER SPECIAL PROVISIONS THAT THE GOVERNING BODY OF THE PUBLIC ENTITY DETERMINES ARE NECESSARY OR CONVENIENT TO ISSUE OR ENTER INTO THE STIMULUS OBLIGATION AT A COST AND ON TERMS, AND WITH

PAYMENTS SCHEDULED IN A MANNER, THAT IS DETERMINED BY THE GOVERNING BODY TO BE ADVANTAGEOUS TO THE PUBLIC ENTITY.

(e) THE RIGHT TO RECEIVE ANY PAYMENT OF PRINCIPAL OF, ANY INTEREST ON, OR ANY OTHER AMOUNT WITH RESPECT TO A STIMULUS OBLIGATION, THE RIGHT TO CLAIM ANY TAX CREDIT WITH RESPECT TO A STIMULUS OBLIGATION, AND THE RIGHT TO RECEIVE ANY FEDERAL DIRECT PAYMENT IN CONNECTION WITH A STIMULUS OBLIGATION MAY BE STRIPPED OR SEPARATED FROM ONE ANOTHER, MAY BE ISSUED OR DELIVERED TO DIFFERENT PERSONS, AND MAY BE OWNED AND TRANSFERRED INDEPENDENTLY OF ONE ANOTHER.

(f) ANY OUTSTANDING STIMULUS OBLIGATION MAY BE REFUNDED BY OR ON BEHALF OF THE PUBLIC ENTITY THAT ISSUED OR ENTERED INTO IT PURSUANT TO ARTICLE 56 OF THIS TITLE OR ANY OTHER LAW OF THE STATE THAT AUTHORIZES THE PUBLIC ENTITY TO ISSUE OR ENTER INTO REFUNDING OBLIGATIONS.

(g) SECTION 22-41-110, C.R.S., RELATING TO TIMELY PAYMENT OF SCHOOL DISTRICT OBLIGATIONS, SHALL APPLY TO A QUALIFIED SCHOOL CONSTRUCTION BOND ISSUED OR ENTERED INTO BY A SCHOOL DISTRICT THAT IS A GENERAL OBLIGATION BOND ISSUED BY A SCHOOL DISTRICT PURSUANT TO ARTICLE 42 OR 43 OF TITLE 22, C.R.S., AN OBLIGATION OF A SCHOOL DISTRICT IN CONNECTION WITH A LEASE AGREEMENT OR INSTALLMENT PURCHASE AGREEMENT ENTERED INTO BY A SCHOOL DISTRICT UNDER SECTION 22-32-127 OR 22-45-103 (1) (c), C.R.S., OR A REFUNDING BOND ISSUED BY A SCHOOL DISTRICT PURSUANT TO ARTICLE 56 OF THIS TITLE.

(h) SECTION 23-5-139, C.R.S., RELATING TO THE HIGHER EDUCATION REVENUE BOND INTERCEPT PROGRAM, SHALL APPLY TO ANY STIMULUS OBLIGATION:

(i) THAT IS ISSUED OR ENTERED INTO:

(A) BY A PUBLIC INSTITUTION OF HIGHER EDUCATION;

(B) BY A RECOVERY AND REINVESTMENT ACT FINANCE AUTHORITY CREATED BY A CONTRACT TO WHICH A PUBLIC INSTITUTION OF HIGHER EDUCATION IS A PARTY; OR

(C) BY ANY OTHER PUBLIC ENTITY TO FINANCE OR REFINANCE A PROJECT THAT IS OR IS TO BE OWNED BY OR USED BY A PUBLIC INSTITUTION OF HIGHER EDUCATION; AND

(II) THAT MEETS THE OTHER CONDITIONS SPECIFIED IN SECTION 23-5-139, C.R.S.

(i) ANY STIMULUS OBLIGATION ISSUED OR ENTERED INTO FOR THE PURPOSE OF FINANCING OR REFINANCING CHARTER SCHOOL CAPITAL CONSTRUCTION BY A PUBLIC ENTITY OTHER THAN A SCHOOL DISTRICT ON BEHALF OF A CHARTER SCHOOL THAT IS ENTITLED TO RECEIVE FUNDING FROM THE PUBLIC SCHOOL FUND PURSUANT TO PART 1 OF ARTICLE 30.5 OF TITLE 22, C.R.S., SHALL QUALIFY FOR DIRECT PAYMENTS UNDER SECTION 22-30.5-406, C.R.S. THE CHARTER SCHOOL DEBT SERVICE RESERVE FUND, AS DEFINED IN SECTION 22-30.5-408 (1) (a), C.R.S., FOR ANY STIMULUS OBLIGATION THAT IS ISSUED BY THE COLORADO EDUCATIONAL AND CULTURAL FACILITIES AUTHORITY CREATED IN SECTION 23-15-104 (1) (a), C.R.S., THAT IS A QUALIFIED CHARTER SCHOOL BOND, AS DEFINED IN SECTION 22-30.5-408 (1) (d), C.R.S., ISSUED ON BEHALF OF A QUALIFIED CHARTER SCHOOL, AS DEFINED IN SECTION 22-30.5-408 (1) (c), C.R.S., AND THAT MEETS THE OTHER CONDITIONS SET FORTH IN SECTION 22-30.5-408, C.R.S., SHALL QUALIFY FOR REPLENISHMENT UNDER SECTION 22-30.5-408, C.R.S.

(j) A CERTIFICATES OF PARTICIPATION RESERVE FUND, AS DEFINED IN SECTION 22-54-110.5 (1) (a), C.R.S., ENACTED BY SENATE BILL 09-256, ENACTED IN 2009, FOR CERTIFICATES OF PARTICIPATION EVIDENCING RIGHTS TO RECEIVE PAYMENTS BY A SCHOOL DISTRICT UNDER A LEASE-PURCHASE AGREEMENT THAT QUALIFIES AS A STIMULUS OBLIGATION SHALL QUALIFY FOR REPLENISHMENT UNDER SECTION 22-54-110.5 (2), C.R.S., ENACTED BY SENATE BILL 09-256, ENACTED IN 2009.

(k) (I) PROCEEDS OF STIMULUS OBLIGATIONS, MONEYS HELD IN ANY SINKING FUND RELATING TO ANY STIMULUS OBLIGATION, AND OTHER MONEYS RELATING TO ANY STIMULUS OBLIGATION MAY BE INVESTED BY THE STATE TREASURER IN ANY INVESTMENT OR SECURITIES PERMITTED BY ARTICLE 36 OF TITLE 24, C.R.S., AND BY THE STATE TREASURER OR ANY OTHER PUBLIC ENTITY IN ANY INVESTMENT OR SECURITIES PERMITTED BY PART 6 OF ARTICLE 75 OF TITLE 24, C.R.S., SUBJECT TO THE FOLLOWING MODIFICATIONS:

(A) ANY LIMITATIONS ON THE MATURITY OF THE INVESTMENT OR SECURITIES OR ANY SECURITIES SUBJECT TO A REPURCHASE AGREEMENT, REVERSE REPURCHASE AGREEMENT, OR OTHER INVESTMENT SHALL NOT APPLY SO LONG AS THE INVESTMENT OR SECURITIES MATURE ON OR BEFORE THE LAST MATURITY OF THE STIMULUS OBLIGATION;

(B) ANY LIMITATIONS ON VARIABLE RATE INVESTMENTS AND SECURITIES SHALL NOT APPLY; AND

(C) PUBLIC ENTITIES MAY AGREE TO INVEST MONEYS IN THE INVESTMENT OR SECURITIES IN ADVANCE OF THE RECEIPT OF THE MONEYS.

(II) PUBLIC ENTITIES ALSO MAY DIRECT A CORPORATE TRUSTEE THAT HOLDS PROCEEDS OF STIMULUS OBLIGATIONS, MONEYS HELD IN ANY SINKING FUND RELATING TO ANY STIMULUS OBLIGATION, AND OTHER MONEYS RELATING TO ANY STIMULUS OBLIGATION TO INVEST OR DEPOSIT THE PROCEEDS OR MONEYS IN INVESTMENTS OR DEPOSITS OTHER THAN THOSE SPECIFIED BY ARTICLE 36 OF TITLE 24, C.R.S., AND PART 6 OF ARTICLE 75 OF TITLE 24, C.R.S., IF THE GOVERNING BODY OF THE PUBLIC ENTITY DETERMINES THAT THE INVESTMENT OR DEPOSIT MEETS THE STANDARD ESTABLISHED IN SECTION 15-1-304, C.R.S., THE INCOME IS AT LEAST COMPARABLE TO INCOME AVAILABLE ON INVESTMENTS OR DEPOSITS SPECIFIED BY SAID ARTICLE 36 OR PART 6, AND THE INVESTMENT WILL ASSIST THE PUBLIC ENTITY IN THE FINANCING OR REFINANCING OF PROJECTS THAT MAY BE FINANCED OR REFINANCED WITH THE PROCEEDS OF ITS STIMULUS OBLIGATIONS. ANY EARNINGS FROM ANY INVESTMENT OR SECURITIES PERMITTED BY THIS PARAGRAPH (k) MAY BE USED AND MAY BE PLEDGED TO MAKE PAYMENTS TO THE OWNERS OF STIMULUS OBLIGATIONS OR OTHER PERSONS OR MAY BE USED FOR ANY OTHER LAWFUL PURPOSE FOR WHICH THE PUBLIC ENTITY MAY SPEND MONEY.

(l) THE INTEREST ON AND INCOME FROM ANY STIMULUS OBLIGATION SHALL BE EXEMPT FROM ALL TAXATION AND ASSESSMENTS IN THE STATE. IN THE STIMULUS OBLIGATION DOCUMENTS, THE PUBLIC ENTITY THAT ISSUES OR ENTERS INTO A STIMULUS OBLIGATION MAY MAKE ELECTIONS UNDER THE INTERNAL REVENUE CODE, INCLUDING BUT NOT LIMITED TO AN ELECTION TO DESIGNATE THE STIMULUS OBLIGATION AS A QUALIFIED TAX-EXEMPT OBLIGATION FOR PURPOSES OF SECTION 265 OF THE INTERNAL REVENUE CODE, AND MAY WAIVE THE EXEMPTION OF THE INTEREST ON AND INCOME FROM ANY STIMULUS OBLIGATION FROM TAXATION AND ASSESSMENTS IN THE STATE.

(m) ALL BANKS, TRUST COMPANIES, SAVINGS AND LOAN ASSOCIATIONS, INSURANCE COMPANIES, EXECUTORS, ADMINISTRATORS, GUARDIANS, TRUSTEES, AND OTHER FIDUCIARIES MAY LEGALLY INVEST ANY MONEYS WITHIN THEIR CONTROL IN STIMULUS OBLIGATIONS.

(n) PUBLIC ENTITIES, AS DEFINED IN SECTION 24-75-601 (1), C.R.S., MAY INVEST PUBLIC FUNDS IN STIMULUS OBLIGATIONS IF THE STIMULUS OBLIGATIONS SATISFY THE INVESTMENT REQUIREMENTS ESTABLISHED IN PART 6 OF ARTICLE 75 OF TITLE 24, C.R.S. THIS PARAGRAPH (n) SHALL NOT LIMIT THE

POWER OF A PUBLIC ENTITY THAT ISSUES OR ENTERS INTO A STIMULUS OBLIGATION TO ENTER INTO AN ANCILLARY AGREEMENT WITH ANOTHER PUBLIC ENTITY UNDER WHICH THE OTHER PUBLIC ENTITY AGREES TO MAKE PAYMENTS TO THE PUBLIC ENTITY THAT ISSUES OR ENTERS INTO THE STIMULUS OBLIGATION ON ANY TERMS AGREED TO BY THE TWO PUBLIC ENTITIES.

(o) A PUBLIC ENTITY MAY TAKE ANY ACTION IN CONNECTION WITH ANY STIMULUS OBLIGATION, AND THE INVESTMENT AND USE OF THE PROCEEDS, ANY FEDERAL DIRECT PAYMENTS, OR ANY OTHER MONEYS RECEIVED IN CONNECTION WITH ANY STIMULUS OBLIGATION, THAT THE GOVERNING BODY OF THE PUBLIC ENTITY DETERMINES IS NECESSARY OR CONVENIENT AND IS NOT INCONSISTENT WITH THIS ARTICLE.

(2) ANY PUBLIC ENTITY THAT IS AUTHORIZED TO ISSUE OR ENTER INTO A STIMULUS OBLIGATION PURSUANT TO SUBSECTION (1) OF THIS SECTION IS ALSO AUTHORIZED TO ENTER INTO ANCILLARY AGREEMENTS WITH RESPECT TO THE STIMULUS OBLIGATION AND TO USE AND TO PLEDGE ANY AMOUNTS RECEIVED OR TO BE RECEIVED BY THE PUBLIC ENTITY UNDER ANY SUCH ANCILLARY AGREEMENT FOR THE PAYMENT OF OR COMPLIANCE WITH THE TERMS OF STIMULUS OBLIGATION DOCUMENTS RELATING TO THE STIMULUS OBLIGATION.

(3) A PUBLIC ENTITY THAT ISSUES OR ENTERS INTO A STIMULUS OBLIGATION MAY TAKE ANY ACTION REQUIRED TO COMPLY WITH, AND MAY COVENANT IN ANY STIMULUS OBLIGATION DOCUMENT THAT IT WILL COMPLY WITH, ANY PROVISION OF FEDERAL LAW APPLICABLE TO THE STIMULUS OBLIGATION, INCLUDING BUT NOT LIMITED TO THE APPLICABLE PROVISIONS OF THE FEDERAL RECOVERY AND REINVESTMENT ACT RELATING TO LABOR STANDARDS AND REPORTS TO THE FEDERAL GOVERNMENT.

11-59.7-105. Federal tax credits and federal direct payments.

(1) ANY FEDERAL TAX CREDIT THAT MAY BE CLAIMED BY AN OWNER OF A STIMULUS OBLIGATION OR ANY OTHER PERSON IN CONNECTION WITH A STIMULUS OBLIGATION SHALL NOT BE TREATED AS REVENUE OF ANY PUBLIC ENTITY AND SHALL NOT BE CONSIDERED IN DETERMINING ANY AMOUNT PAYABLE BY ANY PUBLIC ENTITY ON OR WITH RESPECT TO ANY STIMULUS OBLIGATION.

(2) A PUBLIC ENTITY THAT ISSUES OR ENTERS INTO A STIMULUS OBLIGATION MAY ELECT IN ACCORDANCE WITH FEDERAL LAW TO RECEIVE A FEDERAL DIRECT PAYMENT AND MAY USE ANY FEDERAL DIRECT PAYMENT TO MAKE PAYMENTS TO THE OWNERS OF THE STIMULUS OBLIGATION OR OTHER PERSONS OR FOR ANY OTHER LAWFUL PURPOSE FOR WHICH THE PUBLIC ENTITY MAY SPEND MONEY

AND MAY DEPOSIT ANY FEDERAL DIRECT PAYMENT IN ANY FUND OR ACCOUNT PENDING SUCH USE.

(3) FOR PURPOSES OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION, FEDERAL DIRECT PAYMENTS ARE FEDERAL FUNDS, FEDERAL DIRECT PAYMENTS ARE NOT INCLUDED IN FISCAL YEAR SPENDING OF ANY PUBLIC ENTITY, AND THE RECEIPT OF FEDERAL DIRECT PAYMENTS IS NOT A GRANT FROM ANY COLORADO STATE OR LOCAL GOVERNMENT.

(4) A PUBLIC ENTITY MAY PLEDGE ANY FEDERAL DIRECT PAYMENTS EXPECTED TO BE RECEIVED IN CONNECTION WITH BONDS THAT QUALIFY AS STIMULUS OBLIGATIONS TO MAKE PAYMENTS TO THE OWNERS OF THE BONDS OR OTHER PERSONS. ANY PORTION OF THE DEBT SERVICE ON ANY STIMULUS OBLIGATION MAY BE PAYABLE IN AMOUNTS CORRESPONDING TO EXPECTED FEDERAL DIRECT PAYMENTS, MAY BE PAYABLE SOLELY FROM EXPECTED FEDERAL DIRECT PAYMENTS, OR MAY HAVE A PRIORITY CLAIM ON EXPECTED FEDERAL DIRECT PAYMENTS. IF, AND TO THE EXTENT THAT, A PUBLIC ENTITY PLEDGES FEDERAL DIRECT PAYMENTS EXPECTED TO BE RECEIVED IN CONNECTION WITH BONDS TO MAKE PAYMENTS TO THE OWNERS OF THE BONDS OR OTHER PERSONS, THE FEDERAL DIRECT PAYMENTS THAT THE PUBLIC ENTITY EXPECTS TO RECEIVE WITH RESPECT TO THE BONDS SHALL BE NETTED AGAINST AND SHALL REDUCE THE AMOUNT OF INTEREST ON THE BONDS AND ALL OTHER AMOUNTS PAYABLE BY THE PUBLIC ENTITY ON OR WITH RESPECT TO THE BONDS FOR PURPOSES OF ANY NOTICE DELIVERED PURSUANT TO SECTION 20(3) (b) OF ARTICLE X OF THE STATE CONSTITUTION AND FOR PURPOSES OF APPLYING ANY LIMITATION OR RESTRICTION UNDER THE STATE CONSTITUTION, ANY LAW OF THE STATE, ANY BALLOT QUESTION OR BALLOT ISSUE, ANY ANCILLARY AGREEMENT, OR ANY ORDINANCE OR RESOLUTION OF THE GOVERNING BODY OF THE PUBLIC ENTITY RELATING TO THE BONDS, INCLUDING BUT NOT LIMITED TO ANY LIMITATION ON:

(a) INTEREST OR ANY OTHER AMOUNT PAYABLE ON OR WITH RESPECT TO THE BONDS;

(b) THE NET EFFECTIVE INTEREST RATE AND NET INTEREST COST ON THE BONDS;

(c) THE REPAYMENT COST OF THE BONDS; AND

(d) THE AMOUNT OF DEBT THE PUBLIC ENTITY MAY INCUR.

(5) A PUBLIC ENTITY MAY IDENTIFY FEDERAL DIRECT PAYMENTS EXPECTED TO BE RECEIVED IN CONNECTION WITH A LEASE-PURCHASE AGREEMENT THAT QUALIFIES AS A STIMULUS OBLIGATION AS THE INTENDED SOURCE FOR PAYMENT OF ANY PORTION OF THE LEASE PAYMENTS UNDER THE LEASE-PURCHASE AGREEMENT. ANY PORTION OF THE LEASE PAYMENTS PAYABLE UNDER ANY

LEASE-PURCHASE AGREEMENT THAT QUALIFIES AS A STIMULUS OBLIGATION MAY BE PAYABLE IN AMOUNTS CORRESPONDING TO EXPECTED FEDERAL DIRECT PAYMENTS, AND FEDERAL DIRECT PAYMENTS MAY BE IDENTIFIED AS THE INTENDED SOLE SOURCE OR INTENDED PRIORITY SOURCE FOR PAYMENT OF ANY PORTION OF THE LEASE PAYMENTS PAYABLE UNDER ANY LEASE-PURCHASE AGREEMENT THAT QUALIFIES AS A STIMULUS OBLIGATION. IF, AND TO THE EXTENT THAT, A PUBLIC ENTITY IDENTIFIES FEDERAL DIRECT PAYMENTS EXPECTED TO BE RECEIVED IN CONNECTION WITH A LEASE-PURCHASE AGREEMENT AS AN INTENDED SOURCE OF PAYMENT OF LEASE PAYMENTS, THE FEDERAL DIRECT PAYMENTS THAT THE PUBLIC ENTITY EXPECTS TO RECEIVE WITH RESPECT TO THE LEASE-PURCHASE AGREEMENT SHALL BE NETTED AGAINST AND SHALL REDUCE THE AMOUNT OF LEASE PAYMENTS UNDER THE LEASE-PURCHASE AGREEMENT REPRESENTING INTEREST, AND ALL OTHER AMOUNTS PAYABLE BY THE PUBLIC ENTITY UNDER OR WITH RESPECT TO THE LEASE-PURCHASE AGREEMENT, FOR PURPOSES OF APPLYING ANY LIMITATION OR RESTRICTION UNDER THE STATE CONSTITUTION, ANY STATE LAW, ANY BALLOT QUESTION OR BALLOT ISSUE, ANY ANCILLARY AGREEMENT, OR ANY ORDINANCE OR RESOLUTION OF THE GOVERNING BODY OF THE PUBLIC ENTITY RELATING TO THE LEASE-PURCHASE AGREEMENT, INCLUDING BUT NOT LIMITED TO ANY LIMITATION ON INTEREST OR ANY OTHER AMOUNT PAYABLE UNDER THE LEASE-PURCHASE AGREEMENT AND ANY DETERMINATION AS TO THE REASONABLENESS OF THE LEASE PAYMENTS UNDER THE LEASE-PURCHASE AGREEMENT.

(6) THE GOVERNING BODY OF A PUBLIC INSTITUTION OF HIGHER EDUCATION MAY DESIGNATE AND TREAT ANY FEDERAL DIRECT PAYMENT AS REVENUES OF AN AUXILIARY FACILITY OR AN INSTITUTIONAL ENTERPRISE FOR PURPOSES OF SECTIONS 23-5-101.5 TO 23-5-105.5, C.R.S., AND SECTION 23-5-139, C.R.S.

11-59.7-106. Qualified school construction bond volume cap.

(1) THE STATE QUALIFIED SCHOOL CONSTRUCTION BOND VOLUME CAP SHALL BE ALLOCATED TO THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD, WHICH, SUBJECT TO THE PROVISIONS OF SUBSECTIONS (3) AND (4) OF THIS SECTION, SHALL USE THE VOLUME CAP TO ENTER INTO LEASE-PURCHASE AGREEMENTS TO ASSIST THE FINANCING OR REFINANCING OF PROJECTS PURSUANT TO ARTICLE 43.7 OF TITLE 22, C.R.S.

(2) ANY PORTION OF THE SCHOOL DISTRICT QUALIFIED SCHOOL CONSTRUCTION BOND VOLUME CAP FOR A CALENDAR YEAR THAT IS ALLOCATED TO A SCHOOL DISTRICT THAT HAS NOT BEEN USED ON BONDS ISSUED OR A LEASE-PURCHASE AGREEMENT ENTERED INTO BY THE SCHOOL DISTRICT OR FOR WHICH A CONTRACT TO PURCHASE BONDS OR INSTRUMENTS EVIDENCING INTERESTS IN A LEASE-PURCHASE AGREEMENT HAS NOT BEEN ENTERED INTO ON OR BEFORE NOVEMBER 10 OF THE CALENDAR YEAR SHALL, ON NOVEMBER 11 OF THE CALENDAR YEAR, AUTOMATICALLY BY LAW AND WITHOUT ANY ACTION BY THE

SCHOOL DISTRICT BE REALLOCATED BY THE SCHOOL DISTRICT TO THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD. IF A CONTRACT TO PURCHASE HAS BEEN ENTERED INTO ON OR BEFORE NOVEMBER 10 OF THE CALENDAR YEAR BUT THE RELATED BONDS OR LEASE-PURCHASE AGREEMENT ARE NOT ISSUED OR ENTERED INTO ON OR BEFORE NOVEMBER 30 OF THE CALENDAR YEAR, THE VOLUME CAP SHALL AUTOMATICALLY REVERT TO THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD ON DECEMBER 1 OF THE CALENDAR YEAR.

(3) IF THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD DETERMINES THAT IT CANNOT USE, OR THAT A SCHOOL DISTRICT OR A CHARTER SCHOOL BOND ISSUER CAN MAKE BETTER USE OF, ANY PORTION OF THE STATE QUALIFIED SCHOOL CONSTRUCTION BOND VOLUME CAP FOR A CALENDAR YEAR OR ANY PORTION OF THE SCHOOL DISTRICT QUALIFIED SCHOOL CONSTRUCTION BOND VOLUME CAP FOR A CALENDAR YEAR THAT IS REALLOCATED TO THE BOARD PURSUANT TO SUBSECTION (2) OF THIS SECTION, THE BOARD MAY ALLOCATE THE PORTION OF THE VOLUME CAP TO THE SCHOOL DISTRICT OR CHARTER SCHOOL BOND ISSUER FOR THE PURPOSE OF FINANCING OR REFINANCING A PROJECT APPROVED BY THE BOARD. ANY VOLUME CAP ALLOCATED TO A SCHOOL DISTRICT OR CHARTER SCHOOL BOND ISSUER PURSUANT TO THIS SUBSECTION (3) THAT HAS NOT BEEN USED ON BONDS ISSUED OR A LEASE-PURCHASE AGREEMENT ENTERED INTO OR FOR WHICH A CONTRACT TO PURCHASE BONDS OR INSTRUMENTS EVIDENCING INTERESTS IN A LEASE-PURCHASE AGREEMENT HAS NOT BEEN ENTERED INTO ON OR BEFORE NOVEMBER 10 OF ANY CALENDAR YEAR SHALL, ON NOVEMBER 11 OF THE CALENDAR YEAR, AUTOMATICALLY REVERT TO THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD. IF A CONTRACT TO PURCHASE HAS BEEN ENTERED INTO ON OR BEFORE NOVEMBER 10 OF THE CALENDAR YEAR BUT THE RELATED BONDS OR LEASE-PURCHASE AGREEMENT ARE NOT ISSUED OR ENTERED INTO ON OR BEFORE NOVEMBER 30 OF THE CALENDAR YEAR, THE VOLUME CAP SHALL AUTOMATICALLY REVERT TO THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD ON DECEMBER 1 OF THE CALENDAR YEAR. THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD MAY USE OR REALLOCATE TO ANY SCHOOL DISTRICT OR CHARTER SCHOOL BOND ISSUER, FOR THE PURPOSE OF FINANCING OR REFINANCING A PROJECT APPROVED BY THE BOARD, ANY VOLUME CAP THAT REVERTS TO THE BOARD PURSUANT TO THIS SUBSECTION (3) OR MAY CARRY THE VOLUME CAP FORWARD PURSUANT TO SUBSECTION (4) OF THIS SECTION. ANY VOLUME CAP THAT IS REALLOCATED TO A SCHOOL DISTRICT OR CHARTER SCHOOL BOND ISSUER PURSUANT TO THIS SUBSECTION (3) THAT HAS NOT BEEN USED ON BONDS ISSUED OR A LEASE-PURCHASE AGREEMENT ENTERED INTO BY NOON, PREVAILING DENVER TIME, ON DECEMBER 31 OF A CALENDAR YEAR SHALL, AT 12:01 P.M., PREVAILING DENVER TIME, ON DECEMBER 31 OF THE CALENDAR YEAR, AUTOMATICALLY REVERT TO THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD.

(4) THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD SHALL CARRY FORWARD TO THE NEXT CALENDAR YEAR ANY PORTION OF THE QUALIFIED SCHOOL CONSTRUCTION BOND VOLUME CAP THAT HAS NOT BEEN USED ON BONDS ISSUED OR A LEASE-PURCHASE AGREEMENT ENTERED INTO BY THE END OF A CALENDAR YEAR. IN SELECTING PROJECTS TO ASSIST THE FINANCING OR REFINANCING OF PURSUANT TO ARTICLE 437 OF TITLE 22, C.R.S., AND IN SELECTING PROJECTS OF SCHOOL DISTRICTS FOR THE PURPOSE OF ALLOCATING QUALIFIED SCHOOL CONSTRUCTION BOND VOLUME CAP PURSUANT TO THIS SECTION, THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD SHALL PRIORITIZE PROJECTS THAT ARE READY TO BE FINANCED OR REFINANCED AND THAT ARE MOST CONSISTENT WITH THE PURPOSE OF THIS ARTICLE DESCRIBED IN SECTION 11-59.7-102 (1) (b). THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD SHALL USE OR ALLOCATE QUALIFIED SCHOOL CONSTRUCTION BOND VOLUME CAP IN A MANNER CONSISTENT WITH FEDERAL LAW AND THE PURPOSE OF THIS ARTICLE DESCRIBED IN SECTION 11-59.7-102 (1) (b) AND TO MINIMIZE THE QUALIFIED SCHOOL CONSTRUCTION BOND VOLUME CAP THAT HAS NOT BEEN USED ON BONDS ISSUED OR ONE OR MORE LEASE-PURCHASE AGREEMENTS ENTERED INTO ON OR BEFORE THE EXPIRATION OF THE QUALIFIED SCHOOL CONSTRUCTION BOND PROGRAM. A SCHOOL DISTRICT TO WHICH SCHOOL DISTRICT QUALIFIED SCHOOL CONSTRUCTION BOND VOLUME CAP HAS BEEN ALLOCATED UNDER FEDERAL LAW OR A SCHOOL DISTRICT OR CHARTER SCHOOL BOND ISSUER TO WHICH QUALIFIED SCHOOL CONSTRUCTION BOND VOLUME CAP HAS BEEN ALLOCATED PURSUANT TO THIS SECTION MAY, AT ANY TIME, RELINQUISH THE VOLUME CAP TO THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD. ANY VOLUME CAP RELINQUISHED MAY BE USED BY THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD TO ENTER INTO LEASE-PURCHASE AGREEMENTS TO ASSIST THE FINANCING OR REFINANCING OF PROJECTS PURSUANT TO ARTICLE 43.7 OF TITLE 22, C.R.S., MAY BE REALLOCATED BY THE BOARD TO A SCHOOL DISTRICT OR CHARTER SCHOOL BOND ISSUER FOR THE PURPOSE OF FINANCING OR REFINANCING A PROJECT APPROVED BY THE BOARD, OR MAY BE CARRIED FORWARD TO THE NEXT CALENDAR YEAR. THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD MAY PROMULGATE RULES IN ACCORDANCE WITH ARTICLE 4 OF TITLE 24, C.R.S., REGARDING THE MANNER IN WHICH THE QUALIFIED SCHOOL CONSTRUCTION BOND VOLUME CAP WILL BE ALLOCATED.

11-59.7-107. Qualified energy conservation bond volume cap.

(1) THE QUALIFIED ENERGY CONSERVATION BOND VOLUME CAP SHALL BE ADMINISTERED BY THE GOVERNOR'S ENERGY OFFICE PURSUANT TO THIS SECTION. THE GOVERNOR'S ENERGY OFFICE SHALL ALLOCATE THE QUALIFIED ENERGY CONSERVATION BOND VOLUME CAP TO THE STATE AND LARGE LOCAL GOVERNMENTS IN ACCORDANCE WITH FEDERAL LAW FOR THE PURPOSE OF FINANCING OR REFINANCING PROJECTS APPROVED BY THE GOVERNOR'S ENERGY

OFFICE. THE QUALIFIED ENERGY CONSERVATION BOND VOLUME CAP FOR CALENDAR YEAR 2009 SHALL BE ALLOCATED BY THE THIRTIETH DAY FOLLOWING THE EFFECTIVE DATE OF THIS SUBSECTION (1). THE QUALIFIED ENERGY CONSERVATION BOND VOLUME CAP FOR EACH SUBSEQUENT CALENDAR YEAR SHALL BE ALLOCATED ON OR BEFORE FEBRUARY 15 OF THE CALENDAR YEAR.

(2) THE STATE MAY REALLOCATE ANY PORTION OF THE QUALIFIED ENERGY CONSERVATION BOND VOLUME CAP ALLOCATED OR REALLOCATED TO THE STATE PURSUANT TO THIS SECTION TO ANY PUBLIC ENTITY FOR THE PURPOSE OF FINANCING OR REFINANCING PROJECTS APPROVED BY THE GOVERNOR'S ENERGY OFFICE.

(3) ANY PORTION OF THE QUALIFIED ENERGY CONSERVATION BOND VOLUME CAP FOR A CALENDAR YEAR THAT IS ALLOCATED TO A LARGE LOCAL GOVERNMENT PURSUANT TO SUBSECTION (1) OF THIS SECTION THAT HAS NOT BEEN USED ON BONDS ISSUED OR A LEASE-PURCHASE AGREEMENT ENTERED INTO OR FOR WHICH A CONTRACT TO PURCHASE BONDS OR INSTRUMENTS EVIDENCING INTERESTS IN A LEASE-PURCHASE AGREEMENT HAS NOT BEEN ENTERED INTO ON OR BEFORE NOVEMBER 10 OF THE CALENDAR YEAR SHALL, ON NOVEMBER 11 OF THE CALENDAR YEAR, AUTOMATICALLY REVERT TO THE GOVERNOR'S ENERGY OFFICE. IF A CONTRACT TO PURCHASE HAS BEEN ENTERED INTO ON OR BEFORE NOVEMBER 10 OF THE CALENDAR YEAR BUT THE RELATED BONDS OR LEASE-PURCHASE AGREEMENT ARE NOT ISSUED OR ENTERED INTO ON OR BEFORE NOVEMBER 30 OF THE CALENDAR YEAR, THE VOLUME CAP SHALL AUTOMATICALLY REVERT TO THE GOVERNOR'S ENERGY OFFICE ON DECEMBER 1 OF THE CALENDAR YEAR. THE GOVERNOR'S ENERGY OFFICE MAY REALLOCATE TO ANY PUBLIC ENTITY FOR THE PURPOSE OF FINANCING OR REFINANCING A PROJECT APPROVED BY THE OFFICE, OR CARRY FORWARD PURSUANT TO SUBSECTION (4) OF THIS SECTION, ANY VOLUME CAP THAT REVERTS TO THE OFFICE PURSUANT TO THIS SUBSECTION (3). ANY VOLUME CAP THAT IS REALLOCATED TO A PUBLIC ENTITY PURSUANT TO THIS SUBSECTION (3) THAT HAS NOT BEEN USED ON BONDS ISSUED OR A LEASE-PURCHASE AGREEMENT ENTERED INTO BY NOON, PREVAILING DENVER TIME, ON DECEMBER 31 OF A CALENDAR YEAR SHALL, AT 12:01 P.M., PREVAILING DENVER TIME, ON DECEMBER 31 OF THE CALENDAR YEAR, AUTOMATICALLY REVERT TO THE GOVERNOR'S ENERGY OFFICE.

(4) THE GOVERNOR'S ENERGY OFFICE SHALL CARRY FORWARD TO THE NEXT CALENDAR YEAR ANY PORTION OF THE QUALIFIED ENERGY CONSERVATION BOND VOLUME CAP THAT HAS NOT BEEN USED ON BONDS ISSUED OR A LEASE-PURCHASE AGREEMENT ENTERED INTO BY THE END OF A CALENDAR YEAR. IN SELECTING PROJECTS FOR THE PURPOSE OF ALLOCATING QUALIFIED ENERGY CONSERVATION BOND VOLUME CAP, THE GOVERNOR'S ENERGY OFFICE SHALL PRIORITIZE PROJECTS THAT ARE READY TO BE FINANCED OR REFINANCED AND THAT ARE MOST CONSISTENT WITH THE PURPOSE OF THIS ARTICLE DESCRIBED IN

SECTION 11-59.7-102 (1) (b). THE GOVERNOR'S ENERGY OFFICE SHALL ALLOCATE QUALIFIED ENERGY CONSERVATION BOND VOLUME CAP IN A MANNER CONSISTENT WITH FEDERAL LAW AND THE PURPOSE OF THIS ARTICLE DESCRIBED IN SECTION 11-59.7-102 (1) (b) AND TO MINIMIZE THE QUALIFIED ENERGY CONSERVATION BOND VOLUME CAP THAT HAS NOT BEEN USED ON BONDS ISSUED OR A LEASE-PURCHASE AGREEMENT ENTERED INTO ON OR BEFORE THE EXPIRATION OF THE QUALIFIED ENERGY CONSERVATION BOND PROGRAM. THE GOVERNOR'S ENERGY OFFICE MAY ALLOCATE QUALIFIED ENERGY CONSERVATION BOND VOLUME CAP TO THE STATE PURSUANT TO THIS SECTION IN ANTICIPATION OF THE ENACTMENT BY THE GENERAL ASSEMBLY OF LEGISLATION AUTHORIZING A LEASE-PURCHASE AGREEMENT. THE STATE, ANY LARGE LOCAL GOVERNMENT, OR ANY OTHER PUBLIC ENTITY TO WHICH QUALIFIED ENERGY CONSERVATION BOND VOLUME CAP HAS BEEN ALLOCATED PURSUANT TO THIS SECTION MAY, AT ANY TIME, RELINQUISH THE VOLUME CAP TO THE GOVERNOR'S ENERGY OFFICE. ANY VOLUME CAP RELINQUISHED MAY BE REALLOCATED BY THE GOVERNOR'S ENERGY OFFICE TO ANY PUBLIC ENTITY TO FINANCE OR REFINANCE A PROJECT APPROVED BY THE OFFICE OR MAY BE CARRIED FORWARD TO THE NEXT CALENDAR YEAR. THE DEPARTMENT OF LOCAL AFFAIRS, IN CONSULTATION WITH THE GOVERNOR'S ENERGY OFFICE, MAY PROMULGATE RULES IN ACCORDANCE WITH ARTICLE 4 OF TITLE 24, C.R.S., REGARDING THE MANNER IN WHICH THE QUALIFIED ENERGY CONSERVATION BOND VOLUME CAP WILL BE ALLOCATED.

11-59.7-108. Recovery zone economic development bond volume cap and recovery zone facility bond volume cap.

(1) THE RECOVERY ZONE ECONOMIC DEVELOPMENT BOND VOLUME CAP AND THE RECOVERY

ZONE FACILITY BOND VOLUME CAP SHALL BE ADMINISTERED BY THE COMMISSION ON HIGHER EDUCATION PURSUANT TO THIS SECTION AND, TO THE EXTENT PROVIDED IN SUBSECTION (5) OF THIS SECTION, THE DEPARTMENT OF LOCAL AFFAIRS.

(2) SUBJECT TO THE PROVISIONS OF SUBSECTIONS (3) TO (7) OF THIS SECTION, THE COMMISSION ON HIGHER EDUCATION SHALL SEPARATELY ALLOCATE THE RECOVERY ZONE ECONOMIC DEVELOPMENT BOND VOLUME CAP AND THE RECOVERY ZONE FACILITY BOND VOLUME CAP TO COUNTIES AND LARGE MUNICIPALITIES IN ACCORDANCE WITH FEDERAL LAW FOR THE PURPOSE OF FINANCING OR REFINANCING PROJECTS THAT ARE LOCATED IN RECOVERY ZONES, ARE APPROVED BY THE COMMISSION, AND EITHER ARE OR ARE TO BE OWNED OR USED BY ONE OR MORE PUBLIC INSTITUTIONS OF HIGHER EDUCATION OR ARE EXPECTED TO INCREASE ECONOMIC

DEVELOPMENT IN THE VICINITY OF A FACILITY THAT IS OR IS TO BE OWNED OR USED BY ONE OR MORE PUBLIC INSTITUTIONS OF HIGHER EDUCATION IN A MANNER THAT IS COMPLEMENTARY TO THE USE OF SUCH HIGHER EDUCATION FACILITY.

(3) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (5) OF THIS SECTION, ANY PORTION OF THE RECOVERY ZONE ECONOMIC DEVELOPMENT BOND VOLUME CAP OR RECOVERY ZONE FACILITY BOND VOLUME CAP ALLOCATED TO A COUNTY OR A LARGE MUNICIPALITY PURSUANT TO SUBSECTION (2) OF THIS SECTION THAT HAS NOT BEEN USED ON BONDS ISSUED OR A LEASE-PURCHASE AGREEMENT ENTERED INTO TO FINANCE OR REFINANCE A PROJECT THAT IS LOCATED IN A RECOVERY ZONE, IS APPROVED BY THE COMMISSION ON HIGHER EDUCATION, AND EITHER IS OR IS TO BE OWNED OR USED BY ONE OR MORE PUBLIC INSTITUTIONS OF HIGHER EDUCATION OR IS EXPECTED TO INCREASE ECONOMIC DEVELOPMENT IN THE VICINITY OF A FACILITY THAT IS OR IS TO BE OWNED OR USED BY ONE OR MORE PUBLIC INSTITUTIONS OF HIGHER EDUCATION IN A MANNER THAT IS COMPLEMENTARY TO THE USE OF SUCH HIGHER EDUCATION FACILITY OR FOR

WHICH A CONTRACT TO PURCHASE BONDS OR INSTRUMENTS EVIDENCING INTERESTS IN A LEASE-PURCHASE AGREEMENT HAS NOT BEEN ENTERED INTO ON OR BEFORE NOVEMBER 10 OF ANY CALENDAR YEAR SHALL, ON NOVEMBER 11 OF THE CALENDAR YEAR, AUTOMATICALLY REVERT TO THE COMMISSION. IF A CONTRACT TO PURCHASE HAS BEEN ENTERED INTO ON OR BEFORE NOVEMBER 10 OF THE CALENDAR YEAR BUT THE RELATED BONDS OR LEASE-PURCHASE AGREEMENT ARE NOT ISSUED OR ENTERED INTO ON OR BEFORE NOVEMBER 30 OF THE CALENDAR YEAR, THE VOLUME CAP SHALL AUTOMATICALLY REVERT TO THE COMMISSION ON HIGHER EDUCATION ON DECEMBER 1 OF THE CALENDAR YEAR THE COMMISSION ON HIGHER EDUCATION MAY REALLOCATE ANY RECOVERY ZONE ECONOMIC DEVELOPMENT BOND VOLUME CAP OR RECOVERY ZONE FACILITY BOND VOLUME CAP THAT REVERTS TO THE COMMISSION PURSUANT TO THIS SUBSECTION (3) TO ANY PUBLIC ENTITY FOR THE PURPOSE OF FINANCING OR REFINANCING A PROJECT THAT IS LOCATED IN A RECOVERY ZONE, IS APPROVED BY THE COMMISSION, AND EITHER IS OR IS TO BE OWNED OR USED BY ONE OR MORE PUBLIC INSTITUTIONS OF HIGHER EDUCATION OR IS EXPECTED TO INCREASE ECONOMIC DEVELOPMENT IN THE VICINITY OF A FACILITY THAT IS OR IS TO BE OWNED OR USED BY ONE OR MORE PUBLIC

INSTITUTIONS OF HIGHER EDUCATION IN A MANNER THAT IS COMPLEMENTARY TO THE USE OF SUCH HIGHER EDUCATION FACILITY OR MAY CARRY THE VOLUME CAP FORWARD PURSUANT TO SUBSECTION (4) OF THIS SECTION. ANY RECOVERY ZONE ECONOMIC DEVELOPMENT BOND VOLUME CAP OR RECOVERY ZONE FACILITY BOND VOLUME CAP THAT IS REALLOCATED TO A PUBLIC ENTITY PURSUANT TO THIS SUBSECTION (3) THAT HAS NOT BEEN USED ON BONDS ISSUED OR A LEASE-PURCHASE AGREEMENT ENTERED INTO TO FINANCE OR REFINANCE A

PROJECT THAT IS LOCATED IN A RECOVERY ZONE, IS APPROVED BY THE COMMISSION ON HIGHER EDUCATION, AND EITHER IS OR IS TO BE OWNED OR USED BY ONE OR MORE PUBLIC INSTITUTIONS OF HIGHER EDUCATION OR IS EXPECTED TO INCREASE ECONOMIC DEVELOPMENT IN THE VICINITY OF A FACILITY THAT IS OR IS TO BE OWNED OR USED BY ONE OR MORE PUBLIC INSTITUTIONS OF HIGHER EDUCATION IN A MANNER THAT IS COMPLEMENTARY TO THE USE OF SUCH HIGHER EDUCATION FACILITY BY NOON, PREVAILING DENVER TIME, ON DECEMBER 31 OF A CALENDAR YEAR, SHALL, AT 12:01 P.M., PREVAILING DENVER TIME, ON DECEMBER 31 OF THE CALENDAR YEAR, AUTOMATICALLY REVERT TO THE COMMISSION.

(4) THE COMMISSION ON HIGHER EDUCATION SHALL CARRY FORWARD TO THE NEXT CALENDAR YEAR ANY PORTION OF THE RECOVERY ZONE ECONOMIC DEVELOPMENT BOND VOLUME CAP OR RECOVERY ZONE FACILITY BOND VOLUME CAP THAT HAS NOT BEEN USED ON BONDS ISSUED OR A LEASE-PURCHASE AGREEMENT ENTERED INTO BY THE END OF A CALENDAR YEAR.

(5) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, IF ANY PORTION OF THE RECOVERY ZONE ECONOMIC DEVELOPMENT BOND VOLUME CAP OR THE RECOVERY ZONE FACILITY BOND VOLUME CAP, INCLUDING ANY PORTION THAT HAS BEEN CARRIED FORWARD PURSUANT TO SUBSECTION (4) OF THIS SECTION, HAS NOT BEEN USED ON BONDS ISSUED OR A LEASE-PURCHASE AGREEMENT ENTERED INTO BY THE NINETIETH DAY PRECEDING THE DATE ON WHICH THE RECOVERY ZONE ECONOMIC DEVELOPMENT BOND PROGRAM OR RECOVERY ZONE FACILITY BOND PROGRAM, AS APPLICABLE, IS TO EXPIRE UNDER FEDERAL LAW, THE REMAINING VOLUME CAP SHALL BE ALLOCATED BY THE DEPARTMENT OF LOCAL AFFAIRS TO PUBLIC ENTITIES FOR THE PURPOSE OF FINANCING OR REFINANCING ANY PROJECT THAT IS LOCATED IN A RECOVERY ZONE AND THAT QUALIFIES FOR FINANCING OR REFINANCING WITH RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS OR RECOVERY ZONE FACILITY BONDS, AS APPLICABLE. ANY PORTION OF ANY VOLUME CAP SO ALLOCATED THAT HAS NOT BEEN USED ON BONDS ISSUED OR A LEASE-PURCHASE AGREEMENT ENTERED INTO BY THE FIFTEENTH DAY PRECEDING THE DATE ON WHICH THE RECOVERY ZONE ECONOMIC DEVELOPMENT BOND PROGRAM OR RECOVERY ZONE FACILITY BOND PROGRAM, AS APPLICABLE, IS TO EXPIRE UNDER FEDERAL LAW SHALL REVERT TO THE DEPARTMENT OF LOCAL AFFAIRS, WHICH SHALL REALLOCATE THE VOLUME CAP TO PUBLIC ENTITIES FOR THE PURPOSE OF FINANCING OR REFINANCING ANY PROJECT THAT IS LOCATED IN A RECOVERY ZONE AND THAT QUALIFIES FOR FINANCING OR REFINANCING WITH RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS OR RECOVERY ZONE FACILITY BONDS, AS APPLICABLE.

(6) IN SELECTING PROJECTS FOR THE PURPOSE OF ALLOCATING RECOVERY ZONE ECONOMIC DEVELOPMENT BOND VOLUME CAP OR RECOVERY ZONE FACILITY BOND VOLUME CAP, THE COMMISSION ON HIGHER EDUCATION AND THE DEPARTMENT OF LOCAL AFFAIRS SHALL PRIORITIZE PROJECTS THAT ARE READY

TO BE FINANCED OR REFINANCED AND THAT ARE MOST CONSISTENT WITH THE PURPOSE OF THIS ARTICLE DESCRIBED IN SECTION 11-59.7-102 (1) (b). THE COMMISSION ON HIGHER EDUCATION AND THE DEPARTMENT OF LOCAL AFFAIRS SHALL ALLOCATE THE RECOVERY ZONE ECONOMIC DEVELOPMENT BOND VOLUME CAP AND THE RECOVERY ZONE FACILITY BOND VOLUME CAP IN A MANNER CONSISTENT WITH FEDERAL LAW AND THE PURPOSE OF THIS ARTICLE DESCRIBED IN SECTION 11-59.7-102 (1) (b) AND TO MINIMIZE THE VOLUME CAP THAT HAS NOT BEEN USED ON BONDS ISSUED OR ONE OR MORE LEASE-PURCHASE AGREEMENTS ENTERED INTO AT THE EXPIRATION OF THE RECOVERY ZONE ECONOMIC DEVELOPMENT BOND PROGRAM OR THE RECOVERY ZONE FACILITY BOND PROGRAM, AS APPLICABLE, UNDER FEDERAL LAW. ANY COUNTY OR LARGE MUNICIPALITY TO WHICH RECOVERY ZONE ECONOMIC DEVELOPMENT BOND VOLUME CAP OR RECOVERY ZONE FACILITY BOND VOLUME CAP HAS BEEN ALLOCATED PURSUANT TO THIS SECTION MAY, AT ANY TIME, RELINQUISH THE VOLUME CAP TO THE COMMISSION ON HIGHER EDUCATION OR, IN THE CIRCUMSTANCES DESCRIBED IN SUBSECTION (5) OF THIS SECTION, THE DEPARTMENT OF LOCAL AFFAIRS. ANY VOLUME CAP RELINQUISHED MAY BE REALLOCATED BY THE COMMISSION ON HIGHER EDUCATION TO ANY PUBLIC ENTITY FOR THE PURPOSE OF FINANCING OR REFINANCING A PROJECT THAT IS LOCATED IN A RECOVERY ZONE, HAS BEEN APPROVED BY THE COMMISSION, AND EITHER IS OR IS TO BE OWNED OR USED BY ONE OR MORE PUBLIC INSTITUTIONS OF HIGHER EDUCATION OR IS EXPECTED TO INCREASE ECONOMIC DEVELOPMENT IN THE VICINITY OF A FACILITY THAT IS OR IS TO BE OWNED OR USED BY ONE OR MORE PUBLIC INSTITUTIONS OF HIGHER EDUCATION IN A MANNER THAT IS COMPLEMENTARY TO THE USE OF SUCH HIGHER EDUCATION FACILITY, MAY BE CARRIED FORWARD TO THE NEXT CALENDAR YEAR, OR, IF THE

CIRCUMSTANCES DESCRIBED IN SUBSECTION (5) OF THIS SECTION APPLY, MAY BE REALLOCATED BY THE DEPARTMENT OF LOCAL AFFAIRS FOR THE PURPOSE OF FINANCING OR REFINANCING ANY PROJECT THAT IS LOCATED IN A RECOVERY ZONE AND THAT QUALIFIES FOR FINANCING OR REFINANCING WITH RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS OR RECOVERY ZONE FACILITY BONDS, AS APPLICABLE. THE COMMISSION ON HIGHER EDUCATION AND THE DEPARTMENT OF LOCAL AFFAIRS MAY PROMULGATE RULES IN ACCORDANCE WITH ARTICLE 4 OF TITLE 24, C.R.S., REGARDING THE MANNER IN WHICH THE RECOVERY ZONE ECONOMIC DEVELOPMENT BOND VOLUME CAP AND THE RECOVERY ZONE FACILITY BOND VOLUME CAP THAT THEY ARE RESPECTIVELY RESPONSIBLE FOR ALLOCATING PURSUANT TO THIS SECTION WILL BE ALLOCATED.

(7) ON OR BEFORE THE ONE HUNDRED EIGHTIETH DAY PRECEDING THE DATE ON WHICH THE RECOVERY ZONE ECONOMIC DEVELOPMENT BOND PROGRAM OR THE RECOVERY ZONE FACILITY BOND PROGRAM, AS APPLICABLE, IS TO EXPIRE UNDER FEDERAL LAW, THE COMMISSION ON HIGHER EDUCATION SHALL DELIVER TO THE DEPARTMENT OF LOCAL AFFAIRS A WRITTEN REPORT DESCRIBING:

(a) THE STIMULUS OBLIGATIONS THAT HAVE BEEN ISSUED OR ENTERED INTO USING RECOVERY ZONE ECONOMIC DEVELOPMENT BOND VOLUME CAP OR RECOVERY ZONE FACILITY BOND VOLUME CAP;

(b) THE STIMULUS OBLIGATIONS THAT THE COMMISSION ON HIGHER EDUCATION EXPECTS TO BE ISSUED OR ENTERED INTO WITH RECOVERY ZONE ECONOMIC DEVELOPMENT BOND VOLUME CAP OR RECOVERY ZONE FACILITY BOND VOLUME CAP ON OR BEFORE THE NINETIETH DAY PRECEDING THE DATE ON WHICH THE RECOVERY ZONE ECONOMIC DEVELOPMENT BOND PROGRAM OR THE RECOVERY ZONE FACILITY BOND PROGRAM, AS APPLICABLE, IS TO EXPIRE UNDER FEDERAL LAW; AND

(c) THE ACTIONS THAT HAVE NOT YET BEEN TAKEN AND THE EVENTS THAT HAVE NOT YET OCCURRED BUT THAT MUST BE TAKEN OR THAT MUST OCCUR BEFORE THE STIMULUS OBLIGATIONS DESCRIBED IN PARAGRAPHS (a) AND (b) OF THIS SUBSECTION (7) ARE ISSUED OR ENTERED INTO, THE DATE ON WHICH THE ACTIONS AND EVENTS ARE SCHEDULED TO BE TAKEN OR TO OCCUR, AND THE COMMISSION'S ANALYSIS OF THE LIKELIHOOD THAT THE ACTIONS OR EVENTS WILL BE TAKEN OR WILL OCCUR AND THAT THE STIMULUS OBLIGATIONS WILL BE ISSUED OR ENTERED INTO ON OR BEFORE THE NINETIETH DAY PRECEDING THE DATE ON WHICH THE RECOVERY ZONE ECONOMIC DEVELOPMENT BOND PROGRAM OR THE RECOVERY ZONE FACILITY BOND PROGRAM, AS APPLICABLE, IS TO EXPIRE UNDER FEDERAL LAW.

11-59.7-109. Qualified zone academy bond volume cap.

(1) THE QUALIFIED ZONE ACADEMY BOND VOLUME CAP SHALL BE ADMINISTERED BY THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD PURSUANT TO THIS SECTION. THE QUALIFIED ZONE ACADEMY BOND VOLUME CAP SHALL BE ALLOCATED TO SCHOOL DISTRICTS TO FINANCE OR REFINANCE PROJECTS APPROVED BY THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD.

(2) ANY PORTION OF THE QUALIFIED ZONE ACADEMY BOND VOLUME CAP FOR A CALENDAR YEAR THAT IS ALLOCATED TO A SCHOOL DISTRICT PURSUANT TO SUBSECTION (1) OF THIS SECTION AND THAT HAS NOT BEEN USED ON BONDS ISSUED OR A LEASE-PURCHASE AGREEMENT ENTERED INTO OR FOR WHICH A CONTRACT TO PURCHASE BONDS OR INSTRUMENTS EVIDENCING INTERESTS IN A LEASE-PURCHASE AGREEMENT HAS NOT BEEN ENTERED INTO ON OR BEFORE NOVEMBER 10 OF THE CALENDAR YEAR SHALL, ON NOVEMBER 11 OF THE CALENDAR YEAR, AUTOMATICALLY REVERT TO THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD. IF A CONTRACT TO PURCHASE HAS BEEN ENTERED INTO ON OR BEFORE NOVEMBER 10 OF THE CALENDAR YEAR BUT THE RELATED BONDS

OR LEASE-PURCHASE AGREEMENT ARE NOT ISSUED OR ENTERED INTO ON OR BEFORE NOVEMBER 30 OF THE CALENDAR YEAR, THE VOLUME CAP SHALL AUTOMATICALLY REVERT TO THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD ON DECEMBER 1 OF THE CALENDAR YEAR. THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD MAY REALLOCATE TO ANY SCHOOL DISTRICT FOR THE PURPOSE OF FINANCING OR REFINANCING A PROJECT APPROVED BY THE BOARD ANY VOLUME CAP THAT REVERTS TO THE BOARD PURSUANT TO THIS SUBSECTION (2) OR MAY CARRY THE VOLUME CAP FORWARD PURSUANT TO SUBSECTION (3) OF THIS SECTION. ANY VOLUME CAP THAT IS REALLOCATED TO A SCHOOL DISTRICT PURSUANT TO THIS SUBSECTION (2) THAT HAS NOT BEEN USED ON BONDS ISSUED OR A LEASE-PURCHASE AGREEMENT ENTERED INTO BY NOON, PREVAILING DENVER TIME, ON DECEMBER 31 OF A CALENDAR YEAR SHALL, AT 12:01 P.M., PREVAILING DENVER TIME, ON DECEMBER 31 OF THE CALENDAR YEAR, AUTOMATICALLY REVERT TO THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD.

(3) THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD SHALL CARRY FORWARD TO THE NEXT CALENDAR YEAR ANY PORTION OF THE QUALIFIED ZONE ACADEMY BOND VOLUME CAP THAT HAS NOT BEEN USED ON BONDS ISSUED OR A LEASE-PURCHASE AGREEMENT ENTERED INTO BY THE END OF A CALENDAR YEAR.

(4) IN SELECTING PROJECTS FOR THE PURPOSE OF ALLOCATING QUALIFIED ZONE ACADEMY BOND VOLUME CAP, THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD SHALL PRIORITIZE PROJECTS THAT ARE READY TO BE FINANCED OR REFINANCED AND THAT ARE MOST CONSISTENTWITH THE PURPOSE OF THIS ARTICLE DESCRIBED IN SECTION 11-59.7-102 (1)

(b). THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD SHALL ALLOCATE QUALIFIED ZONE ACADEMY BOND VOLUME CAP IN A MANNER CONSISTENT WITH FEDERAL LAW AND THE PURPOSE OF THIS ARTICLE DESCRIBED IN SECTION 11-59.7-102 (1) (b) AND TO MINIMIZE THE QUALIFIED ZONE ACADEMY BOND VOLUME CAP THAT HAS NOT BEEN USED ON BONDS ISSUED OR LEASE-PURCHASE AGREEMENTS ENTERED INTO BY THE EXPIRATION OF THE QUALIFIED ZONE ACADEMY BOND PROGRAM. ANY SCHOOL DISTRICT TO WHICH QUALIFIED ZONE ACADEMY BOND VOLUME CAP HAS BEEN ALLOCATED PURSUANT TO THIS SECTION MAY, AT ANY TIME, RELINQUISH THE VOLUME CAP TO THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD. ANY VOLUME CAP RELINQUISHED MAY BE REALLOCATED BY THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD TO A SCHOOL DISTRICT TO FINANCE OR REFINANCE A PROJECT APPROVED BY THE BOARD OR MAY BE CARRIED FORWARD TO THE NEXT CALENDAR YEAR. THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD MAY PROMULGATE RULES IN ACCORDANCE WITH ARTICLE 4

OF TITLE 24, C.R.S., REGARDING THE MANNER IN WHICH THE QUALIFIED ZONE ACADEMY BOND VOLUME CAP WILL BE ALLOCATED.

11-59.7-110. Recovery and reinvestment act finance authorities.

(1) TWO OR MORE PUBLIC ENTITIES THAT ARE AUTHORIZED TO ISSUE OR ENTER INTO ONE OR MORE TYPES OF STIMULUS OBLIGATIONS OR ONE OR MORE PUBLIC ENTITIES THAT ARE AUTHORIZED TO ISSUE OR ENTER INTO ONE OR MORE TYPES OF STIMULUS OBLIGATIONS AND ONE OR MORE PUBLIC ENTITIES THAT MAY USE OR BENEFIT FROM THE PROJECT OR PROJECTS TO BE FINANCED OR REFINANCED BY ONE OR MORE TYPES OF STIMULUS OBLIGATIONS MAY, BY OR PURSUANT TO ONE OR MORE CONTRACTS WITH EACH OTHER, CREATE A SEPARATE LEGAL ENTITY, TO BE KNOWN AS A RECOVERY AND REINVESTMENT ACT FINANCE AUTHORITY, FOR THE

PURPOSES OF ISSUING OR ENTERING INTO STIMULUS OBLIGATIONS OF THE TYPE OR TYPES, PROVIDING FOR THE USE OR DISTRIBUTION OF THE PROCEEDS OF THE STIMULUS OBLIGATIONS, PROVIDING FOR THE PAYMENT OF THE STIMULUS OBLIGATIONS, AND ADDRESSING OTHER MATTERS RELATING TO THE STIMULUS OBLIGATIONS AND THE PROPERTY AND OPERATIONS OF THE RECOVERY AND REINVESTMENT ACT FINANCE AUTHORITY.

(2) THE CONTRACT PURSUANT TO WHICH A RECOVERY AND REINVESTMENT ACT FINANCE AUTHORITY IS CREATED SHALL SPECIFY:

(a) THE NAME AND PURPOSE OF THE AUTHORITY AND THE TYPE OR TYPES OF STIMULUS OBLIGATIONS THAT THE AUTHORITY IS AUTHORIZED TO ISSUE OR ENTER INTO;

(b) THE ESTABLISHMENT AND ORGANIZATION OF THE GOVERNING BODY OF THE AUTHORITY, WHICH SHALL BE A BOARD OF DIRECTORS IN WHICH ALL LEGISLATIVE POWER OF THE AUTHORITY IS VESTED, INCLUDING:

> (I) THE NUMBER OF DIRECTORS, THEIR MANNER OF APPOINTMENT, THEIR TERMS OF OFFICE, THEIR COMPENSATION, IF ANY, AND THE PROCEDURE FOR FILLING VACANCIES ON THE BOARD;
>
> (II) THE OFFICERS OF THE AUTHORITY, THE MANNER OF THEIR SELECTION, AND THEIR DUTIES;
>
> (III) THE VOTING REQUIREMENTS FOR ACTION BY THE BOARD; EXCEPT THAT, UNLESS OTHERWISE SPECIFICALLY PROVIDED, A MAJORITY OF DIRECTORS SHALL CONSTITUTE A QUORUM, AND A MAJORITY OF THE QUORUM SHALL BE NECESSARY FOR ANY ACTION TAKEN BY THE BOARD; AND

(IV) THE DUTIES OF THE BOARD;

(c) THE OBLIGATIONS AND RIGHTS OF THE CONTRACTING PUBLIC ENTITIES;

(d) PROVISIONS FOR THE DISPOSITION, DIVISION, OR DISTRIBUTION OF ANY PROPERTY OF THE AUTHORITY;

(e) THE TERM OF THE CONTRACT CREATING THE AUTHORITY, WHICH MAY BE CONTINUED FOR A DEFINITE TERM OR UNTIL RESCINDED OR TERMINATED, AND THE METHOD, IF ANY, BY WHICH IT MAY BE RESCINDED OR TERMINATED; EXCEPT THAT THE CONTRACT MAY NOT BE RESCINDED OR TERMINATED SO LONG AS THE AUTHORITY HAS BONDS OR ONE OR MORE LEASE-PURCHASE AGREEMENTS OUTSTANDING UNLESS PROVISION FOR FULL PAYMENT OF THE BONDS OR LEASE-PURCHASE AGREEMENT OR AGREEMENTS, BY ESCROW OR OTHERWISE, HAS BEEN MADE PURSUANT TO THE TERMS OF THE BONDS OR LEASE-PURCHASE AGREEMENT OR AGREEMENTS;

(f) THE PROVISIONS FOR THE AMENDMENT OF THE CONTRACT CREATING THE AUTHORITY;

(g) ANY INTENTION OF THE CONTRACTING PUBLIC ENTITIES TO CREATE THE AUTHORITY AS, AND HAVE THE AUTHORITY CONDUCT ITS BUSINESS IN A MANNER THAT SATISFIES ALL REQUIREMENTS OF THE CONSTITUTION AND LAWS OF THE STATE FOR MAINTAINING THE STATUS OF, AN ENTERPRISE, AS DEFINED IN SECTION 20 (2) (d) OF ARTICLE X OF THE STATE CONSTITUTION; AND

(h) THE CONDITIONS REQUIRED WHEN ADDING OR DELETING PUBLIC ENTITIES TO OR FROM THE CONTRACT.

(3) THE GENERAL POWERS OF A RECOVERY AND REINVESTMENT FINANCE AUTHORITY SHALL INCLUDE THE FOLLOWING POWERS:

(a) TO ISSUE OR ENTER INTO BONDS AND LEASE-PURCHASE AGREEMENTS THAT QUALIFY AS THE TYPE OR TYPES OF STIMULUS OBLIGATIONS IDENTIFIED IN THE CONTRACT;

(b) TO USE OR DISTRIBUTE THE PROCEEDS OF ITS STIMULUS OBLIGATIONS FOR THE BENEFIT OF ONE OR MORE OF THE CONTRACTING PUBLIC ENTITIES;

(c) TO MAKE AND ENTER INTO ANCILLARY AGREEMENTS AND OTHER CONTRACTS AND AGREEMENTS WITH THE CONTRACTING PUBLIC ENTITIES AND OTHER PERSONS;

(d) TO EMPLOY AGENTS AND EMPLOYEES, TO ENTER INTO CONTRACTS WITH ATTORNEYS, ACCOUNTANTS, INVESTMENT BANKERS, AND OTHER

CONSULTANTS, AND TO DO AND PERFORM ANY ACTS AND THINGS AUTHORIZED BY THIS SECTION UNDER, THROUGH, OR BY MEANS OF ANY EMPLOYEE, AGENT, OR PERSON WITH WHICH IT CONTRACTS;

(e) TO SUE AND BE SUED IN ITS OWN NAME;

(f) TO HAVE AND USE A CORPORATE SEAL;

(g) TO ADOPT, BY RESOLUTION, BYLAWS, RULES, AND REGULATIONS RESPECTING THE EXERCISE OF ITS POWERS AND THE CARRYING OUT OF ITS PURPOSES;

(h) TO DEPOSIT MONEYS NOT THEN NEEDED IN THE CONDUCT OF ITS AFFAIRS IN ANY DEPOSITORY AUTHORIZED IN SECTION 24-75-603, C.R.S. FOR THE PURPOSE OF MAKING DEPOSITS, THE BOARD OF DIRECTORS OF THE AUTHORITY MAY APPOINT, BY WRITTEN RESOLUTION, ONE OR MORE PERSONS TO ACT AS CUSTODIANS OF THE MONEYS. THE PERSONS SHALL GIVE SURETY BONDS IN SUCH AMOUNTS AND FORM AND FOR SUCH PURPOSES AS THE BOARD OF DIRECTORS REQUIRES.

(i) TO EXERCISE ANY OTHER POWERS THAT ARE NECESSARY OR CONVENIENT TO THE EXERCISE OF ITS OTHER POWERS.

(4) A RECOVERY AND REINVESTMENT ACT FINANCE AUTHORITY SHALL BE A POLITICAL SUBDIVISION AND A PUBLIC CORPORATION OF THE STATE, SEPARATE FROM THE PARTIES TO THE CONTRACT CREATING THE AUTHORITY, AND SHALL BE A VALIDLY CREATED AND EXISTING POLITICAL SUBDIVISION AND PUBLIC CORPORATION OF THE STATE IRRESPECTIVE OF WHETHER A PUBLIC ENTITY WITHDRAWS, WHETHER VOLUNTARILY, BY OPERATION OF LAW, OR OTHERWISE, FROM THE AUTHORITY SUBSEQUENT TO ITS CREATION UNDER CIRCUMSTANCES NOT RESULTING IN THE RESCISSION OR TERMINATION OF THE CONTRACT PURSUANT TO THE TERMS OF THE CONTRACT. A RECOVERY AND REINVESTMENT ACT FINANCE AUTHORITY SHALL HAVE THE DUTIES, PRIVILEGES, IMMUNITIES, RIGHTS, LIABILITIES, AND DISABILITIES OF A PUBLIC BODY POLITIC AND CORPORATE.

(5) THE INCOME OR OTHER REVENUES OF A RECOVERY AND REINVESTMENT ACT FINANCE AUTHORITY AND ALL PROPERTY AT ANY TIME OWNED BY AN AUTHORITY SHALL BE EXEMPT FROM ALL TAXATION AND ASSESSMENTS IN THE STATE.

(6) THE CONTRACTING PUBLIC ENTITIES MAY PROVIDE IN THE CONTRACT CREATING A RECOVERY AND REINVESTMENT ACT FINANCING AUTHORITY FOR PAYMENT TO THE AUTHORITY OF MONEYS FROM ANY LEGALLY AVAILABLE SOURCE TO BE USED FOR PAYMENT OF THE BONDS, LEASE-PURCHASE

AGREEMENTS, AND CONTRACTUAL AND OTHER OBLIGATIONS AND LIABILITIES OF THE AUTHORITY.

(7) (a) TO CARRY OUT THE PURPOSES FOR WHICH A RECOVERY AND REINVESTMENT ACT FINANCE AUTHORITY WAS CREATED, THE AUTHORITY MAY ISSUE BONDS AND ENTER INTO LEASE-PURCHASE AGREEMENTS PAYABLE SOLELY FROM AMOUNTS PAID TO THE AUTHORITY FROM THE CONTRACTING PUBLIC ENTITIES, AMOUNTS PAID TO THE AUTHORITY BY OTHER PERSONS, AND ANY OTHER AVAILABLE MONEYS OF THE AUTHORITY. THE TERMS, CONDITIONS, AND DETAILS OF THE BONDS OR LEASE-PURCHASE AGREEMENTS AND THE PROCEDURES RELATED THERETO SHALL BE SET FORTH IN THE STIMULUS OBLIGATION DOCUMENTS AUTHORIZING THE BONDS OR LEASE-PURCHASE AGREEMENTS. THE TERMS, CONDITIONS, AND DETAILS OF THE BONDS OR LEASE-PURCHASE AGREEMENTS SHALL, AS NEARLY AS MAY BE PRACTICABLE AND SUBJECT TO THE PROVISIONS OF SECTIONS 11-59.7-104 AND 11-59.7-105, BE SUBSTANTIALLY THE SAME AS THOSE PROVIDED IN PART 6 OF ARTICLE 4 OF TITLE 43, C.R.S., RELATING TO REGIONAL TRANSPORTATION AUTHORITIES. BONDS OR LEASE-PURCHASE AGREEMENTS ISSUED OR ENTERED INTO UNDER THIS SUBSECTION (7) SHALL NOT CONSTITUTE A DEBT OF A RECOVERY AND REINVESTMENT ACT FINANCE AUTHORITY OR A DEBT OR MULTIPLE-FISCAL YEAR FINANCIAL OBLIGATION OF THE STATE OR ANY OF THE CONTRACTING PUBLIC ENTITIES WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATIONS OR PROVISIONS. EACH BOND OR LEASE-PURCHASE AGREEMENT ISSUED OR ENTERED INTO UNDER THIS SUBSECTION (7) SHALL RECITE IN SUBSTANCE THAT THE BOND OR LEASE-PURCHASE AGREEMENT, INCLUDING THE INTEREST THEREON, IS PAYABLE SOLELY FROM THE REVENUES AND OTHER AVAILABLE FUNDS OF THE RECOVERY AND REINVESTMENT ACT FINANCE AUTHORITY PLEDGED FOR THE PAYMENT THEREOF AND THAT THE BOND OR LEASE-PURCHASE AGREEMENT DOES NOT CONSTITUTE A DEBT OF THE AUTHORITY OR A DEBT OR MULTIPLE-FISCAL YEAR FINANCIAL OBLIGATION OF THE STATE OR ANY OF THE CONTRACTING PUBLIC ENTITIES WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATIONS OR PROVISIONS.

(b) THE STIMULUS OBLIGATION DOCUMENTS UNDER WHICH BONDS ARE ISSUED OR LEASE-PURCHASE AGREEMENTS ARE ENTERED INTO PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (7) SHALL CONSTITUTE A CONTRACT WITH THE HOLDERS THEREOF AND MAY CONTAIN SUCH PROVISIONS AS ARE DETERMINED BY THE BOARD OF THE RECOVERY AND REINVESTMENT ACT FINANCE AUTHORITY TO BE APPROPRIATE AND NECESSARY IN CONNECTION THEREWITH AND TO PROVIDE SECURITY FOR THE PAYMENT THEREOF, INCLUDING, WITHOUT LIMITATION, ANY MORTGAGE OR OTHER SECURITY INTEREST IN ANY REVENUES, FUNDS, RIGHTS, OR PROPERTIES OF THE AUTHORITY.

(8) THE POWERS GRANTED TO A RECOVERY AND REINVESTMENT ACT FINANCE AUTHORITY PURSUANT TO THIS SECTION ARE SUPPLEMENTAL TO AND SHALL IN NO MANNER LIMIT THE POWERS OF PUBLIC ENTITIES TO ENTER INTO INTERGOVERNMENTAL AGREEMENTS OR CONTRACTS OR TO ESTABLISH SEPARATE LEGAL ENTITIES PURSUANT TO ANY OTHER PROVISION OF LAW.

11-59.7-111. Reporting requirements.

(1) A PUBLIC ENTITY THAT ISSUES OR ENTERS INTO A STIMULUS OBLIGATION AUTHORIZED BY THE ALLOCATION OR REALLOCATION OF VOLUME CAP TO THE PUBLIC ENTITY PURSUANT TO SECTION 11-59.7-106, 11-59.7-107, 11-59.7-108, OR 11-59.7-109, BY THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD, THE GOVERNOR'S ENERGY OFFICE, THE COMMISSION ON HIGHER EDUCATION, OR THE DEPARTMENT OF LOCAL AFFAIRS, AS APPLICABLE, SHALL DELIVER A REPORT TO THE ENTITY THAT ALLOCATED OR REALLOCATED THE VOLUME CAP WITHIN THIRTY DAYS AFTER THE STIMULUS OBLIGATION IS ISSUED OR ENTERED INTO. THE REPORT SHALL INCLUDE THE FOLLOWING INFORMATION AND ANY OTHER INFORMATION REQUESTED BY THE ENTITY THAT ALLOCATED OR REALLOCATED THE VOLUME CAP:

(a) THE TYPE OF STIMULUS OBLIGATION;

(b) THE STATE LAW OR LAWS UNDER WHICH THE STIMULUS OBLIGATION WAS ISSUED OR ENTERED INTO;

(c) THE DATE ON WHICH THE STIMULUS OBLIGATION WAS ISSUED OR ENTERED INTO;

(d) A DESCRIPTION OF THE PROJECT FINANCED OR REFINANCED WITH THE PROCEEDS OF THE STIMULUS OBLIGATION;

(e) THE PRINCIPAL AMOUNT, INTEREST RATES OR METHOD FOR DETERMINING THE INTEREST RATES, AND MATURITY DATES FOR THE STIMULUS OBLIGATION AND A SCHEDULE SHOWING ALL SCHEDULED PAYMENTS ON THE STIMULUS OBLIGATION;

(f) THE PERSON OR PERSONS TO WHICH THE STIMULUS OBLIGATION WAS SOLD;

(g) THE TERMS ON WHICH THE STIMULUS OBLIGATION WAS SOLD, INCLUDING BUT NOT LIMITED TO ANY PREMIUM OR DISCOUNT AT WHICH THE STIMULUS OBLIGATION WAS SOLD AND ANY REDEMPTION OR TENDER PROVISIONS APPLICABLE TO THE STIMULUS OBLIGATION;

(h) A DESCRIPTION OF ANY CREDIT OR LIQUIDITY ENHANCEMENT OR CREDIT OR LIQUIDITY SUPPORT FOR THE STIMULUS OBLIGATION AND THE AMOUNTS PAID OR TO BE PAID FOR THE ENHANCEMENT OR SUPPORT;

(i) A DESCRIPTION OF ANY INTEREST RATE EXCHANGE AGREEMENT, INTEREST RATE CAP AGREEMENT, OR OTHER SIMILAR AGREEMENT ENTERED INTO IN CONNECTION WITH THE STIMULUS OBLIGATION;

(j) A COPY OF FORM 8038, 8038G, OR OTHER SIMILAR FORM THAT IS FILED WITH THE FEDERAL INTERNAL REVENUE SERVICE IN CONNECTION WITH THE STIMULUS OBLIGATION; AND

(k) A COPY OF THE OFFICIAL STATEMENT, OFFERING DOCUMENT, OR OTHER SIMILAR DOCUMENT PREPARED IN CONNECTION WITH THE SALE OF THE STIMULUS OBLIGATION.

(2) THE FAILURE OF A PUBLIC ENTITY TO COMPLY WITH SUBSECTION (1) OF THIS SECTION SHALL NOT ADVERSELY AFFECT THE VALIDITY OF THE STIMULUS OBLIGATION ISSUED OR ENTERED INTO, BUT NO PUBLIC ENTITY THAT HAS FAILED TO COMPLY WITH SAID SUBSECTION (1) WITH RESPECT TO A STIMULUS OBLIGATION SHALL BE AUTHORIZED TO ISSUE OR ENTER INTO ANY OTHER STIMULUS OBLIGATION UNTIL THE ENTITY THAT ALLOCATED OR REALLOCATED TO THE PUBLIC ENTITY THE VOLUME CAP THAT AUTHORIZED THE PUBLIC ENTITY TO ISSUE OR ENTER INTO THE STIMULUS OBLIGATION HAS CERTIFIED IN WRITING THAT THE PUBLIC ENTITY IS IN COMPLIANCE WITH SAID SUBSECTION (1).

11-59.7-112. No limitation on powers.

THE POWERS CONFERRED BY THIS ARTICLE ARE IN ADDITION TO AND SUPPLEMENTAL TO AND NOT IN SUBSTITUTION FOR THE POWERS CONFERRED BY ANY OTHER LAW, AND NOTHING IN THIS ARTICLE SHALL BE INTERPRETED TO LIMIT THE POWERS OF ANY PUBLIC ENTITY UNDER ANY OTHER LAW. IF ANY PROVISION OF THIS ARTICLE IS INCONSISTENT WITH ANY PROVISION OF ANY OTHER LAW, THE PROVISIONS OF THIS ARTICLE SHALL CONTROL.

11-59.7-113. Executive orders authorized.

THIS ARTICLE WAS ENACTED IN ORDER TO AUTHORIZE PUBLIC ENTITIES TO TAKE FULL ADVANTAGE OF FINANCING OPPORTUNITIES AVAILABLE UNDER THE FEDERAL RECOVERY AND REINVESTMENT ACT SHORTLY AFTER THE ENACTMENT OF THE ACT AND WITHOUT DETAILED GUIDANCE FROM THE EXECUTIVE BRANCH OF THE FEDERAL GOVERNMENT OR COURTS REGARDING THE PROPER INTERPRETATION OF THE ACT. IF, BASED ON ADDITIONAL INFORMATION

REGARDING THE PROPER INTERPRETATION OF THE FEDERAL RECOVERY AND REINVESTMENT ACT OR AMENDMENTS TO THE ACT, THE GOVERNOR DETERMINES THAT ANY PROVISION OF THIS ARTICLE IS NOT AUTHORIZED BY OR IS INCONSISTENT WITH FEDERAL LAW OR REGULATIONS OR THAT ADDITIONAL LEGAL AUTHORITY IS NEEDED TO AUTHORIZE PUBLIC ENTITIES TO TAKE FULL ADVANTAGE OF FINANCING OPPORTUNITIES AVAILABLE UNDER THE ACT, THE GOVERNOR IS EXPRESSLY AUTHORIZED TO ISSUE ONE OR MORE EXECUTIVE ORDERS THAT STOPS THE OPERATION OR IMPLEMENTATION OF THE UNAUTHORIZED OR INCONSISTENT PROVISION OR PROVIDES THE NECESSARY ADDITIONAL LEGAL AUTHORITY.

11-59.7-114. Applicability.

THIS ARTICLE SHALL APPLY ONLY TO STIMULUS OBLIGATIONS ISSUED OR ENTERED INTO PURSUANT TO THE FEDERAL RECOVERY AND REINVESTMENT ACT ON OR BEFORE THE DATE THE AUTHORITY TO ISSUE OR ENTER INTO STIMULUS OBLIGATIONS OF SUCH TYPE EXPIRES UNDER THE FEDERAL RECOVERY AND REINVESTMENT ACT.

SECTION 2. Safety clause.

The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

_____ _____

Terrance D. Carroll Brandon C. Shaffer

SPEAKER OF THE HOUSE PRESIDENT OF REPRESENTATIVES THE SENATE

_____ _____

Marilyn Eddins Karen Goldman

CHIEF CLERK OF THE HOUSE SECRETARY OF REPRESENTATIVES THE SENATE

APPROVED_____

_____

Bill Ritter, Jr.

GOVERNOR OF THE STATE OF COLORADO

SOUTH CAROLINA LEGISLATION

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CHAPTER 18.

SOUTH CAROLINA VOLUME CAP ALLOCATION ACT

SECTION 11-18-5. Short title.

This chapter shall be known as the "South Carolina Volume Cap Allocation Act".

SECTION 11-18-10. Recovery zone facility bonds and recovery zone economic development bonds; issuance.

The General Assembly finds and determines that:

(a) Sections 1400U-2 and 1400U-3 of the American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5.123 Stat. 115 (2009) (codified at Section 1400U-2 and -3 of the Internal Revenue Code) ("ARRA") added two new types of bonds as recovery zone bonds:

(1) a new type of exempt facility bonds called "recovery zone facility bonds" to be used to finance construction, renovation, and equipping of recovery zone property for use in any trade or business in a recovery zone, all as defined in ARRA; and

(2) a new type of governmental bond called "recovery zone economic development bonds".

(b) The provisions of ARRA provide a formula for allocation of authority to issue recovery zone facility bonds and recovery zone economic development bonds to the states and by the states to the counties and large municipalities within the states. The United States Department of the Treasury, Internal Revenue Service provided for recovery zone bond volume cap allocations in IRS Notice 2009-50 and provided calculations for individual counties and large municipalities on that same date. The notice made specific provision for reallocation of the volume cap allocations that are waived or deemed waived by a county or municipality by giving the state in which such county or municipality is located the authority to reallocate the waived volume cap in any reasonable manner as it shall determine in good faith in its discretion.

(c) Section 1112 of ARRA amended Section 54D(d) of the Internal Revenue Code to increase the volume cap authorization for qualified energy conservation bonds, which were created by Section 301(a) of Tax Extenders and Alternative Minimum Tax Relief Act of 2008, Pub. L. 110-343.122 Stat. 1365 (2008). The United States Department of the Treasury, Internal Revenue Service provided for qualified energy conservation bond volume cap allocations to the states in IRS Notice 2009-29 and authorized the states to allocate such volume cap allocations.

(d) Because of several factors, including the relatively small amounts of some of the allocations, limitations on legal borrowing capacity affecting counties and large municipalities and the lack of access to borrowing by possible beneficiaries of the bonds described above, very little of the allocations of bonds described herein have been utilized in connection with the issuance of these bonds in South Carolina.

(e) These bonds are a valuable resource to South Carolina in its efforts to revitalize its economy and to provide additional employment, all to the promotion of the health and welfare of the citizens of South Carolina.

(f) Because recovery zone bonds must be issued before January 1, 2011, it is in the best interests of the State to provide a procedure for determining as to when counties or large municipalities have waived their allocations of these bonds and to provide for the reallocation of such waived allocations.

(g) Recovery zone facility bonds are bonds with substantially all of the proceeds of which are used for "recovery zone property", as defined in the ARRA. The definition of "recovery zone property" includes facilities that may not currently be authorized under the state's private activity bond

enabling statutes. These projects will provide much needed employment, thus it is the best interest of the health and welfare of the citizens of the State to provide authorization for bonds to finance recovery zone property.

(h) The purpose of this chapter is to provide the procedures for the reallocation of recovery zone bonds as well as provide the authorization for the allocation of Qualified Energy Conservation Bonds and Other Federal Bonds as defined below.

SECTION 11-18-20. Definitions.

(a) "ARRA Bonds" mean:

(1) recovery zone bonds authorized under Section 1401 of ARRA; and

(2) Qualified Energy Conservation Bonds authorized under Section 301(a) of Tax Extenders and Alternative Minimum Tax Relief Act of 2008, Pub. L. 110-343, 122 Stat. 1365 (2008) as amended by Section 112 of ARRA.

(b) "Board" means the South Carolina Budget and Control Board.

(c) "Code" means the Internal Revenue Code of 1986, as amended.

(d) "Local Government" means each county and municipality that received an allocation of Volume Cap pursuant to the Code and IRS Notice 2009-50.

(e) "Other federal bonds" mean any such bond, whether tax--exempt, taxable or tax credit, created after the date hereof whereby a volume cap limitation is proscribed under the Code.

(f) "Qualified energy conservation bond" means the term as defined in Section 54D(a) of the Code.

(g) "Recovery zone" means the term as defined in Section 1400U-1(b) of the Code.

(h) "Recovery zone economic development bond" means the term as defined in Section 1400U-2 of the Code.

(i) "Recovery zone facility bond" means the term as defined in Section 1400U-3 of the Code.

(j) "State" means the State of South Carolina.

(k) "Volume Cap" means the amount or other limitation of ARRA Bonds allocated to each state and to counties and large municipalities within each state in accordance with Section 1400U-1(a)(4) of the Code, with respect to Recovery Zone Economic Development Bonds and Recovery Zone Facility Bonds, Section 54D(e)(1) of the Code, with respect to Qualified Energy Conservation Bonds, and any other section of the Code which imposes a volume cap limitation on any other Federal Bonds.

SECTION 11-18-30. Volume Cap allocation.

For any Volume Cap allocation of Qualified Energy Conservation Bonds and any other Volume Cap allocation for Other Federal Bonds, which has not been or shall not be further suballocated by the Code, the Internal Revenue Service or the United States Department of the Treasury, the board is authorized to suballocate such Volume Cap allocation.

SECTION 11-18-40. Local Government waiver of Volume Cap allocation; board management of allocation.

(A) In accordance with the provisions of this chapter, the board shall establish a method for determining when a Local Government has waived all or part of its Volume Cap allocation and shall manage the reallocation of such Volume Cap. All allocations and reallocations made pursuant to this chapter shall be made by the board with the advice and recommendation of an advisory committee which the board may from time to time appoint and which shall be comprised of members who are, in the sole determination of the board, familiar with the subject matter germane to the specific federal bond program.

(B) When appropriate, the board shall provide written notice of Volume Cap allocations of ARRA Bonds and Other Federal Bonds to Local Governments by United States registered or certified mail. Written notice shall be effective on the date shown on the return receipt. Such notice may include a deadline by which ARRA Bonds and Other Federal Bonds must be issued.

(C) A Local Government may waive its Volume Cap allocation by providing written notice of such waiver to the board within thirty days of the written notice provided in subsection (B).

(D) In determining when a Local Government has waived all or part of its Volume Cap, the board shall provide that if it has not received from a Local Government a notice of intent to use its Volume Cap allocation within a designated number of days of the written notice provided in subsection (B), the Local Government shall be deemed to have waived its Volume Cap allocation. The form of the notice of intent to use a Local Government's Volume Cap allocation shall be determined by the board. Each notice of intent to use its Volume Cap allocation submitted by a Local Government must contain evidence satisfactory to the board, in its sole discretion, that the allocation will in fact be used. This evidence may consist of:

(1) resolution or otherwise of the designation of a Recovery Zone, if such designation is required;

(2) the form of the resolution or ordinance in substantially final form authorizing the issuance of bonds or approving such other financing as may be done accompanied by a written opinion of legal counsel that the Local Government has the legal ability to effect such issuance or borrowing;

(3) a written opinion of legal counsel that the ARRA Bonds or Other Federal Bonds that the Local Government intends to issue will qualify, based on information available at that time to such legal counsel, as such ARRA Bonds or Other Federal Bonds when issued;

(4) a schedule for the closing of the issue which must not be later than a date determined by the board; and

(5) other documentation as the board deems appropriate.

(E) Failure to issue ARRA Bonds or Other Federal Bonds by any deadline established by the board shall constitute a waiver of Volume Cap allocation unless the board extends such deadline.

SECTION 11-18-50. Board to develop application form for reallocation of any waived Volume Cap allocation; factors for reallocation.

(A) Within thirty days of the effective date of this chapter, the board shall develop a form for use by any eligible issuer in applying for reallocation of any waived Volume Cap allocation. Applications for reallocation may be accepted by the board at times prescribed by the board. The board may make reallocations as soon as it determines that there is an actual or deemed waiver of any Volume Cap allocation.

(B) In making reallocations, the board may consider the following factors:

(1) the likelihood of successful completion of such financing;

(2) the number of jobs to be created or preserved and the wages for such jobs;

(3) relative economic need and benefit to the applicant and any other entity benefiting from the proposed issue; and

(4) the overall best interest of the State and the people of the State.

(C) Upon making any reallocation, the board shall provide written notice of the reallocation of Volume Cap to the eligible issuer by United States registered or certified mail.

SECTION 11-18-60. Local Government suballocation of Volume Cap.

Local Governments allocated Volume Cap pursuant to this chapter may, by order or resolution of its governing body, suballocate such allocation to any other eligible issuers authorized to issue ARRA Bonds or Other Federal Bonds pursuant to the Code or any related pronouncements made by the Internal Revenue Service or the United States Treasury Department. Each Local Government that suballocates Volume Cap shall attach a copy of the order, ordinance, or resolution authorizing the suballocation to its notice of intent to use Volume Cap required by Section 11-18-40. Local Governments shall be authorized to take any other action required by the Code or related pronouncements made by the Internal Revenue Service or the Treasury Department to issue ARRA Bonds or Other Federal Bonds.

SECTION 11-18-70. Purpose of chapter; board policies and procedures.

(A) The purpose of this chapter is to ensure that the state's allocations of ARRA Bonds and Other Federal Bonds are used. To that end, the board is authorized and directed to make such exceptions and waivers or extend or shorten time requirements as it deems most likely to effect the purposes hereof. The board is encouraged to avoid the development of rigid procedures and formalities in the determination of waived allocations or reallocations. The board is directed to focus on the probability of the Local Governments' using the Volume Cap for ARRA Bonds prior to January 1, 2011.

(B) The board may adopt any further policies and procedures it considers necessary for the equitable and effective administration of this chapter.

SECTION 11-18-80. Maximum use of Volume Cap allocations.

In order to make the maximum use of Volume Cap allocations, any bond enabling act which specifies particular projects or users must be construed to provide that any recovery zone property as defined in Section 1400U-3(b) of the Code will be deemed to qualify as a project. Accordingly, any person engaged in a qualified business as defined in Section 1400U-3(b)(2) of the Code will be permitted as beneficiary of any such bonds.

APPENDIX C: State Executive Orders

MASSACHUSETTS EXECUTIVE ORDER

Source: http://www.mass.gov/governor/legislationeexecorder/executiveorder/executive-order-no-516.html

By His Excellency

DEVAL L. PATRICK

GOVERNOR

TIMOTHY P. MURRAY

LIEUTENANT GOVERNOR

EXECUTIVE ORDER NO. 516

PROVIDING FOR THE ALLOCATION OF VOLUME CAP

FOR QUALIFIED ENERGY CONSERVATION BONDS

WHEREAS, Section 54D of the Internal Revenue Code of 1986, as

amended (the "Code") authorizes state and local governments to issue bonds ("Qualified Energy Conservation Bonds") to finance one or more qualified conservation purposes as defined in Section 54D(f) of the Code ("Qualified Conservation Purposes");

WHEREAS, Qualified Energy Conservation Bonds can be a significant resource to the Commonwealth to reduce energy consumption, implement green community programs and fund research and development to promote energy efficiency;

WHEREAS, Section 54D of the Code imposes a national qualified energy conservation bond limitation ("Qualified Energy Conservation Bond Volume Cap") on the issuance of Qualified Energy Conservation Bonds which is allocated among the states and among counties or large municipalities within the states having populations of 100,000 or more, and Indian tribal governments (each a "Large Local Government") based on population in accordance with Section 54D of ,the Code and Notice No. 2009-29 published by the Internal Revenue Service on April 20,2009 (the "Notice");

WHEREAS, the Notice allocated the Qualified Energy Conservation Bond Volume Cap among the states and further directed each state to allocate an applicable portion of their allocations to Large Local Governments within the state;

WHEREAS, under Section 54D (e) (3) of the Code, any allocation to a state or Large Local Government shall be allocated in turn by the state or Large Local Government to issuers within the state in a manner that results in the use of not less than 70 percent of the allocation to such state or Large Local Government to designate bonds that are not private activity bonds;

WHEREAS, Section 54D (e) (2) (B) of the Code and the Notice provide that any Large Local Government that has received an allocation of Qualified Energy Conservation Bond Volume Cap may reallocate any unused portion of its Qualified Energy Conservation Bond Volume Cap back to the Commonwealth and upon such reallocation the Commonwealth is authorized to allocate such Qualified Energy Conservation Bond Volume Cap to other eligible issuers;

WHEREAS, the Commonwealth and its cities, towns and districts have been authorized by general and special laws heretofore enacted to issue bonds to finance projects and purposes which may constitute Qualified Conservation Purposes; and

WHEREAS, the Massachusetts Development Finance Agency ("MassDevelopment") is authorized to issue bonds pursuant to Chapter 23G of the General Laws to finance projects which may constitute Qualified Conservation Purposes;

NOW, THEREFORE, I, Deval Patrick, Governor of the Commonwealth, by virtue of the authority vested in me by the Constitution, Part 2, c. 2, § I, Art. I, do hereby certify and determine as follows:

1. The Commonwealth's portion of Qualified Energy Conservation Bond Volume Cap allocated to it by the Notice is hereby assigned to the Executive Office for Administration and Finance ("A&F"). In accordance with Section 54D (e) of the Code and the Notice, A&F shall allocate a portion of such Energy Conservation Bond Volume Cap to each Large Local Government in the Commonwealth and shall allocate the remaining portion to MassDevelopment or to such other qualified issuers in the Commonwealth as A&F shall determine for application to Qualified Conservation Purposes.

2. Notwithstanding the foregoing provisions of this order, if the governing body of any Large Local Government shall have been abolished by the General Court, any Qualified Energy Conservation Bond Volume Cap allocable to such Large Local Government shall be retained by the Commonwealth or shall be allocated by A&F, in consultation with the Executive Office for Energy and Environmental Affairs ("EOEEA), to MassDevelopment or to such other qualified issuers in the Commonwealth as A&F shall determine for application to Qualified Conservation Purposes within the jurisdiction of such Large Local Government. All allocations of Qualified Energy Conservation Bond Volume Cap by A&F shall be consistent with and pursuant to Section 54D of the Code, the Notice and this Executive Order.

3. Each allocation of Qualified Energy Conservation Bond Volume Cap made by A&F shall be in writing, shall be made for specific Qualified Conservation Purposes and shall specify the date on or before which the Qualified Energy Conservation Bonds to which such reallocated Qualified Energy Conservation Bond Volume pertains shall be issued in order for the allocation to be effective. Allocations may be made subject to those conditions A&F and reporting requirements, upon

consultation with EOEEA, deems appropriate and consistent with Section 54D of the Code, the Notice and this Executive Order.

4. The Secretary of A&F or the Secretary's designee is authorized to make all representations, file all documents and take all other actions in the name and behalf of A&F as may be required for compliance with Section 54D of the Code, the Notice and to implement this order. In the event that responsibilities under this Executive Order are assigned to MassDevelopment or to any other issuer of Qualified Energy Conservation Bonds, appropriate procedures for designations shall be made by the Secretary of A&F. All designations made pursuant to this section shall be evidenced in writing.

5. A&F and EOEEA shall make reasonably available to the public information as to the amount of the Qualified Energy Conservation Bond Volume Cap allocated to the Commonwealth and to any Large Local Government that has not yet been applied to Qualified Conservation Purposes and the expiration dates for all reallocations by A&F, and shall confirm, upon request, an allocation of the Qualified Energy Conservation Bond Volume Cap to a particular Qualified Conservation Purpose, and the duration thereof.

6. Prior to making any allocations of Qualified Energy Conservation Bond Volume Cap, A&F or EOEEA shall adopt guidelines governing the allocation and application of Qualified Energy Conservation Bond Volume Cap by the Commonwealth, including, without limitation, guidelines designed to ensure compliance with Section 54D (e) (3) of the Code, which requires that any allocation of Qualified Energy Conservation Bond Volume Cap to a state or Large Local Government be allocated by such state or Large Local Government in a manner that results in not less than 70% of the allocation to such state or Large Local Government being used to designate bonds which are not private activity bonds.

7. This order shall be effective as of the date hereof.

Given at the Executive Chamber in Boston this 30 th day of November in the year two thousand and nine, and of the Independence of the United States of America two hundred and thirty-four.

Deval Patrick

Governor

The Commonwealth of Massachusetts

William Francis Galvin

Secretary of the Commonwealth

APPENDIX D: ALLOCATION DOCUMENTS

COLORADO

Source: http://www.colorado.gov/cs/Satellite?blobcol=urldata&blobheadername1=Content-Disposition&blobheadername2=Content-Type&blobheadervalue1=inline%3B+filename%3D%22QECB_Application.pdf%22&blobheadervalue2=application%2Fpdf&blobkey=id&blobtable=MungoBlobs&blobwhere=1251771374641&ssbinary=true

Governor's Energy Office

American Recovery and Reinvestment Act

Tax Extenders and Alternative Minimum Tax Relief Act of 2008

Qualified Energy Conservation Bond (QECB)

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Attachments:

Attachment A- Application Summary Sheet (Excel format provided by GEO is required with application submission) - NOTE, this must be signed by a person legally authorized to bind the applicant to the proposal- Required

I. Opportunity Background Information

A. ARRA – QECB

Section 301(a) of Tax Extenders and Alternative Minimum Tax Relief Act of 2008, Division C of Pub. L. 110-343. 122 Stat. 1365 (2008) ("Act") added new § 54D to provide program provisions for QECBs. The Act amended § 54A(d)(1) to provide that the term "qualified tax credit bond" means, in part, a qualified energy conservation bond that is part of an issue that meets the requirements of § 54A(d)(2), (3), (4), (5), and (6) regarding expenditures of bond proceeds, information reporting, arbitrage, maturity limitations, and prohibitions against financial conflicts of interest. The Act also amended § 54A(d)(2) to provide that, for purposes of § 54A(d)(2)(C), the term "qualified purpose" for a QECB means a purpose specified in § 54D(a)(1) described below.

The Act added § 54D(d) to provide a national bond limitation ("national bond volume cap") authorization for QECBs of $800 million. Section 1112 of Title 1 of Division B of the American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, 123 Stat. 115 (2009) ("2009 Act") amended §54D(d) to increase the national bond volume cap authorization for QECBs from $800 million to $3.2 billion.

The U.S. Treasury and the Internal Revenue Service determined individual state caps. The volume cap allocation for Colorado is $51,244,000. The Act provides that a city or a county meeting a population requirement will receive a large local government volume cap allocation. In Colorado, ten counties and eight cities met the population requirement, and are eligible for a combined total volume cap allocation of $42,158,933.

The Colorado general assembly passed HB09-1346, giving the Governor's Energy Office (GEO) authority to distribute the remaining QECB allocation of $9,085,067 and large local government volume cap allocation which reverts to GEO. Through this competitive application, GEO will determine the volume cap allocations for small local governments and the State of Colorado.

The QECB provides financing for qualified efficiency and conservation purposes as defined in Section 54D(f) Tax Extenders and Alternative Minimum Tax Relief Act of 2008 (and provided below in general objectives). GEO will select small local government and State projects to receive an allocation though this competitive process.

This application attempts to gather all the necessary information required for project selection. If, at any time, GEO determines that additional information is required, it has the ability to reissue an application.

Public entities may apply to the Governor's Energy Office for a QECB volume cap allocation. "Public entity" means the state, any agency, department, or political subdivision of the state, any quasigovernmental entity, or any other entity created by or pursuant to the constitution or laws of the state that is authorized under state law to issue bonds or enter into a lease-purchase agreement, including but not limited to:

(a) the state treasurer or the state treasurer, acting on behalf of the state;

(b) a state agency or department;

(c) a state authority;

(d) a public institution of higher education, state educational institution, or other state institution, including its governing body or any other issuing authority of the institution constituting a body corporate;

(e) a county or city and county;

(f) a municipality;

(g) a school district;

(h) a special district organized or acting pursuant to the provisions of title 32, C.R.S.;

(i) a district or authority organized or acting pursuant to the provisions of title 29, 30, or 31, C.R.S.;

(j) a water conservancy district created pursuant to article 45 of title 37, C.R.S.;

(k) any other political subdivision or governmental or quasi-governmental entity of the state;

(l) any other public entity as defined in section 24-75-601 (1),C.R.S.;

(m) a recovery and reinvestment act finance authority;

(n) an enterprise of any public entity listed in above; and

(o) a nonprofit corporation organized under the laws of the state that is authorized by law, or a trust created under the laws of the state that is authorized under its governing documents, to issue bonds or enter into lease-purchase agreements on behalf of one or more public entities listed above.

B. QECB – Goals

When considering projects for funding, the GEO will weigh a number of factors, including but not limited

to:

• The technical merits of the project/project viability involves maturity of technology used in project application and project viability involves feasibility of tasks, budget, timeline and resource capabilities;

• Security and stability of revenue source to pay back QECB.

• Geographic/market diversity favors projects that impact geographic areas,

Please Note: Any county or municipality who has already received a large local government volume cap allocation of QECB is encouraged to contact and work with GEO on how best to use their allocation, before it reverts back to GEO on 11/10/2009.

Municipalities who have already received an allocation of QECB's may also use this application to request a larger volume cap amount if they have a project that requires a greater amount of funds than their current allotment.

II. Administrative Information

A. QECB Specific Requirements

Qualified Energy Conservation Bonds (QECB) may be issued by a public entity as defined by 11-59.7-103(20), C.R.S., and are available to finance;

(a) Capital expenditures incurred for purposes of (i) reducing energy consumption in publicly-owned buildings by at least 20 percent, (ii) implementing green community programs (including the use of loans, grants, or other repayment mechanisms to implement such programs), (iii) rural development involving the production of electricity from renewable energy resources, or (iv) any qualified facility (as determined under section 45(d) without regard to paragraphs (8) and (10) thereof and without regard to any placed in service date).

(b) Expenditures with respect to research facilities, and research grants, to support research in (i) development of cellulosic ethanol or other nonfossil fuels, (ii) technologies for the capture and sequestration of carbon dioxide produced through the use of fossil fuels, (iii) increasing the efficiency of existing technologies for producing nonfossil fuels, (iv) automobile battery technologies and other technologies to reduce fossil fuel consumption in transportation, or (v) technologies to reduce energy use in buildings.

(c) Mass commuting facilities and related facilities that reduce consumption of energy, including expenditures to reduce pollution from vehicles used for mass commuting.

(d) Demonstration projects designed to promote the commercialization of (i) green building technology, (ii) conversion of agricultural waste for use in the production of fuel or otherwise, (iii) advanced battery manufacturing technologies, (iv) technologies to reduce peak use of electricity, or (v) technologies for the capture and sequestration of carbon dioxide emitted from combusting fossil fuels in order to produce electricity.

(e) Public education campaigns to promote energy efficiency.

This guidance is provided to remind Applicants of existing federal guidance and is to assist when receiving and/or awarding contracts/subcontracts using funds made available under the American Recovery and Reinvestment Act of 2009, Pub L. 111-5 (ARRA or the Act). It is the responsibility of Awarded Applicants to ensure compliance with all ARRA regulations and requirements imposed by the Qualified Energy Conservation Bond. The **Appendix 1, Terms and Conditions Use of American Recovery and Reinvestment Act of 2009 (ARRA) Funds** provides specific requirements specifically for this bond.

B. Proprietary/Confidential Information

Any restrictions of the use of or inspection of material contained within the application shall be clearly stated in the application itself. Written requests by the Applicant for confidentiality shall be submitted to the GEO in advance of the application submission deadline. Please allocate sufficient time prior to the application submission deadline to allow for a response by the GEO. The Applicant must state specifically what elements of the proposal are to be considered confidential/proprietary and must state the statutory basis for the request under Public (open) Records Act. (Section 24-72-201 et. seq., C.R.S.). Confidential/Proprietary information must be readily identified, marked and separated/packaged from the rest of the proposal. Co-mingling of

confidential/proprietary and other information is not acceptable. Neither an application, in its entirety, nor application price information will be considered confidential and proprietary. Any information that will be included in any resulting contract cannot be considered confidential. The GEO will make a written determination as to the apparent validity of any written request for confidentiality. In the event the GEO does not concur with the Applicant's request for confidentiality, the written determination will be sent to the Applicant. Ref. Section 24-72-201 et. seq., C.R.S., as amended, Public (open) Records Act.

C. Ability to Issue Bonds

By submitting an application, the Applicant affirms its acceptance of the terms and requirements of the

QECB program as established by ARRA , the U.S. Treasury and the State of Colorado. If the applicant is a

local government, the applicant must be willing and able to issue QECBs within six months of the volume cap award. Financing timelines longer than six months will be considered by the GEO, but may not have priority over more "shovel ready" applications.

D. News Releases

News releases pertaining to resulting awards from this application shall NOT be made prior to the announcement of the allocation award or without prior written approval of the State.

E. Disclaimer

All statistical and fiscal information contained within this application, and any amendments and modifications thereto, reflect the best and most accurate information available to the GEO at the time of the QECB Application preparation.

F. Inquiries

Applicants should not rely on any other statements, either written or oral, that alter any specification or other term or conditions of this application during the open solicitation period. Applicants should consult with bond counsel regarding the legal requirements and issuance of Qualified Energy Conservation Bonds or other ARRA specific requirements. Other inquiries can be directed to Brett Johnson at Brett.J.Johnson@state.co.us. State Agencies should contact Mary Wickersham at Mary.Wickersham@state.co.us for Bond assistance.

III. QECB Application

A. General Objective

GEO will provide a QECB volume cap allocations for the following purposes:

• Capital expenditures incurred for purposes of reducing energy consumption in publicly-owned buildings by at least 20 percent,

-or-

• Another qualified QECB purpose, as stated above, that has been approved by a vote of the public entity's residents on November 10, 2009, or that the public entity intends to seek other modes of financing.

B. Awardees of QECB allocations are required to be in full compliance with TABOR.

IV. Response Format & Application Requirements

A. General Instructions

This application, excluding the required forms and attachments, shall not exceed five (5) consecutively numbered (bottom center), 8.5x11-inch pages of single-spaced, standard 11-point type with 1-inch margins. NO hard copy applications will be accepted. All electronic copies must be sent to grants@state.co.us.

B. Application Response Requirements

Applicants shall include the following information about the proposed project:

Project Abstract

Provide a brief description of the project or program for which funding is being requested and clearly state how it will help meet the goals and objectives of the QECB program and the American Recovery and Reinvestment Act. The abstract should be no more than 125 words. Please keep this paragraph free of any proprietary information.

Project Narrative

Provide a project background and narrative that demonstrates, with specificity, a thorough explanation of how the project will contribute to, stated goals of the "General Guidelines."

Describe the location of the installation and why the applied technology is appropriate.

Describe the project including the type and size of the energy efficiency and/or renewable energy included and the county(ies) in which the project is located. Provide information on how this fits into the facility's energy plan or larger related effort. Also include an explanation of the technical merits of the project, including the cost effectiveness of the proposed technology.

Preference will be given to proposals that demonstrate the greatest projected energy savings, cost effectiveness, a performance guarantee through an energy performance contract, and the ability to leverage other funds and partnerships.

Project Budget

Provide an itemized spreadsheet of all project costs, including, but not limited to, personnel, showing budgeted hours and rates, equipment, materials, supplies, subcontractor overhead and profit, etc. Travel costs should be limited to those that are directly essential to accomplishing the project. Include any other funding sources that will be used for this project and indicate any plans to attract additional funding. Note: Please refer to Section (d) of Appendix 1 as it pertains to specific Wage Rate Requirements.

Budget Narrative

Provide a budget narrative that describes how the budget costs are determined and how they relate to the project. Indicate any other funding sources that will be used for this project and describe any plans to attract additional funding. If not included elsewhere in the application, list all grant funds received to date, whether from public or private sources, including all applications for funding pending with other entities. If funding is not yet secured or awarded from any source, please indicate that clearly.

PLAN OF FINANCE

Provide an explanation of how the QECB's will be financed (i.e., General Obligation Bonds which would require voter approval, capital leases or certificates of participation, etc), and the term of the loan. Identify the revenue stream, how the annual amount is estimated, and demonstrate, in a table format, how this revenue stream will repay the QECB in the prescribed time period. Also provide an explanation of how these funds are being secured and what safeguards are in place to insure that QECB can be paid back.

Staff Project Management Experience, Qualifications and Facilities Requirements

Describe the project staff responsibilities and qualifications. Biographical sketch of the staff and/or development team to include a brief resume/summary of qualifications and previous accomplishments (for similar projects) for project manager(s). Describe the internal resources available to the project team or partners, including facilities, major equipment and other technical aspects, permits, and administrative resources that will be required for the project.

Project Tasks

A list of project tasks that must be completed in order for the project to be completed must be submitted. These tasks will directly feed into the milestone progress and will be included in the contract. Tasks should identify core areas of work, lead and the amount of time to complete. A chart (Gantt or similar) should be used to describe timeframes for the project's tasks.

Project Milestones

Include a schedule of project milestones that demonstrate a project start date until the end of the project. Identify what issues/conditions still need to be resolved before the project can begin and what barriers might be foreseeable. The milestones should reflect major events in the life of the project and should help determine progress to success.

Project Impacts

Attachment A includes information on energy savings, energy baseline information and jobs created. Explain how these numbers were derived providing supporting information if appropriate. If sections in Attachment A are left blank, provide an explanation.

Required Forms and Attachments

These documents are not included in the five (5) page application limit, but are required as noted:

Attachment A – application summary sheet (submitted in the Excel format provided by GEO) –

NOTE, this must be signed by a person legally authorized to bind the applicant to the proposal-required for all applications

C. Application Submission

Applications must be received by 5:00 p.m. (MST) on November 16, 2009.

Only electronic applications will be accepted. Hard copy applications will not be accepted.

Please e-mail your application to grants@state.co.us Subject: "QECB Application – ENTITY NAME." The GEO requests that all materials be included as attachments to one email, however if your documents are too large to send in one email, you may send multiple emails. If you must do this, please use the same email subject each time to assist with processing your materials efficiently.

The application, **excluding attachment A** and shall not exceed five (5) consecutively numbered (bottom center), 8.5x11-inch pages of single-spaced, standard 11-point type with 1-inch margins and be submitted as a single electronic document, in either Adobe PDF or Microsoft Word format. **Attachment A** must be submitted as an Excel Spread sheet, in the format provided, without adding, deleting or reformatting rows.

Incomplete applications or applications received after the deadline will not be considered.

Applicants will receive an e-mail auto-response notification of the receipt of their application immediately upon submission.

Please note that **Attachment A** is required for all applications.

V. Evaluation and Award Selection Process

A. Evaluation Team

All applications will be reviewed by an evaluation team comprised of GEO staff, representatives from the

State Treasurer's Office and other evaluators as appropriate. Applicants will be notified when/if additional information, documentation or personal interviews with project principals are required. All information required to complete the application for allocation is provided herein. No additional information, including email and phone calls, will be considered during the selection process.

When considering projects, the evaluation team will weigh a number of factors, including but not limited to:

• The amount of energy efficiency gained through the completion of the project;

• The technical merits of the project. Viability includes the ability of the applicant to identify a funding stream to pay off the QECB in a timely manner.

• Feasibility of tasks, budget, timeline and resource capabilities;

• Funds leveraged and comparison of measurable merits. Funds leveraged relates to the composition of current funding sources as compared to the amount of QECB allocation request. Measurable merits relates to CO2 reduction from project and net energy expenditures;

• The quantity and quality of jobs created by the project;

• Geographic diversity

B. Scoring Process & Scale – Energy Efficiency Modifications to Public Buildings

When considering energy efficiency projects in state or local government buildings, reviewers will score proposals in the following categories. A total of 55 points per proposal is possible.

• **Project Development** - When considering the development of the project, reviewers will take into account the project narrative, staff project management experience, qualifications and facilities requirements, project tasks, and project milestones.

0 point – 3 points = this project is not developed. The technology is not proven at a commercial level. There is no sound plan for implementation.

4 points – 8 points = this project's development is questionable. The project may have been partly developed but is not feasible based on the present implementation plan. The implementation plan is vague or missing key elements. The applicant is not currently tracking building energy use.

9 points – 13 points = this project has a reasonable level of development. The proposed technology is proven, and the implementation plan is primarily thought out. The applicant has demonstrated that the project will result in a minimum 20% reduction in building energy consumption. The applicant has been tracking energy use for less than one year.

14 points – 18 points = this project is well developed and implementation will most likely be successful. The plan is well thought out and is realistic. The applicant has demonstrated that the project will result in a minimum 20% reduction in building energy consumption. The applicant has been tracking energy use for less than one year or more.

19 points – 25 points = this project is completely developed and will most likely be successful. All key elements of the implementation plan have been carefully thought out, organized and planned. Obstacles to completion have been identified and a plan to address them has been created. The applicant has demonstrated that the project will exceed the minimum 20% reduction in building energy consumption. The applicant has been tracking energy use for one year or more and has an established energy management plan and a person responsible for implementing the plan.

• **Economy and Environment** - Considers the quantity of the jobs to be created and the overall emission reduction (as provided in attachment A) as well as the legitimacy of these reductions estimated as explained in the project impact narrative.

0 points = this project has no additional funding sources leveraged or partners (such as utilities) committed to the project. Job creation and emission reduction estimates are not realistic or absent.

*1 points -10 point*s = leveraged funds and or partners for this project are questionable or insufficient. Job creation and emission reduction estimates are poorly estimated or justified.

11 points -15 points = leveraged funds and or partners for this project are reasonable. QECB funds will account for a large percentage of the project funding, commitment from other partners has been identified (30-50%). Job creation and emission reduction estimates are reasonable but poorly justified or explained.

16 points – 20 points = leveraged funds and or partners for this project are substantial. QECB funds account for a small percentage of the project funding (50-75%). Job creation and emission reduction estimates are reasonable and well justified or explained.

21 points – 25 points = leveraged funds and committed partners will provide the majority of funding and are heavily invested in the project (75% and above). Job creation and emission reduction estimates are reasonable and well justified or explained, and a guarantee of savings is provided.

Geographical Diversity – the QECB will provide funding to a diversity of locations throughout the state. State of Colorado projects involving multiple buildings across multiple counties will be awarded the points associated with the smallest effected county.

1 point= this project is located in a county with a population of more than 100,000.

2 points = this project is located in a county with a population of 50,000 to 99,999.

3 points = this project is located in a county with a population of 25,000 to 49,999.

4 points = this project is located in a county with a population of 10,000 to 29,999.

5 points = this project is located in a county with a population of less than 10,000.

When considering applications for projects OTHER THAN energy efficiency projects in public buildings, reviewers will score proposals in the following categories. A total of 65 points per proposal is possible.

D Decisions

Additional financial information may be requested by the GEO from applicants prior to final award determination.

Bonding capacity is limited. Applications meeting all of the program's general policy guidelines may not necessarily receive an award.

The GEO reserves the right to vary from the criteria as necessary or appropriate based on guidelines given by U.S. Treasury and the Internal Revenue Service.

Volume cap allocation decisions will be made on or near the 3rd week of November, 2009 and applicants will be notified of the Selection Committee's determinations via email. Local governments are responsible for issuing the QECB once the volume cap allocations are determined.

The GEO will present selected State government projects to the State General Assembly in the 2010 legislative session. Legislative approval of these projects and the certificate of participation necessary to retire the QECB is required. The State Treasurer will issue QECBs (certificates of participation) on behalf of state government projects.

Volume cap allocation decisions are final. Allocations awarded are based on a competitive process where applications are weighed against other applications. Significant changes in the scope of work after QECBs are issued may result in actions by the U.S. Treasury.

Awarded Applicant Reporting

A. Reporting

All volume cap allocations are conditioned upon veracity of information provided by the applicant and will require accountability and reporting.

Awarded Applicant(s) shall comply with the reporting requirements as determined by the U.S. Treasury , the Internal Revenue Service, the State Treasurers' Office and or the Governor's Energy Office.

In addition, a final report shall be submitted to the GEO upon project completion that includes a one page summarization of: new jobs created, jobs retained, economic impacts and environmental impacts of the project as well as any assumptions used to determine that information.

MICHIGAN

The Michigan QECB Communities Challenge Project Evaluation Process

Source:
http://www.naseo.org/resources/financing/qecb/MI_QECB_Project_Evaluation_Process.pdf

This is an open competitive process to distribute Qualified Energy Conservation Bond (QECB) allocations to Michigan Communities receiving the highest scores from the checklist of DELEG priorities as listed below. Eligible applicants will agree to accept a minimum allocation of $100,000 and/or maximum of $5 million in QECB tax credit bonds, and to implement qualified energy conservation projects within their jurisdictions. These bond allocations will be issued for a 180 day period. Extensions may be granted for up to 30 days based upon DELEG evaluation and approval.

The timeline for communities to apply for a QECB allocation is between June 7, 2010 and close of business on July 30, 2010.

Applications can be downloaded from this website, must be sent by U.S. Mail, and received by DELEG-Bureau of Energy Systems up until the closing date of July 30, 2010.

Applicants receiving a score of 85 or above will be given priority selection.

Applications will be reviewed and scored as they are received.

Bond allocations will be made until all available QECBs have been awarded.

The Michigan QECB application should include a cover page with narrative addressing:

(1) The scope of the proposed project, indentifying which of the Qualified Projects from those listed in Appendix A would be addressed through use of these bonds.

(2) The estimated energy usage reduction and cost savings to be derived and methods used to determine the reductions and savings.

(3) The time frame of the project, including bond issuance and project start dates, and completion date.

(4) The summary of the project management and monitoring to be used. Once all required information is received, the Michigan QECB application will be considered by the Bureau of Energy Systems Review Committee based on feasibility, estimated energy usage reduction and savings, eligible uses of funds, availability of funds, job creation and retention, environmental benefits and an emphasis on participation in the Michigan's new Green Communities' Challenge (see Appendix B). Total maximum points are 100.

SCORING of APPLICATIONS WILL BE BASED UPON THE FOLLOWING CATEGORIES:

1. Proposal Quality and Completeness of Work Plan, Timeline and Budget (15 points)

(Proposals will be evaluated based on the degree of completeness, level of detail, and overall quality of information contained within the narrative.)

2. Project Feasibility and Timeline (15 points)

(Projects will be evaluated on their feasibility to achieve the anticipated impacts and outcomes within the established timeline.)

3. Energy and Cost Savings (20 points)

(Project will be evaluated on the overall magnitude of anticipated energy generation and/or reduced energy purchases and associated cost savings.)

4. Project Costs and Return on Investment (15 points)

5. Greenhouse Gas Reduction and Other Environmental Benefits (15 points)

6. Participation in the MI Green Community Challenge (20 points)

(Resolution Passed and filed with BES - see Appendix B)

7. Not involved in the Green Communities Challenge but having an energy conservation plan/strategy in place. (10 pts)

(If the community has not accepted the Green Communities Challenge, but has an energy conservation strategy/plan in place, has existing or planned partnerships with energy efficiency and renewable energy stakeholders (ex: non-for-profit energy and environmental organizations, business organizations, renewable energy or energy efficiency businesses, colleges or universities with renewable energy or energy efficiency programs).

Appendix A—Qualified Purposes as defined by IRS Notice 2009-29 54D(f)

Qualified Purposes:

Qualified Energy Conservation Bonds can be used for the following purposes:

Capital expenditures incurred for the purposes of:

- o Reducing energy consumption in publicly-owned buildings by at least 20 percent
- o Implementing green community programs
- o Rural development involving renewable energy

Expenditures with respect to research facilities and research grants, to support research in:

- o Development of cellulosic ethanol or other non-fossil fuels
- o Technologies for the capture and sequestration of carbon dioxide produced through the use of fossil fuels
- o Increasing the efficiency of existing technologies for producing non-fossil fuels
- o Automotive battery technologies and other technologies to reduce fossil fuel consumption in transportation
- o Technologies to reduce energy use in buildings

Mass commuting facilities and related facilities that reduce the consumption of energy

- o Reduce pollution from vehicles used for mass commuting

Demonstration projects designed to promote the commercialization of:

- o Green building technology
- o Conversion of agricultural waste for use in production of fuel or otherwise
- o Advanced battery manufacturing technologies
- o Technologies to reduce peak use of electricity
- o Technologies for the capture and sequestration of carbon dioxide emitted from combusting fossil fuels in order to produce electricity

Public education campaigns to promote energy efficiency.

Appendix B-- Green Communities Challenge Project Evaluation Process

Michigan Green Communities Challenge - ***An Energy Efficiency and Conservation Strategy***

The Basic Challenge - Government Policy Adoption

All Michigan communities are eligible to complete the Basic Challenge, a program designed to reflect the governing body's commitment to adopt policies and programs of energy efficiency and conservation. If a community decides to accept the Basic Challenge, its governing board must pass a resolution indicating its desire to participate, and complete Steps 1–6 as outlined in the attached materials.

How your community can get started...

1. Sign Up by passing the sample resolution (or a similar resolution) indicating that your governing board wants to participate in the Michigan Green Communities Challenge. (Attachment A) In passing the resolution, you will have completed Step 1 of the Basic Challenge. Fax the resolution to the Michigan Green Communities Challenge c/o Michigan Municipal League at 734-662-8083.

2. Complete the Intention and Progress Survey (Attachment B) online OR fax the survey to the Michigan Green Communities Challenge c/o Michigan Municipal League at 734-662-8083.

3. Begin work on Steps 2–6 of the Basic Challenge. Steps 2-6 will provide a step-by-step plan for your community to develop, implement and measure your goals and objectives meeting the Basic Challenge. Attachment C is intended to provide suggested goals and activities for Step 5.

Challenge Progress Report

For more information, please contact:

Sue Jeffers, Green Initiatives Coordinator, Michigan Municipal League mailto:sjeffers@mml.org
Jeff Spencer, Green Communities Coordinator, Bureau of Energy Systems Jan Patrick, EECBG Small Cities Coordinator, Bureau of Energy Systems

Appendix C—Green Communities Challenge For Step 5.

Michigan Green Communities Challenge

A community should consider the following suggested goals and activities for inclusion in Step 5 of the Challenge:

1. Develop and implement an energy improvement plan for Governmental operations.

All local governments engage in planning—which can include land use, transportation, open/public spaces, historic preservation, etc. Increasingly, local governments are recognizing the value in developing plans regarding energy usage. An energy efficient plan outlines the measures a jurisdiction has and will implement to become more energy efficient and reduce its energy consumption. To determine what types of energy-efficient measures will be implemented, the jurisdiction must first assess the current energy consumption of government-owned and leased facilities. It generally applies to retrofitting existing buildings and sets standards for new governmental facilities to incorporate energy-efficient and sustainable building techniques in their construction.

Implementing energy-efficient and conservation measures into daily operations are essential for reducing energy consumption. An energy improvement plan provides examples of energy-efficient measures that can be applied in areas such as lighting, temperature control, infrastructure, purchasing/procurement, renewable energy, and alternative fuels. Employee awareness should be a fundamental part of the plan. By educating employees about the need for resource conservation and what they can do to make a difference, municipal facilities will become more energy efficient.

Continue tracking energy usage through Energy Star's Portfolio Manager or ICLEI's CACP 2009 software greenhouse gas emissions through a period of three years.

Resources / Links:

Guidelines for Energy Management

Energy Star's Cash Flow Opportunity Calculator

DTE Your Energy Savings

2. Adopt a community sustainability plan, climate protection resolution, or similar commitment by the governing body.

By adopting a sustainability plan, or a similar document to organize green initiatives, local governments can coordinate efforts that often cross departmental boundaries, gain input and buy-in from governmental staff and additional stakeholders, and track progress to ensure that goals are met. While each jurisdiction should create a plan that suits its any size and lead to demonstrable results. Credit is also given for adoption of resolutions that are circulating nationally—or their equivalent—to promote responsible actions on climate protection through emissions reductions. While these resolutions are best coupled with plans for specific actions and policies, they represent a public commitment on behalf of the community and can be a positive first step.

Resources / Links:

City of Grand Rapids

Grand Valley State University

Michigan Climate Challenge

Mayors Climate Protection Center

Intergovernmental Panel on Climate Change

Michigan Climate Action Council

The Michigan Climate Action Plan

ICLEI Five milestones for sustainability

3. Develop recycling and household hazardous waste programs for residents and businesses.

Everyone produces waste. Although most waste can be safely disposed in landfills, much of the solid waste stream contains materials that could be processed into usable commodities. Some common recyclables include metals and corrugated cardboard containers. By providing curbside

and drop-off programs, a community is supporting jobs (for every one job created in the waste industry, five jobs are created in the recycling industry) and providing residents and businesses an opportunity to do something positive for their community. Recycling reduces energy use and greenhouse gas emissions in addition to extending landfill life and protecting natural resources from the damage of harvesting, mining, and depletion of non-renewable resources such as oil and metals.

Resources / Links:

City of Grand Rapids

U.S. EPA

Tools for Local Government Recycling Programs

Michigan Dept. of Natural Resources and Environment

WARM - calculator for measuring greenhouse gas (GHG) reductions

Northeast Recycling Council environmental benefits calculator

4. Consider performance contracts.

An energy audit gives a snapshot look at government facility energy use trends, consumption, and potential opportunities to help better manage facilities. Such an audit evaluates energy consumption practices and provides an analysis that can be the foundation for continued business planning, especially in identifying areas for energy and cost savings within existing facilities. The use of energy-saving performance contracting is becoming increasingly attractive to local governments. This is when a government or organization contracts with a private firm to assess and correct energy deficiencies—often with little or no actual cost to the locality as the long-term energy savings offset the costs.

Resources / Links:

Rebuild Michigan

EPA Webinar: Maximize Stimulus Funding with Performance Contracting and ENERGY STAR

Retired Engineers Technical Assistance Program (RETAP)

Energy Services Coalition

International Performance Measurement and Verification Protocol

U.S. Environmental Protection Agency

5. Consider the purchase of electric power from renewable sources or install renewable energy technology (solar, wind, or geothermal) for use in government facilities.

The total of purchased renewable energy and on-site produced renewable energy must equal at least 1% of the energy used of all governmental facilities.

Resources / Links: Clean, Renewable and Efficient Energy Act (2008 PA 295)

6. Develop a policy to utilize energy-efficient and dark sky-compliant outdoor light fixtures.

7. Establish a policy of adherence to LEED certification criteria for all new government facilities.

8. Approve or build a LEED-certified government building or renovate an existing building to LEED-certified level.

9. Implement an internal government program that reduces, reuses and recycles paper, plastic and other materials.

10. Establish a procurement policy of a minimum of 30 percent postconsumer recycled content for everyday office paper use (consistent with the current federal government policy).

11. Adopt a "green fleet" policy that incorporates, at a minimum, the purchase of low-emitting, fuel-efficient vehicles for vehicle fleet replacement and the use of alternative fuels (biodiesel, natural gas, and ethanol) in fleet operations.

12. Promote light rail systems, increased busing, and other modes of transportation.

13. Develop and implement a plan for tree preservation and planting.

14. Adopt an anti-idling policy for government fleet vehicles.

15. Develop diesel engine retrofits partnership (NOx filters and particulate traps) with the heavy construction industry to reduce air pollutants.

16. Provide employee benefits for ride sharing, walking, biking or taking public transit to work.

17. Adopt a policy that a minimum of 20 percent of the eligible workforce should participate in alternative work schedules or telework by 2010.

18. Develop an employee education program on policies/practices relating to the environment and energy conservation.

19. Establish an advisory commission (or "Green Team") composed of local residents and business representatives to advise and assist the local governing board on policies and practices dealing with the environment, energy efficiency and conservation.

Resources/Links:

ICLEI--Outreach and Communications Guide- A tool to help local governments effectively communicate climate information to their constituencies

20. Develop and implement an energy efficiency and conservation education program for the local community dealing with the environment and energy.

21. Create a water protection education program.

Water is essential for communities and cannot be taken for granted. Education establishes a foundation for working together to secure and protect this vital natural resource. Understanding water's flow through our daily lives informs the debate about the cost and value of public investments in municipal water supplies.

Resources / Links:

American Water Works Association

U.S. EPA Water

Water Resources Advisory Council

Statewide Resource Network

SEMCOG

22. Offer incentives for residents and businesses to retrofit all lighting systems with energy-efficient bulbs.

23. Target major institutions and industries for an educational campaign about ways to reduce energy consumption.

24. Create a program to help residents replace older air conditioning and refrigeration units with more efficient models.

25. Implement real-time pricing of electricity to show residents the increased cost they experience during peak demand times.

26. Partner with nonprofit organizations and governmental agencies for the purpose of retrofitting existing facilities to improve energy efficiency.

27. Develop and implement programs to conserve energy used in transportation, including but not limited to:

Employee flex time programs;

Promoting use of satellite work centers;

Development and promotion of zoning guidelines or requirements that promote energy efficient development;

Development of infrastructure such as bike lanes and pathways and pedestrian walkways;

Synchronization of traffic signals;

State/local/regional integrated planning activities (i.e. transportation, housing, environmental, energy, land use)

with the goal of reducing greenhouse gas emissions and vehicle miles traveled;

Improvements in operation and system efficiency of the transportation system such as implementation of intelligent transportation system (ITS) strategies;

Idle-reduction technologies and/or facilities to conserve energy, reduce harmful air pollutants, and greenhouse gas emissions from freight movement; and

Installation of solar panels on interstate rights-of-way to conserve energy in highway operations and maintenance activities.

28. Implement distributed energy resource technologies that significantly increase energy efficiency, including:

District heating and cooling systems

Combined heat and power systems

Cogeneration systems

Energy storage systems

Absorption chill

Desiccant humidifiers

Micro turbines

Group source heat pumps

29. Consider the implementation of technologies to reduce, capture, and, to the maximum extent practicable, use methane and other greenhouse gases generated by landfills or similar waste-related sources, such as wastewater treatment plants, operations producing food waste, dairy farms and other animal operations.

Resources / Links:

The Michigan Climate Action Plan

30. Replace traffic signals and street lighting with energy efficient lighting technologies, including light emitting diodes; and any other technology or equal or greater energy efficiency.

31. Update government buildings by developing, implementing and install onsite renewable energy technology that generates electricity from renewable resources, including solar energy, wind energy, fuel cells, and biomass.

32. Consider any other appropriate activities which have been outlined within a community's Energy Efficiency and Conservation Strategy as developed under the EECBG program.

Contact Information:

Bureau of Energy Systems / State of Michigan

611 W. Ottawa, 4th Floor, P.O. Box 30221

Lansing, MI 48909

QECB Program Manager

517-241-6238

UTAH

Source: http://business.utah.gov/relocate/PAB/energy-bonds/

Private Activity Bond Review Board

Qualified Energy Conservation Bond Application

Part 1 – Financing Team Information

1. Applicant Name (Tax-Exempt County/City)

Name of Issuing Agency:

Name and Title of Senior Official:

Address, City, State, & Zip Code:

Telephone & FAX No. & E-Mail:

Applicant's Federal Identification No:

2. Project Location (If different from jurisdiction above)

Name of Jurisdiction:

Name and Title of Contact Person:

Address, City, State, & Zip Code:

Telephone & FAX No. & E-Mail:

3. Bond Counsel

Name of Attorney and Firm:

Address, City, State, & Zip Code:

Telephone & FAX No. & E-Mail:

4. Bond Underwriter (If Applicable)

Name of Contact and Firm:

Address, City, State, & Zip Code:

Telephone & FAX No. & E-Mail:

5. Private Placement Agency (If Applicable)

Name of Contact and Firm:

Address, City, State, & Zip Code:

Telephone & FAX No. & E-Mail:

6. Private Placement Bond Purchaser (If Applicable)

Name of Contact and Firm:

Address, City, State, & Zip Code:

Telephone & FAX No. & E-Mail:

7. Credit Enhancement Provider (If Applicable)

Name of Contact and Firm:

Address, City, State, & Zip Code:

Telephone & FAX No. & E-Mail:

8. Trustee (If Applicable)

Name of Contact and Firm:

Address, City, State, & Zip Code

Telephone & FAX No. & E-Mail:

9. Other Participants

Name of Contact and Firm:

Address, City, State, & Zip Code:

Telephone & FAX No. & E-Mail:

Part 2 – Project Information

1. Project Name:

Address, City, County, Zip Code:

2. a. Please check the applicable general category for your project below.

Capital Expenditures – Energy Efficiency and Development

Renewable Energy Production

Research and Development Applications

Mass Commuting Facilities/Reduce Energy Consumption

Energy Demonstration Projects

Public Energy Efficiency Education Campaign

b. List the specific subsection of the marked category, which fits your project.

3. Provide detailed information on the proposed project using the suggestions below as part of the description. Attach photo(s) and/or blueprints of the project site and design, equipment, etc., if available. (Attach as Exhibit "A" – Proposed Project Description and Cost Detail.)

a. Scope of project, including detailed description, summary, proposed outcomes, uses and activities of the project, principal products, etc.

b. Ready-to-go status of project and timeline.

c. Estimated project costs, including all fees associated with bond costs and issuance, letter of credit, etc. Also, include all other sources of funding, i.e., matching funds, etc.

d. Is construction involved? New or Acquisition/Rehab. Number of buildings, age of building(s), number of square feet to be constructed or renovated, use of square feet.

e. Equipment: Type being purchased, estimated cost, installation charges, etc.

f. Estimated useful life of building and equipment.

g. Site preparation, zoning needs, utility connections or upgrades, public services or infrastructure improvements, street improvements, permit fees, etc.

h. Architect, engineer, contractor, or other tradesman fees.

i. Non-tangible items expenses.

4. If applicable, attach a description of the present physical facilities, including size and use of the facility. Describe the condition of the site, current use, size, or improvements on the site. If the site is currently vacant, please describe the prior use. Include any other pertinent information for the proposed project. (Attach as Exhibit "B" – Present Facility and Site Improvements Description.)

5. Does the project sponsor currently own the site? If not, attach a copy of the escrow agreement or real estate purchase contract, options or other evidence of the project sponsor's control of the site. (Attach as Exhibit "C" – Escrow Agreement.)

Yes; owns site No; does not own site

6. Indicate if construction and completion of the project will have any adverse environmental impact, including additional waste disposal.

Yes No If yes, please explain.

Part 3 – Allocation/Bond Issue Information

1. Amount of Allocation requested: $_____

2. Date of Inducement Hearing: _____ (Attach as Exhibit "D" – Copy of the Adopted Resolution.)

3. Date of TEFRA Hearing: _____ (Attach as Exhibit "E" – Copy of TEFRA Resolution or Certification from

applicant as to the date, time, location, and likely outcome of the public hearing and the approval of the issuance of bonds.)

4. Anticipated date of bond issuance and proposed terms: Closing Date: _____

(Attach as Exhibit "F" – Copy of Issuance Terms.)

5. Indicate how the bonds will be sold: (please check)

Public Offering Private Placement

6. Anticipated bond rating (public offering only):

	Rating	Date Rating Anticipated
Fitch		
Moody's		
Standard & Poor's		
Other		

Part 4 – Application Exhibits

Please check the appropriate box for all application exhibits attached. Please remember that incomplete applications are subject to disqualification and may not be considered for volume cap allocation. Make certain all exhibits are labeled correctly and stacked alphabetically. It is not

necessary to separate exhibits with tabs, dividers, slip sheets, etc. Due to storage space capacity, please do not submit applications in any type of binder or bound printing.

Please note: "N/AP" means, "not applicable" for your application; "N/A" means "not available" at the time of submission. If checked, please provide additional comments.

Attached Exhibit "A" – Proposed Project Description and Cost Detail (REQUIRED)

Attached N/AP Exhibit "B" – Present Facility Description and Site Improvements

Attached N/AP Exhibit "C" – Escrow Agreement N/A

Attached N/A Exhibit "D" – Copy of the Adopted Resolution (REQUIRED)

Attached N/A Exhibit "E" – Copy of TEFRA Resolution or Certification from Applicant (REQUIRED)

Attached N/A Exhibit "F" – Copy of Issuance Terms (REQUIRED)

TENNESSEE

Source: http://www.tn.gov/environment/docs/energy/tn_qecb_rfp_20131028.pdf

TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION OFFICE OF ENERGY PROGRAMS

QUALIFIED ENERGY CONSERVATION BOND PROGRAM

REQUEST FOR PROPOSALS FY 2014

Summary

The Tennessee Department of Environment and Conservation's Office of Energy Programs (OEP) is launching an open competitive proposal process to allocate Federal Qualified Energy Conservation Bonds (QECBs) to local governments and public universities in Tennessee receiving the highest scores from the checklist of priorities and narrative descriptions listed below. The total QECB authority available for allocation under this request for proposals (RFP) is $46,542,400. Eligible Proposers must agree to accept and utilize a minimum allocation of $500,000 in QECB tax credit bonds. The maximum allocation is $7.5 million in QECB tax credit bonds. The recipients of a QECB allocation shall use QECBs to fund qualified energy conservation projects within their jurisdictions. These bond allocations will be authorized for issuance for a 180-day period from the date of delivery of the official notification of the allocation. Extensions may be granted for up to 60 days based upon OEP evaluation and approval.

Background

QECBs are low-interest federal bonds (via subsidy) available for issuance for qualified energy projects for certain energy efficiency, renewable energy, and energy conservation capital projects. Tennessee's QECB allocation totals $64,676,000. In June and July 2012, as required by Federal law, the State notified Large Local Jurisdictions (LLJs) of the amount of their allocations. The total amount identified for these fifteen cities and counties was approximately $36 million. LLJs choosing not to utilize their initial allocation were asked to reallocate their share to the State. These LLJ reallocations have been combined with the State's original allocation of $28.6 million for a total of $46,542,400. This amount will available for qualifying projects through the competitive sub-allocation process outlined in this request for proposals. Entities eligible to participate in the program include all local government jurisdictions in Tennessee and public universities. Local governments can issue the bonds on behalf of a private project, with conditions.

Eligibility

All Tennessee local governments, as well as public universities in the Board of Regents or the University of Tennessee systems, are eligible to submit a proposal. If a local government was previously identified as an LLJ, that jurisdiction remains eligible to submit a proposal for this sub-allocation process. For LLJs that submit a proposal, the decision not to utilize its initial allocation or the progress made on existing QECB projects should be addressed in the narrative of the project summary.

For each QECB allocation awarded under this RFP, up to 30% of the total is eligible for private activity projects. For example, if the proposal requested the maximum $7,500,000, up to $2,250,000 of that would be eligible for private activity. However, the bonds ***must*** be issued by an eligible local government. Public universities are not eligible to apply for private activity bonds under this RFP.

Process

The deadline to submit a proposal under this request is 5:00 pm CST on Friday, **January 31, 2014**. Only complete proposals received by this time via Certified Mail, FedEx, UPS, hand-delivery or other form of tracked delivery will be considered.

Proposals should be directed to the following address:

Office of Energy Programs c/o Molly Cripps, Director Tennessee Department of Environment and Conservation Wm. Snodgrass Tennessee Tower
312 Rosa Parks Ave, 2nd Floor

Nashville, TN 37243

Once the complete proposal is received, it will be evaluated and scored by a review committee. The committee will be comprised of representatives from TDEC and/or other appropriate members.

Methodology

Scoring of proposals will be based on the following: **Project Feasibility** (40 points):

- budget, technology, and plan of action are achievable;
- the project qualifies as an eligible use of funds; and
- the issuing party has ability and legal authority to conduct the bond issuance.

Project Impact (35 points):

- the project creates and/or retains jobs;
- the project will incorporate benchmarking and evaluation, measurement, and verification of impacts using

EPA's Portfolio Manager® or a similar tool (http://www.energystar.gov/buildings/facility-owners-and-

managers/existing-buildings/use-portfolio-manager);

- the project saves energy and/or contains other environmental benefits / impacts; and
- the project provides a return on investment.

Project Strategy (15 points):

- project goals, benefits, and plan support the State QECB Program / TDEC / OEP goals; and/or
- aligns with an established local sustainability strategy. **Project Readiness** (10 points):

- the project can be completed within the project timeframe by qualified professionals; and
- energy savings can be achieved with resources identified.

Total maximum points that can be scored is 100. Those projects ranking highest will be eligible for the full allocation requested, up to $7.5 million. Partial allocations may be awarded up to the amount remaining for allocation.

Compliance

Projects financed with QECB proceeds are subject to various federal laws and regulations, including, but not limited to, the Energy Improvement and Extension Act of 2008, the HIRE Act (H.R. 2847 (Sec. 301)), and the American Recovery and Reinvestment Act (ARRA) (e.g., Davis-Bacon Act, Contract Work Hours and Safety Standards Act, Buy American Provision of ARRA, etc.). Further, QECB use is subject to audit by the Internal Revenue Service and the U.S. Treasury. These and other requirements may apply and should be discussed with bond counsel during the preparation of proposals.

The project results and impacts shall be reported to OEP. Where practicable, participants in the QECB program shall use EPA's Portfolio Manager® or a similar tool to benchmark, track, and measure performance of the project. This information shall be reported to TDEC within 180 days of project completion. Proposals under this request should include a description in the project summary of how project impacts will be collected and reported to OEP after the completion of the project. For example, reports could be provided to OEP at 6 month and 1 year intervals or on a quarterly basis for a 2 year period post-completion.

Qualified Energy Conservation Bond Proposal

This proposal is to provide information to OEP to aid in the allocation of QECBs for qualified energy conservation purposes in the State of Tennessee. Proposals must provide full explanations to each of the sections below. To facilitate the fair evaluation of each proposal, please complete the proposal in its entirety and include all required exhibits. Incomplete proposals ***will not*** be considered. A checklist is included to assist Proposers (see Appendix B).

1. Project Summary

Provide a brief overview of the project. If Proposer was designated as an LLJ under the QECB Program, please provide information relative to progress made with the initial QECB allocation. If Proposer re-allocated its share to the State, please address the decision not to utilize the initial QECB allocation. Proposers should also provide information on how project results and impacts will be collected and reported to OEP after the completion of the project.

2. General Information

1. Local Government, Public University, or Private Entity: _____
2. Issuing Entity: _____
3. Name of or Purpose of Project:

   _____

4. Location of Project: _____
5. Amount of Qualified Energy Conservation Bond sought: $ _____
6. Type of Bonds requested:

   ○ Government Use Amount_____Percentage_____ ○ Private Activity Amount_____Percentage_____

   Private Activity cannot exceed 30% of the total amount requested.

7. Proposed date or date range of bond issuance:

   _____

8. Anticipated Bond Rating (if public offering):

Rating Date Rating Anticipated

i. Name, address, phone number, and tax ID number of the proposed issuer and, if private activity, private borrower or developer, as applicable:

_____
_____
_____
_____

Fitch	
Moody's	
Standard & Poor's	
Other	

j. Please indicate the applicable general category for your project, as well as the specific category. Qualified Energy Conservation Bonds can be used for the following purposes, as defined by Internal Revenue Code 54D:

Capital expenditures incurred for the purposes of:

Reducing energy consumption in publicly-owned buildings by at least 20 percent Implementing green community programs
Rural development involving renewable energy

Expenditures with respect to research facilities and research grants, to support research in:

Development of cellulosic ethanol or other non-fossil fuels
Technologies for the capture and sequestration of carbon dioxide produced through the use of fossil fuels
Increasing the efficiency of existing technologies for producing non-fossil fuels
Automotive battery technologies and other technologies to reduce fossil fuel consumption in transportation
Technologies to reduce energy use in buildings

Mass commuting facilities and related facilities that reduce the consumption of energy Reduce pollution from vehicles used for mass commuting

Demonstration projects designed to promote the commercialization of:

Green building technology
Conversion of agricultural waste for use in production of fuel or otherwise
Advanced battery manufacturing technologies
Technologies to reduce peak use of electricity
Technologies for the capture and sequestration of carbon dioxide emitted from combusting fossil fuels in order to produce electricity

3. Project Information – Attachments Required

Provide detailed information on the proposed project according to the descriptions below. Proposers shall attach a brief narrative (up to one page) for each section to this proposal. Please use a separate page for each of the four criteria. OEP expects to receive more proposals for funding than for which funding exists. It should be understood that this process is competitive and those projects deemed to offer superior benefits to Tennessee will be selected to receive a QECB allocation.

a. **Project Feasibility**: Please describe the scope of the project as it relates to:

- the project budget (including cost of land, buildings, equipment replaced or upgraded, and whether any amount has been spent at time of application), as well as information about the cost of issuance, project management and professional services expenses, and other miscellaneous costs;
- the technology used or upgraded, including factors determining use of this technology over competing or existing technologies; and
- the issuing party's ability to conduct the bond issuance, as well as the ability of the project to comply with applicable federal and state requirements as an eligible use of funds.

b. **Project Impact**: Please describe the anticipated impact of the project to the extent it:

- creates and/or retains jobs, both temporary and full-time;
- saves energy or contains other environmental benefits/impacts;
- contains a significant return on investment;
- incorporates benchmarking, evaluation, measurement, and verification of impacts using EPA's

  Portfolio Manager® or other like tool;

- marks an investment beneficial across the useful life/longevity of project;
- contains projected outcomes and criteria used to verify savings/benefits; and
- benefits the local government, public university, private entity, and/or public in general.

c. **Project Strategy**: Please describe the project goals as they support, continue, or complement:

- TDEC OEP goals and/or align with established state, local, or other sustainability or energy efficiency strategy (Included in Appendix C); and
- Other efforts undertaken by the Proposer (such as whether Proposer has adopted building energy codes), how the project fits into future plans, and the extent of community support.

d. **Project Readiness**: Please describe the timeframe in which:

- the project will be completed by qualified professionals, including specific information on bond issuance, project start date and anticipated completion date, procurement status, timeframes for ordinances or permits to be obtained; and
- additional project funding, if necessary, will be secured, as well as an assurance that energy savings can be achieved with resources identified.

4. Supporting Materials – Attachments Required

Please include original or certified copies of the following:

1. Inducement resolution, reimbursement resolution or other documentation of the preliminary approval of the project by the issuing entity, in conformity with applicable federal and state law.
2. If the proposed issuer will be different from the county or municipality that receives the allocation, the approval granting use of the allocation for the project or purpose by the governing body.
3. A written Opinion of Legal Counsel stating that:
    - the proposed project meets QECB eligibility requirements under Internal Revenue Code 54D and all other applicable laws, rules, regulations and requirements, and
    - the proposed use is eligible to be considered a public and/or private use by applicable laws, rules, regulations, and requirements, and does not exceed the 30% per allocation total limit on private activity bonds.

5. Bond Counsel Information

Name of Attorney: _____ Firm: _____ Address City: _____ State: _____ Zip Code: _____ Telephone: (_____) _____ - _____ FAX No.: (_____) _____ - _____ E-Mail: _____

Any award of QECB allocation to an eligible entity shall not be construed as or relied upon as a statement or decision that any particular project in fact complies with applicable laws, rules, regulations and requirements. To the contrary, by executing this form, the Proposer hereby certifies that (i) the stated project is legally eligible to be funded by QECBs, and (ii) the Proposer will ensure compliance with all applicable laws, rules, regulations and requirements with respect to any QECBs issued and shall ensure any relevant reports are timely made. Additionally, the Proposer hereby releases and agrees to hold completely harmless the Tennessee Local Development Authority, the Tennessee Department of Environment and Conservation, the State of Tennessee, and any employees of any of the foregoing, from any and all matters relating to any QECB capacity awarded or not awarded to the Proposer or QECBs issued or not issued.

The undersigned, on behalf of the Proposer set forth below, hereby certifies that it is authorized by the eligible entity to make the request and certifications contained herein on behalf of the eligible entity. I further certify that the information contained in the attached proposal is true and accurate to the best of my knowledge.

Signature of Proposer's Senior Official

Title

Phone Number of Authorized Official

Print Name

Address

Date

NOTE: ELIGIBLE ENTITIES ARE LIMITED TO ONE PROPOSAL UNDER THIS RFP. HOWEVER, THE PROPOSAL MAY CONTAIN MULTIPLE PROJECTS PROVIDED THAT THE TOTAL ALLOCATION REQUESTED DOES NOT EXCEED $7,500,000.

Questions regarding the proposal process may be directed to: Pete Westerholm

pete.westerholm@tn.gov

Appendix A: Proposer Checklist

This checklist is provided to ensure that a completed proposal is submitted to OEP. This checklist serves only as a tool to assist entities submitting proposals and should not be submitted.

- Request for Proposal addressed to Office of Energy Programs, sent via Certified Mail;

- All Ten parts of Section Two, General Information;

- Complete, detailed response to all prompts in Section Three, Project Information (attachments pertaining to each of the four components should be attached separately);

- Information about Bond Counsel; and
- Any ordinances, permits, or other documentation supporting information included in Section Three,

Project Information.

Appendix B: Sustainability Goals and Missions (examples)

Office of Energy Programs:

To support TDEC's mission by conducting education and outreach regarding and/or providing technical assistance for energy efficiency, renewable energy, and energy management and conservation projects, including renewable fuels and alternative fuel vehicles, in an effort to reduce the overall demand for energy and fossil fuel generated power.

TDEC Mission Statement:

Protecting and improving the quality of Tennessee's air, land and water through a responsible regulatory system;
Protecting and promoting human health and safety;
Conserving and promoting natural, cultural, and historic resources;
Providing a variety of quality outdoor recreational experiences.

TVA Valley Sustainable Communities Program http://www.tvaed.com/sustainability.htm.

WASHINGTON

Source: http://www.commerce.wa.gov/site/862/default.aspx

Qualified Energy Conservation Bond

Allocation Procedures

Introduction

Qualified Energy Conservation Bonds (QECBs) were first authorized by Congress in October 2008. At that time Congress allowed a maximum of $800 million in QECB volume cap nationwide. In the February 2009 American Recovery and Reinvestment Act (ARRA), Congress increased the QECB volume cap to $3.2 billion.

On September 8, 2009, Governor Gregoire signed Executive Order 09-06, giving the Department of Commerce the authority to administer the QECB volume cap and to adopt rules by which to do so. Commerce's goal in administering QECB allocations is to make the process as accessible and transparent as possible, and as consistent as possible with the allocation procedures for the annual tax-exempt private activity bond cap, within the direction provided by the ARRA and by guidance issued by the U.S. Treasury Department.

The total allocation for the state of Washington is $67,944,000 in QECB issuing authority. QECB provisions instruct the states to distribute separate allocations to each large city or county (greater than 100,000 in population) and the tribes based on a ratio of the jurisdiction's population to the state population as a whole. The state will directly allocate the remaining authority to projects on a competitive basis. The rules Commerce has adopted to administer the allocations refer to the large cities, counties, and tribes that received allocations by formula as "Originally Awarded Localities" and refers to the formula allocations as "Original Allocations."

For each large jurisdiction's and the state's allocation as a whole, at least 70 percent of QECB authority must be used for government projects. No more than 30 percent may be used for private activities. Private activity QECB proceeds may only be used for capital expenditures for qualified business purposes.

Eligible Project Types

From the original federal legislation, qualified projects include:

A. Capital expenditures incurred for purposes of –

reducing energy consumption in publicly-owned buildings by at least 20 percent,

implementing green community programs,

rural development involving the production of electricity from renewable energy resources, or any qualified facility (as determined under section 45(d) without regard to paragraphs (8) and (10) thereof and without regard to any placed in service date).

B. Expenditures with respect to research facilities, and research grants, to support research in – development of cellulosic ethanol or other non-fossil fuels,

technologies for the capture and sequestration of carbon dioxide produced through the use of fossil fuels,

increasing the efficiency of existing technologies for producing non-fossil fuels,

automobile battery technologies and other technologies to reduce fossil fuel consumption in transportation, or technologies to reduce energy use in buildings.

C. Mass commuting facilities and related facilities that reduce the consumption of energy, including expenditures to reduce pollution from vehicles used for mass commuting.

D. Demonstration projects designed to promote the commercialization of –

green building technology,

conversion of agricultural waste for use in the production of fuel or otherwise,

advanced battery manufacturing technologies,

technologies to reduce peak use of electricity, or

technologies for the capture and sequestration of carbon dioxide emitted from combusting fossil fuels in order to produce electricity.

E. Public education campaigns to promote energy efficiency.

Original Allocations

Note: Under QECB regulations, at least 70 percent of each jurisdiction's allocation must be used for government projects, and no greater than 30 percent may be used for private activities. Table is organized by county population.

Jurisdiction	Population*	Total Allocation	70%	30%

King County				1,875,519
Seattle	594,210	$6,164,529	$4,315,170	$1,849,359
Bellevue	121,347	$1,258,893	$881,225	$377,668
Balance of County	1,159,962	$12,033,825	$8,423,678	$3,610,148
Pierce County				785,639
Tacoma	196,520	$2,038,763	$1,427,134	$611,629
Balance of County	589,119	$6,111,713	$4,278,199	$1,833,514
Snohomish County	683,655	$7,092,461	$4,964,722	$2,127,738
Spokane County				462,677
Spokane City	200,975	$2,084,980	$1,459,486	$625,494
Balance of County	261,702	$2,714,982	$1,900,488	$814,495
Clark County				424,733
Vancouver	161,436	$1,674,790	$1,172,353	$502,437
Balance of County	263,297	$2,731,529	$1,912,070	$819,459
Thurston County	245,181	$2,543,588	$1,780,512	$763,076
Kitsap County	239,769	$2,487,442	$1,741,209	$746,233
Yakima County	234,564	$2,433,444	$1,703,411	$730,033
Whatcom County	196,529	$2,038,856	$1,427,199	$611,657

Jurisdiction Population* Total Allocation 70% 30%

Benton County	163,058	$1,691,617	$1,184,132	$507,485
Skagit County	118,000	$1,224,171	$856,919	$367,251
Cowlitz County	101,254	$1,050,442	$735,309	$315,133
Tribes**	68,446	$710,081	$497,057	$213,024
Balance of State	950,164	$9,857,893	$6,900,525	$2,957,368
Totals	6,549,244	$67,944,000	$47,560,800	$20,383,200

**City and County population figures are from the official U.S. Census Bureau 2008 estimates.*

***Tribal population is calculated from U.S. Census Bureau 2000 census figures plus a 1.5% growth rate per year since then (overall 13.5% growth between 2000 and 2008), and counts self-identified members of all Washington-based tribes, whether federally recognized or not, regardless of place of residence.*

Allocations and Reallocations

Under ARRA provisions, Originally Awarded Localities may issue QECBs themselves or may designate another unit of government, either state or local, to issue bonds from their Original Allocation, providing the project financed is fully within the jurisdiction of the Originally Awarded Locality. For example, a county may request a state issuer, such as the Washington Economic Development Finance Authority, or an Economic Development Corporation as a conduit issuer to

issue a QECB on behalf of the county. The county may also choose to support a city's project by allowing the city to issue from the county's allocation, assuming the city's project falls completely within the county's jurisdiction. In these and similar situations, the Originally Awarded Locality (e.g. the county in the above examples) will be responsible for providing Commerce with documentation of how they intend to use their Original Allocation or allow a another issuer within their jurisdiction to use it.

If an Originally Awarded Locality is not able to or chooses not to use its Original Allocation or to offer it to another issuer within its jurisdiction, the authority may be reallocated to the state. Such authority may then be reallocated by Commerce to other issuers. Commerce has established a procedure by which an Originally Awarded Locality may affirm its intention to either use its Original Allocation or to reallocate its Original Allocation to the state. In addition, Commerce has established milestones by which an Originally Awarded Locality must provide information to the department demonstrating progress toward issuing a bond in a timely fashion. If an Originally Awarded Locality does not provide the requested information, Commerce may deem the Original Allocation to have been reallocated.

Commerce will conduct a competitive round beginning January 1, 2010 to allocate its initial $9.8 million state allocation, and will announce a competitive process to award reallocations if and when any reallocated authority becomes available.

Milestone	Large Cities and Counties (formula allocations)	State Allocation and Reallocation Applicants (competitive)	Tribes (formula allocation)
November 23, 2009	Original Allocations announced	Competitive application round for state's allocation opened	Original Allocations announced
January 1, 2010	*Notice of Intent* form due to Commerce*	State allocation applications due	*Notice of Intent* form due to Commerce*
February 1, 2010	*Project Information Form* and supporting documentation due to Commerce	State allocation awards announced	*Project Information Form* and supporting documentation due to Commerce
As needed	Commerce will announce additional competitive reallocation rounds if and when reallocations become available		
January 1, 2011	State bond issuance milestone. Commerce will extend on a case-by-case basis with receipt of compelling evidence of progress toward issuance.		
As needed	Within 3 days of closing on the bond, a Notification of Issuance form must be filed with Commerce.		

*Note: To express an intention to issue QECBs on its Original Allocation, an Originally Awarded Locality only needs to have an official sign the Notice of Intent form and return the form to Commerce; if using the form to reallocate the Original Allocation to the state, a resolution of the governing bond must accompany the form, as described in #1 below.

Reallocation Procedures

An Originally Awarded Locality is free to designate other issuers within its jurisdiction to use all or a portion of its Original Allocation by whatever procedure is mutually acceptable to both parties, on condition that the Originally Awarded Locality provides documentation of the designation to Commerce and ensures that all other Commerce requests for documentation are met.

However, there may be reasons why an Originally Awarded Locality would not be able to issue QECBs or to designate another issuer within the jurisdiction to issue from the Original Allocation. Some possible reasons include:

Original Allocation too small for a cost effective issuance.

Difficulty of finding a tax credit investor.

Insufficient debt capacity to issue bonds.

Lack of qualified projects within the jurisdiction.

In such cases, ARRA provisions and Treasury guidance in Notice 2009-50 allow Original Allocations to be reallocated to the state, then passed on by the state to other issuers. The following procedures will apply to any reallocated QECB authority:

1. An Originally Awarded Locality that knows in advance it will not be using its Original Allocation may affirmatively reallocate the Original Allocation to the state by adopting a resolution of the governing body, marking the appropriate box on the Notice of Intent form, having the form signed by the appropriate official, and returning the form along with a copy of the resolution to Commerce by January 1, 2010.

2. If an Originally Awarded Locality needs more time to make a decision or to identify possible projects, they may use the Notice of Intent form to express an intention to use their Original Allocation, and may amend the Notice of Intent later if they determine they are unable to use the allocation and have decided to reallocate it to the state.

3. An Originally Awarded Locality intending to use their Original Allocation must provide Commerce with project information and supporting documents, or must request an extension of time to do so, by February 1, 2010. Supporting documents include *Bond Counsel* and *Underwriter Statement of Intent* forms or equivalent and a certified copy of an inducement resolution by the governing board.

4. If an Originally Awarded Locality has not provided Commerce with the requested documents by the due dates, and has not requested an extension, Commerce may issue a *Notice of Intent to Reallocate*, informing the Originally Awarded Locality that the state intends to reallocate the Original Allocation to another issuer.

5. The Originally Awarded Locality will have 15 days from receipt of a *Notice of Intent to Reallocate* in which to respond to Commerce with the requested documentation and to request Commerce reconsider the reallocation determination.

6. Commerce will respond to a request to reconsider a reallocation determination within 10 business days with a decision by the Assistant Director of the Local Government Division either to

go forward with the reallocation or to grant an extension of the time in which the Originally Awarded Locality must demonstrate progress toward a QECB issuance.

Applying for an Allocation/Reallocation

To be considered on a competitive basis for an allocation of the state's $9.8 million in QECB authority, a state or local issuer must provide the following items to Commerce by January 1, 2010:

Completed QECB application form.

Completed and signed *Bond Counsel Statement of Intent* form.

Completed and signed *Underwriter Statement of Intent* form.

Certified copy of an inducement resolution from the issuer's governing body.

Completed and signed *Employment Security Agreement* form (for private activity projects).

Evidence of community support for the project (e.g. letters of support from the local jurisdiction, grant or loan funding available to the project from other sources, etc.).

Allocation fee of 0.000277 times the amount of the allocation being requested, or $500, whichever is greater.

To be considered for a reallocation award, an issuer must provide to Commerce all of the above by a date established and published by Commerce for that purpose. Should reallocated authority become available, Commerce will announce a competitive application round no less than 20 calendar days prior to the application due date.

State Allocation and Reallocation Criteria

In accordance with the intent of the QECB legislation, the Recovery Act, and state law, Commerce intends to use the following criteria to prioritize competitive allocation requests (not all criteria need to be demonstrated in a single project):

At least 70 percent of the state's allocation must be used for government projects, and no more than 30 percent for private activities.

The extent to which the project demonstrates the potential to directly conserve energy.

The extent to which the project supports the development or implementation of innovative energy conservation technology.

The extent to which the project uses renewable resources to produce energy.

The number of citizens benefiting from the project.

The number of jobs produced by the projects (for private activity allocations) and the amount of QECB authority per job produced.

The readiness of the project to proceed.

The certainty of the issuer using the allocation within the timelines.

The amount of other public and private funding leveraged by the QECB allocation.

The amount of local community support for the project.

Comments or Questions?

Commerce feels it is in the interest of the citizens of the state of Washington and is consistent with the intent of Congress in adopting the QECB provisions to ensure the bond issuing authority is used in a timely fashion for the purpose of providing both energy conservation and economic stimulus. The department has established these procedures and timelines, and has adopted them by emergency rule, in order to facilitate the public interest. Permanent rules will be adopted according to the procedures required in state law, including holding a public hearing, which will be conducted on January 6, 2010 at 2:00 in the Commerce first floor conference room in the Davis-Williams Building at 906 Columbia Street, Olympia.

For questions or more information about QECBs and other bond financing opportunities, visit the Bond Cap Allocation Program website at www.commerce.wa.gov/bondcap, or contact Liz Green-Taylor at 360-725-5021 or liz.green-taylor@commerce.wa.gov. The Commerce mailing address is PO Box 42525, Olympia, WA 98504-2525.

APPENDIX E: WAIVERS

GEORGIA

Source:
http://gsfic.georgia.gov/vgn/images/portal/cit_1210/5/21/147741557Sample%20QECB%20Waiver%20Resolution.pdf

EXTRACT OF MINUTES

RESOLUTION OF GOVERNING BODY

At a duly called meeting of the governing body of _____ (the "Volume Cap Allocation Recipient") held on the _____ day of _____, the following resolution was introduced and adopted.

WHEREAS, the State of Georgia (the "State"), as required by Section 54D(e)(2)(A) of the Internal Revenue Code of 1986, as amended (the "Code"), has reallocated to the Volume Cap Allocation Recipient $_____ of the national qualified energy conservation bond limitation that was allocated to the State pursuant to Section 54D(e)(1) of the Code; and

WHEREAS, as permitted by Section 54D(e)(2)(B) of the Code, the Volume Cap

Allocation Recipient desires to reallocate to the State $_____ of the national qualified energy conservation bond limitation that was reallocated to the Volume Cap Allocation Recipient by the State as described above;

NOW, THEREFORE, BE IT RESOLVED by the governing body of the Volume Cap Allocation Recipient that, as permitted by Section 54D(e)(2)(B) of the Code, the Volume Cap Allocation Recipient hereby reallocates to the State $_____ of the national qualified energy conservation bond limitation that was reallocated to the Volume Cap Allocation Recipient by the State pursuant to Section 54D(e)(2)(A) of the Code.

BE IT FURTHER RESOLVED by the governing body of the Volume Cap Allocation Recipient that the Volume Cap Allocation Recipient has not and shall not assign to another person the national qualified energy conservation bond limitation reallocated to the State pursuant to this resolution.

The undersigned certifies that the above resolution has not been repealed or amended and remains in full force and effect.

Dated:

Attesting Officer

(SEAL)

TEXAS

Source: http://www.brb.state.tx.us/QECB/QECB.aspx

QECB Waiver

IRS Notice 2009-29 specified that large local governments with a population of over 100,000 shall receive a portion of the QECB authority allocated to each state (See below for specific amounts). Entities that receive an allocation have the option of using the allocation to issue bonds, designating the allocation to another issuer located within its jurisdiction or returning the allocation to the state for reallocation.

Entities that have received an allocation should return this letter along with a signature of an appropriate official indicating its intention either to utilize or waive the allocation. Entities that elect to utilize the allocation should notify the state after issuance using the Notice of Issuance form on the Bond Review Board's website (http://www.brb.state.tx.us/arra/ARRABonds.aspx).

City or County:_____

YES

The City or County above intends to issue QECBs, issue QECBs through a conduit issuer, or designate another issuer within its jurisdiction to issue QECBs.

NO

The City or County above does not intend to issue QECBs and does not intend to designate the allocation to another issuer within its jurisdiction and hereby releases its allocation to the state for reallocation.

If waiving the allocation, please attach a copy of the Resolution of the City or County's governing body releasing the allocation to the state for reallocation.

Signature _____ Title _____ Date _____

For more information regarding reallocation procedures or details on qualifying projects please visit the Bond Review Board website at http://www.brb.state.tx.us/arra/ARRABonds.aspx.

QECB Allocation Amounts

Counties

County Name	Total QECB Amount to County	70%*	30%*
Harris	$16,892,571	$11,824,800	$5,067,771
Dallas	$5,223,960	$3,656,772	$1,567,188
Tarrant	$6,588,669	$4,612,068	$1,976,601
Hidalgo	$6,120,482	$4,284,337	$1,836,144
Fort Bend	$4,971,999	$3,480,399	$1,491,600
Denton	$4,203,627	$2,942,539	$1,261,088
Montgomery	$4,346,871	$3,042,810	$1,304,061
Williamson	$3,773,122	$2,641,185	$1,131,937
Collin	$3,261,781	$2,283,247	$978,534
Brazoria	$3,102,310	$2,171,617	$930,693
Galveston	$2,996,367	$2,097,457	$898,910
Bexar	$2,764,348	$1,935,044	$829,304
Travis	$2,568,900	$1,798,230	$770,670
Cameron	$2,245,026	$1,571,518	$673,508
Smith	$2,095,283	$1,466,698	$628,585
Brazos	$1,808,773	$1,266,141	$542,632
Bell	$1,750,081	$1,225,056	$525,024
Johnson	$1,580,988	$1,106,692	$474,296
Ellis	$1,503,857	$1,052,700	$451,157
Hays	$1,499,083	$1,049,358	$449,725
Jefferson	$1,405,588	$983,911	$421,676
Ector	$1,369,779	$958,845	$410,934
El Paso	$1,302,523	$911,766	$390,757
Grayson	$1,249,705	$874,794	$374,912
Gregg	$1,237,067	$865,947	$371,120
Guadalupe	$1,189,361	$832,553	$356,808
Parker	$1,147,742	$803,419	$344,323
Tom Green	$1,128,647	$790,053	$338,594
McLennan	$1,117,586	$782,310	$335,276
Comal	$1,108,769	$776,138	$332,631
Total County	$91,554,862	$64,088,403	$27,466,459

*Assumes the maximum of 30% is used for privately-owned projects.

QECB Allocation Amounts

Cities

City Name	Total QECB Amount to City	70%*	30%*
Houston	$23,373,147	$16,361,203	$7,011,944
San Antonio	$14,067,032	$9,846,922	$4,220,110
Dallas	$13,130,436	$9,191,305	$3,939,131
Austin	$7,865,291	$5,505,704	$2,359,587
Fort Worth	$7,216,908	$5,051,836	$2,165,073
El Paso	$6,424,054	$4,496,838	$1,927,216
Arlington	$3,927,364	$2,749,155	$1,178,209
Corpus Christi	$3,022,035	$2,115,424	$906,610
Plano	$2,760,474	$1,932,332	$828,142
Garland	$2,315,870	$1,621,109	$694,761
Laredo	$2,302,258	$1,611,581	$690,677
Lubbock	$2,300,353	$1,610,247	$690,106
Irving	$2,111,721	$1,478,205	$633,516
Amarillo	$1,969,895	$1,378,927	$590,969
Brownsville	$1,829,117	$1,280,382	$548,735
Grand Prairie	$1,676,865	$1,173,806	$503,060
Pasadena	$1,550,864	$1,085,605	$465,259
Mesquite	$1,394,421	$976,094	$418,326
McAllen	$1,346,863	$942,804	$404,059
Carrollton	$1,310,388	$917,272	$393,116
Waco	$1,293,696	$905,587	$388,109
Abilene	$1,230,155	$861,109	$369,047
McKinney	$1,223,815	$856,670	$367,144
Denton	$1,222,608	$855,826	$366,782
Killeen	$1,190,092	$833,064	$357,027
Beaumont	$1,159,872	$811,910	$347,962
Midland	$1,099,549	$769,684	$329,865
Wichita Falls	$1,075,310	$752,717	$322,593
Tribal	$2,935,885	$2,055,120	$880,766
Total Cities	$114,326,337	$80,028,437	$34,297,902
Balance of State	$46,496,801	$32,547,760	$13,949,040
Total Allocation	$252,378,000	$176,664,600	$75,713,400

*Assumes the maximum of 30% is used for privately-owned projects.

WASHINGTON

Instructions:
In 2008 originally awarded local governments (large cities, counties, or tribes) were allocated Qualified Energy Conservation Bond (QECB) volume cap authority. They are now asked to indicate their intention to use or reallocate their Original Allocation of QECB volume cap authority.

Fill in the requested information and indicate Yes or No, as appropriate.

- If answering "Yes," have an official with decision-making authority (mayor, county executive, etc.) sign the form, and return it to Commerce at the address below.
- If answering "No," have an official with decision-making authority (mayor, county executive, CFO, etc.) sign the form, attach an originally signed QECB Waiver Letter, or a copy of a resolution passed by the jurisdiction's governing body, reallocating the QECB authority to the State of Washington.
- Return the form to Commerce at:

  Bond Cap Allocation Program Department of Commerce
  PO Box 42525
  Olympia, WA 98501-2525

Name of Jurisdiction:

YES
Respond YES if ANY of the following applies:

1. Your Originally Awarded Locality plans to issue QECBs for its own projects;
2. Your Originally Awarded Locality plans to have a conduit issuer (WEDFA, EDC,IDC) issue QECBs on behalf of the Locality's own projects; OR
3. Your Originally Awarded Locality plans to designate another issuer within the jurisdiction of the Locality to issue QECBs for that issuer's projects.

Use this option even if you do not currently know what projects might use your allocation;but you still intend to seek out, develop, or conduct a competitive process to identifyeligible projects in your jurisdiction.

NO
Respond NO only if BOTH of the following applies:

1. Your Originally Awarded Locality does not plan to issue QECBs AND does not plan to designate another issuer within your jurisdiction to issue QECBs from your Original Allocation; AND
2. Your Originally Awarded Locality is releasing your Original Allocation to theState of Washington for reallocation to the Washington State Housing Finance Commission.

Signature of official with decision-making authority:
Signature Title Date

APPENDIX F: LOCAL RESOLUTIONS

TEMPE, ARIZONA

Source: http://documents.tempe.gov/sirepub/cache/1207/ehle3s45hwk5cn55gf1zdqnn/138323640413201206365172 8.PDF

RESOLUTION NO. 2011.13 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, AUTHORIZING THE CITY MANAGER'S OFFICE TO SUBMIT AN APPLICATION TO THE ARIZONA DEPARTMENT OF COMMERCE TO BE CONSIDERED FOR AN ADDITIONAL ALLOCATION OF QUALIFIED ENERGY CONSERVATION BONDS TO FINANCE A PORTION OF THE MUNICIPAL ENERGY RETROFIT PROJECT AND AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF ALL OTHER DOCUMENTS AND INSTRUMENTS REQUIRED TO ACCOMPLISH THE INTENT OF THIS RESOLUTION.

WHEREAS, in 2009, the City of Tempe, Arizona (the "City") was awarded an Energy

Efficiency and Conservation Block Grant (the "Grant"). The Grant was funded by the American

Recovery and Reinvestment Act of 2009 ("ARRA"). The City budgeted $930,000 of the Grant for municipal building audits and retrofits; and

WHEREAS, as part of the ARRA Act, the federal government increased the national

qualified energy conservation bond limit to $3,200,000,000 in order to encourage State and local governments to reduce its energy consumption through various methods, including making energy efficient retrofits to City buildings and facilities; and

WHEREAS, the State received an allocation of $67,436,000 of the national qualified energy conservation bond limit to distribute to State and local governments to issue qualified energy conservation bonds; and

WHEREAS, the Arizona Department of Commerce (the "Department") is administering the qualified energy conservation bond program on behalf of the State, including reallocating any portion of an allocation that is waived by the State or a local government and returned to the

State for redistribution; and

WHEREAS, the City previously received $1,852,098.82 from the Department in order to issue qualified energy conservation bonds; and

WHEREAS, under Arizona law, the City is authorized without an election to issue bonds and other obligations that are secured by excise taxes; and

WHEREAS, on February 21, 2010, the City issued a Request for Proposals ("RFP") for energy performance contracting; and

WHEREAS, on June 20, 2010, the City awarded APS Energy Services Company the contract to perform the investment-grade energy audit; and

WHEREAS, in November, 2010, APS Energy Services completed an investment-grade energy audit of twenty-three City buildings and facilities and identified energy conservation equipment that would reduce the City's energy consumption and save the City at least 30% annually in utility costs (the "Project"); and

WHEREAS, on January 27, 2011, contemporaneously with this Resolution, the City

Council decided to finance the Project and award the Measurement, Verification Agreement and Savings Guarantee contract to APS Energy Services Company to monitor the energy conservation equipment and verify the City's annual utility savings and an Energy Performance Agreement to APS Energy Services Company to purchase and install the energy efficient lighting and mechanical equipment for the Project; and

WHEREAS, the total capital improvement cost of the Project is $8,209,624. The City desires to finance the Project using a combination of the Grant funds ($930,000), estimated utility rebates ($420,000) and the issuance of not to exceed

$7,300,000 aggregate principal amount of bonds (the "Bonds"), which includes utilizing the City's $1,852,098.82 previous allocation of qualified energy conservation bonds; and

WHEREAS, the City will sell the Bonds either in a negotiated or competitive bid sale. The City intends to secure the Bonds with the City's excise tax revenues and to repay a portion of the Bonds with the City's annual utility savings that is expected to be produced as a result of the Project; and

WHEREAS, the City intends to apply to the Department for an additional allocation of qualified energy conservation bonds to finance a portion of the Project; and

WHEREAS, the City Manager's Office and Financial Services Department will prepare an application for an additional allocation of qualified energy conservation bonds to finance the a portion of the Project (the "Application"); and

WHEREAS, the City desires to commence the Project in March, 2011 and anticipates that the Project will be complete in ten months; and

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, AS FOLLOWS:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The City Manager's Office and the Financial Services Department is hereby authorized and directed to submit the Application to the Department for consideration of an additional allocation of qualified energy conservation bonds to finance a portion of the Project. The City Manager or Financial Services Director is authorized to execute and deliver any documents or instruments required to accomplish the intent of this resolution.

SECTION 3. The City hereby acknowledges that the City will finance the Project using a combination of the Grant funds ($930,000), estimated utility rebates ($420,000) and the issuance of not to exceed $7,300,000 aggregate principal amount Bonds, which will include utilizing the City's $1,852,098.82 previous allocation of qualified energy conservation bonds and any additional allocation received from the Department and to perform the work for the Project.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, this 27th day of January, 2011.

_____

Mayor

ATTEST:

_____

City Clerk

APPROVED AS TO FORM:

_____

City Attorney

BELLINGHAM, WASHINGTON

*IMAGE OF ORDINANCE NO 2011-04-019 HERE *

APPENDIX G: Call Provisions

Allegheny County

"The Bonds are subject to extraordinary mandatory redemption, in whole or in part, three (3) years from their date of issuance, or, in the event of an extension negotiated with the United States Treasury, on a date that occurs between three (3) years from their date of issuance and the United States Treasury-approved extension date, in authorized denominations, at a redemption price equal to 100% of the principal amount of the Bonds called for redemption, in an amount equal to the unexpended Available Project Proceeds (as defined below) of the Bonds, plus accrued interest, if any, on the Bonds to be redeemed to the redemption date, but only to the extent that the County fails to expend all of such Available Project Proceeds on qualified projects within three years of issuance of the Bonds and no extension of the period for expenditure has been granted by the United States Treasury." County of Allegheny, Pennsylvania Official Statement Dated November 22, 2010 for Series C-64 QECBs Due November 1, 2027, p. 13.

Alma Center

Extraordinary Optional Redemption. The Bonds are subject to redemption prior to maturity, in whole or in part, at the option of the District, on any day, at a redemption price equal to 100% of the principal amount redeemed plus accrued interest to the date of redemption, in the event that an Extraordinary Event occurs. An "Extraordinary Event" means the occurrence of either of the following: (a) Section 6431 of the Internal Revenue Code of 1986, as amended (the "Code"), or any related Code provision is repealed, amended or modified in a manner which results in a reduction or elimination of the cash subsidy payment from the United States Treasury to the District; or (b) the United States Treasury fails to make a cash subsidy payment to which the District is entitled and such failure is not caused by any action or inaction by the District. School District of Alma Center-Humbird Merrillan Official Statement Dated September 8, 2011 Due March 1, 2028, p. 7.

Yakima County

Extraordinary Mandatory Redemption in the Event of Unexpended 2010B Bond Proceeds. The 2010B Bonds are subject to extraordinary mandatory redemption, in whole or in part, on December 1, 2013, or, in the event of an extension negotiated with the Internal Revenue Service ("IRS"), on any date not later than ninety (90) days after the end of such extension period, in authorized denominations, at a redemption price equal to the principal amount of the 2010B Bonds called for redemption plus accrued interest, in an amount equal to the unexpended proceeds of the sale of the 2010B Bonds held by the County, but only to the extent that the County fails to expend all of the proceeds of the 2010B Bonds within three years of issuance thereof and no extension of the period for expenditure has been granted by the IRS. Yakima County, Washington Official Statement Dated September 22, 2010 for Series 2010 B QECBs Due June 1, 2027, p. 10.

Extraordinary Optional Redemption of the 2010B Bonds. The County reserves the right and option to redeem the 2010B Bonds prior to the optional redemption date at any time, as a whole or in part, upon the occurrence of an Extraordinary Event (as defined below), at a price of 100 percent of the

principal amount of the 2010B Bonds to be redeemed, plus accrued interest on the 2010B Bonds to be redeemed to the date fixed for redemption. An "Extraordinary Event" will have occurred if the County determines that a material adverse change has occurred to Sections 54A, 54D or 6431 of the Code or there is any guidance published by the IRS or the United States Department of the Treasury with respect to such Sections or any other determination by the IRS or the United States Department of the Treasury, which determination is not the result of any act or omission by the District to satisfy the requirements to qualify to receive the Federal Credit Payments, pursuant to which the County's Federal Credit Payments are reduced or eliminated." Yakima County, Washington Official Statement Dated September 22, 2010 for Series 2010 B QECBs Due June 1, 2027, p. 10.

Itasca County

Extraordinary Mandatory Redemption from Unexpended Proceeds of the Bonds: To the extent that less than 100 percent of the "Available Project Proceeds" of the Bonds are expended by March 1, 2014, or by the close of any extended period granted by the United States Secretary of the Treasury under Section 54A(d)(2)(B)(iii) of the Code, the County must, as required by Section 54A(d)(2)(B)(i) of the Code, redeem all nonqualified principal installments of the Bonds within 90 days after the end of the later of (i) March 1, 2014, or (ii) any extended period granted by the United States Secretary of the Treasury (the "90-Day Redemption Period"). Such nonqualified principal installments of the Bonds shall be redeemed at a price of par plus any accrued and unpaid interest to the date of such redemption that shall be the earlier to occur of (A) the next succeeding principal installment date on the Bonds, or (B) the expiration of the 90-Day Redemption Period. The amount of nonqualified principal installments of the Bonds to be subject to extraordinary mandatory redemption shall be determined in the same manner as under Section 142 of the Code. "Available Project Proceeds" means the excess of the sale proceeds of the Bonds (including any investment earnings on such proceeds), over the issuance costs financed by the Bonds (to the extent that such costs do not exceed two percent (2%) of such proceeds). Itasca County, Minnesota Official Statement Dated March 1, 2011 for Series 2011 QECBs Due February 1, 2026, p. 7.

Extraordinary Optional Redemption in the Event the Interest Subsidy Payment is Reduced or Eliminated. At the option of the County, the Bonds are subject to extraordinary redemption in whole, but not in part, at a redemption price equal to par plus accrued interest to the redemption date, upon or on any date after the occurrence of a Determination of Ineligibility. A "Determination of Ineligibility" means: (i) the enactment of legislation or the adoption of final regulations or a final decision, ruling or technical advice by any federal judicial or administrative authority that would have the effect of deeming, determining or rendering the Bonds not qualified for treatment as QECBs under Sections 54A or 54D of the Code; (ii) the federal government discontinues the QECB direct payment program under Section 6431 of the Code with retroactive applicability to bonds issued prior to the date of such discontinuance (including the Bonds); or (iii) the receipt by the County of a written opinion of nationally recognized bond counsel to the effect that the Bonds are not QECBs under Sections 54A or 54D of the Code. Itasca County, Minnesota Official Statement Dated March 1, 2011 for Series 2011 QECBs Due February 1, 2026, p. 7.

Lawrence

"The Series 2011B Bonds are subject to redemption prior to maturity by written direction of the Company to the Issuer, in whole or in part, any Business Day (and, if in part, in Authorized Denominations), at a redemption price equal to the Make-Whole Redemption Price. Extraordinary Optional Redemption. The Series 2011B Bonds shall be subject to redemption and payment prior to the stated maturity thereof, at the option of the Issuer, which shall be exercised upon instructions from the Company, in whole or in part at any time, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the redemption date, without premium, upon the occurrence of any of the following events: (i) all or a material portion of the Project shall have been damaged or destroyed or title to, or the temporary use of, all or a material portion of such Project shall have been condemned or taken for any public or quasi-public use by any authority exercising the power of eminent domain to such extent that in the determination of the Company (a) such Project cannot be reasonably restored within a period of six months to the condition thereof immediately preceding such damage or destruction, or (b) the Company is thereby prevented from carrying on its normal operations of such Project for a period of six months, or (c) the cost of restoration thereof would exceed the net proceeds of insurance carried thereon, plus the amounts for which the Company is self-insured with respect to deductible amounts; or (ii) as a result of any changes in the Constitution of the State of Kansas or the Constitution of the United States of America or of legislative or administrative action (whether state or federal) or by final direction, judgment or order of any court or administrative body (whether state or federal) entered after the contest thereof by the Company in good faith, the Guaranty, the Lease Agreement, the Base Lease Agreement or the Indenture shall have become void or unenforceable or impossible of performance in accordance with the intent and purposes of the parties as expressed in the Guaranty, the Lease Agreement, or the Indenture; or (iii) any unreasonable burden or excessive liability, whether direct or indirect, shall have been imposed on the Company by a governmental agency, including without limitation federal, state or other ad valorem, property, income or other taxes not being imposed on the date of the Indenture, as evidenced by an Officer's Certificate delivered to the Issuer and to the Trustee. Any Series 2011B Bonds redeemed in part (and not in whole) pursuant to paragraph (i) above shall only be redeemed if the Trustee receives an Officer's Certificate to the following effect: (a) that the property damaged or destroyed or the property condemned or taken by eminent domain, as the case may be, was not essential in the Company's operation of the Project and the failure to replace such property will not adversely affect the Company's operations, and (b) the remainder of the Company's property is structurally sound and useable by the Company. Extraordinary Optional Redemption Upon Termination of Federal Subsidy. The Series 2011B Bonds shall be subject to redemption and payment prior to the stated maturity thereof, at the option of the Issuer, which shall be exercised upon instructions from the Company, in whole or in part at any time, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the redemption date, without premium, upon the failure of the Series 2011B Bonds to remain eligible for the Federal Subsidy payment. Extraordinary Mandatory Redemption from Unexpended Proceeds of the Series 2011B Bonds. The Series 2011B Bonds shall be subject to extraordinary mandatory redemption, in whole or in part, on a date which is no later than 90 days after the close of the Expenditure Period (as defined herein), or in the event an Extension Period (as defined herein) is granted by the Secretary of the Treasury, on a date determined by negotiations thereof, in Authorized Denominations (rounded up to the next highest Authorized Denomination), at the redemption price of 100% (expressed as a percentage of

the principal amount) of the Series 2011B Bonds so called for redemption, in an amount equal to the unexpended proceeds of the sale of the Series 2011B Bonds (plus any unexpended investment earnings on such sale proceeds, if any, at the close of the Expenditure Period (or any Extension Period), plus accrued interest thereon to the Redemption Date." City of Lawrence, Kansas Official Statement Dated as of December 10, 2010 and March 1, 2011 for Series 2011 B QECBs Due December 1, 2025, pp. 19–21.

APPENDIX H: Known State Agencies Administering QECBs

State	Contact Organization
Alabama	Alabama Department of Economic and Community Affairs
Alaska	State Bond Committee/Alaska Housing Finance Agency
Arizona	Dept of Commerce
Arkansas	ADFA
California	California Debt Limit Allocation Committee
Colorado	CO Energy Office
Connecticut	Connecticut Development Authority
Delaware	Delaware Department of Natural Resources and Environmental Control
District of Columbia	Office of the Chief Financial Officer
Florida	Governors Energy Office
Georgia	GEFA
Hawaii	Department of Budget and Finance
Idaho	Office of Energy Resources
Idaho	Department of Commerce
Illinois	Illinois Finance Authority
Indiana	Indiana Finance Authority
Iowa	Energy Office, Iowa Economic Development Authority
Kansas	Department of Commerce
Kentucky	Kentucky Private Bond Allocation Committee
Louisiana	Division of Administration
Maine	Finance Authority of Maine
Maryland	Maryland Energy Administration
Massachusetts	Department of Energy Resources
Michigan	Bond Finance
Minnesota	Minnesota Management & Budget
Mississippi	Financial Services
Missouri	Department of Economic Development
Montana	Department of Administration
Nebraska	Nebraska State Energy Office; Nebraska Investment Finance Authority
Nevada	Nevada Department of Business & Industry
New Hampshire	Office of Energy and Planning
New Jersey	Department of Treasury
New Mexico	Energy Conservation and Management Division; New Mexico Energy, Minerals and Natural Resources Department (EMNRD)
New York	NYSERDA
North Carolina	NC Commerce
North Carolina	State Treasurer
North Dakota	Industrial Commission
Ohio	Air Quality Development Authority

Oklahoma	Department of Commerce
Oregon	Oregon Department of Energy - Energy Development Services
Pennsylvania	Center for Private Financing
Rhode Island	Budget Office
South Carolina	State Energy Office
South Dakota	Governor's Office
Tennessee	Office of Energy Programs, TN Department of Environment and Conservation
Texas	Bond Review Board
Utah	Office of Energy Development
Vermont	Commissioner of the Department of Public Service
Virginia	Department of Treasury
Washington	Department of Commerce
West Virginia	West Virginia Division of Energy
Wisconsin	WI Office of Energy Independence
Wyoming	Governor's Office
American Samoa	EPC has no information about administering agency. Please let us know if you have any additional information so that we may update the chart.
Guam	EPC has no information about administering agency. Please let us know if you have any additional information so that we may update the chart.
Northern Marianas	EPC has no information about administering agency. Please let us know if you have any additional information so that we may update the chart.
Puerto Rico	Puerto Rico Government Development Agency
U.S. Virgin Islands	Energy office

APPENDIX I: QECB Sub-Allocations

State	Jurisdiction	Allocation
Alabama	Baldwin County	$1,795,364
Alabama	Calhoun County	$1,179,737
Alabama	Etowah County	$1,077,544
Alabama	Jefferson County	$4,484,959
Alabama	City of Birmingham	$2,401,947
Alabama	Lee County	$1,364,398
Alabama	Madison County	$1,475,675
Alabama	City of Huntsville	$1,790,471
Alabama	Mobile County	$2,225,075
Alabama	City of Mobile	$1,999,144
Alabama	City of Montgomery	$2,131,046
Alabama	Morgan County	$1,199,944
Alabama	Shelby County	$1,912,662
Alabama	Tuscaloosa County	$1,852,471
Alabama	Balance of State	$21,473,562
Alaska	Anchorage	$2,990,000
Alaska	Balance to State	$4,130,000
Arizona	Total State	$1,640,261
Arizona	Chandler City	$2,621,361
Arizona	Cochise County	$1,360,326
Arizona	Coconino County	$1,091,422
Arizona	Tribal Reservations	$1,905,005
Arizona	Gilbert Town	$2,208,058
Arizona	Glendale City	$2,693,204
Arizona	Maricopa County	$6,322,101
Arizona	Mesa City	$4,818,610
Arizona	Mohave County	$2,049,319
Arizona	Navajo County	$723,803
Arizona	Peoria City	$1,561,152
Arizona	Phoenix City	$16,513,990
Arizona	Pima County	$4,632,572
Arizona	Pinal County	$3,076,186
Arizona	Scottsdale City	$2,507,293
Arizona	Tempe City	$1,852,099
Arizona	Tucson City	$5,590,936
Arizona	Yavapai County	$2,252,315
Arizona	Yuma County	$2,015,988
Arkansas	Little Rock	$1,952,008
Arkansas	Benton County	$2,188,618
Arkansas	Faulkner County	$1,085,765
Arkansas	Pulaski County	$3,890,323

Arkansas	Sebastian County	$1,262,992
Arkansas	Washington county	$2,019,857
California	Berkeley	$1,051,727
California	Fremont	$2,088,723
California	Hayward	$1,462,202
California	Oakland	$4,165,215
California	Concord	$1,253,686
California	Richmond	$1,052,526
California	Fresno	$4,881,246
California	Bakersfield	$3,276,625
California	Burbank	$1,071,532
California	Downey	$1,121,568
California	El Monte	$1,268,501
California	Glendale	$2,043,542
California	Inglewood	$1,176,209
California	Lancaster	$1,489,932
California	Long Beach	$4,839,873
California	Los Angeles	$39,779,044
California	Norwalk	$1,076,034
California	Palmdale	$1,461,569
California	Pasadena	$1,487,691
California	Pomona	$1,583,457
California	Santa Clarita	$1,763,142
California	Torrance	$1,467,150
California	West Covina	$1,103,713
California	Salinas	$1,488,905
California	Anaheim	$3,457,264
California	Costa Mesa	$1,130,583
California	Fullerton	$1,370,107
California	Garden Grove	$1,718,107
California	Huntington Beach	$2,001,069
California	Irvine	$2,086,917
California	Orange	$1,393,273
California	Santa Ana	$3,522,685
California	Roseville	$1,128,311
California	Corona	$1,559,357
California	Moreno Valley	$1,960,100
California	Riverside	$3,054,612
California	Elk Grove	$1,361,248
California	Sacramento	$4,774,742
California	Fontana	$1,903,726
California	Ontario	$1,773,361
California	Rancho Cucamonga	$1,766,410
California	San Bernadino	$2,067,465

California	Victorville	$1,112,355
California	Chula Vista	$2,256,207
California	Escondido	$1,413,472
California	Oceanside	$1,749,147
California	San Diego	$13,141,596
California	Stockton	$2,979,999
California	Daly City	$1,046,591
California	San Jose	$9,750,904
California	Santa Clara	$1,138,654
California	Sunnyvale	$1,360,501
California	Fairfield	$1,078,856
California	Vallejo	$1,190,784
California	Santa Rosa	$1,600,160
California	Modesto	$2,115,914
California	Visalia	$1,230,437
California	Oxnard	$1,916,414
California	San Buenaventura	$1,070,837
California	Simi Valley	$1,249,743
California	Thousand Oaks	$1,279,674
California	Alameda county	$6,312,864
California	Butte County	$2,263,542
California	Contra Costa county	$8,220,574
California	El Dorado county	$1,817,587
California	Fresno county	$4,401,242
California	Humboldt county	$1,334,295
California	Imperial county	$1,668,517
California	Kern county	$4,889,898
California	Kings county	$1,537,820
California	Los Angeles county	$39,017,976
California	Madera county	$1,511,075
California	Marin county	$2,561,775
California	Merced county	$2,533,619
California	Monterey county	$2,709,061
California	Napa county	$1,367,151
California	Orange county	$14,201,955
California	Placer county	$2,317,250
California	Riverside county	$14,842,513
California	Sacamento county	$8,183,112
California	San Bernadino county	$12,148,422
California	San Diego county	$12,145,091
California	San Francisco county	$8,291,078
California	San Joaquin county	$3,948,928
California	San Luis Obispo	$2,715,669
California	San Mateo county	$6,232,877

California	Santa Barbra county	$4,171,470
California	Santa Clara county	$5,717,995
California	Santa Cruz county	$2,600,399
California	Shasta county	$1,857,726
California	Solano county	$1,945,182
California	Sonoma county	$3,195,828
California	Stanislaus county	$3,165,369
California	Tulare county	$3,118,228
California	Ventura county	$2,704,600
California	Yolo county	$2,019,214
Colorado	Adams County	$2,166,566
Colorado	Arapahoe County	$2,907,631
Colorado	Boulder County	$3,059,578
Colorado	Denver County	$6,201,638
Colorado	Douglas County	$2,868,316
Colorado	El Paso County	$2,222,464
Colorado	Jefferson County	$2,530,277
Colorado	Larimer County	$1,619,849
Colorado	Mesa County	$1,466,028
Colorado	Weld County	$2,569,307
Colorado	Arvada	$1,120,777
Colorado	Aurora	$3,286,542
Colorado	Colorado Springs	$3,967,822
Colorado	Fort Collins	$1,411,395
Colorado	Lakewood	$1,478,920
Colorado	Pueblo	$1,094,182
Colorado	Thornton	$1,168,758
Colorado	Westminster	$1,119,375
Colorado	Southern Ute	$18,889
Colorado	Ute Mountain Ute	$18,773
Connecticut	East Hartford	$6,000,000
Connecticut	Waterbury	$3,787,506
Connecticut	Tolland	$3,600,000
Connecticut	Danbury	$5,962,463
Connecticut	Bridgeport	$1,410,000
Connecticut	New Haven	$1,280,000
Connecticut	Stamford	$1,220,000
Connecticut	Balance to State	$16,973,031
Delaware	New Castle County	$1,620,000
Georgia	Athens-Clarke Consolidated Government	$1,187,100
Georgia	City of Atlanta	$5,465,388
Georgia	August-Richmond Consolidated Government	$2,022,808
Georgia	Bibb County	$1,628,726
Georgia	Carroll County	$1,178,615

Georgia	Chatham County	$1,243,718
Georgia	Cherokee County	$2,151,467
Georgia	Clayton County	$2,865,811
Georgia	Cobb County	$7,284,149
Georgia	Columbia County	$1,148,569
Georgia	Columbus-Muscogee Consolidated Government	$1,969,159
Georgia	Coweta County	$1,252,119
Georgia	Dekalb County	$7,367,023
Georgia	Douglas County	$1,310,643
Georgia	Fayette County	$1,117,449
Georgia	Forsyth County	$1,672,995
Georgia	Fulton County	$5,372,355
Georgia	Gwinnett County	$8,173,474
Georgia	Hall County	$1,896,823
Georgia	Henry County	$1,958,537
Georgia	Houston County	$1,379,294
Georgia	Lowndes County	$1,071,612
Georgia	Paulding County	$1,346,552
Georgia	City of Savannah	$1,372,082
Georgia	Balance to State	$37,047,531
Idaho	Boise City	$2,070,979
Idaho	Ada County	$1,865,462
Idaho	Bonneville County	$1,043,394
Idaho	Canyon County	$1,912,889
Idaho	Kootenai County	$1,422,810
Idaho	Balance to State	$7,493,466
Indiana	Fort Wayne	$2,623,360
Indiana	Clark County	$1,096,865
Indiana	Delaware County	$1,202,500
Indiana	Elkhart County	$2,063,619
Indiana	Hamilton County	$2,723,148
Indiana	Hendricks County	$1,401,543
Indiana	Johnson County	$1,420,359
Indiana	Lake County	$5,129,192
Indiana	LaPorte County	$1,151,410
Indiana	Madison County	$1,369,457
Indiana	Indianapolis	$8,305,661
Indiana	Monroe County	$1,332,578
Indiana	Porter County	$1,673,405
Indiana	St. Joseph County	$1,688,242
Indiana	South Bend	$1,086,622
Indiana	Tippecanoe County	$1,692,220
Indiana	Evansville	$1,213,839
Indiana	Vigo County	$1,104,288

Indiana	Balance to State	$27,876,691
Illinois	Aurora	$1,778,201
Illinois	Chicago	$29,666,445
Illinois	Elgin	$1,085,427
Illinois	Joliet	$1,497,510
Illinois	Naperville	$1,485,203
Illinois	Peoria	$1,190,634
Illinois	Rockford	$1,636,106
Illinois	Springfield	$1,225,428
Illinois	Champaign County	$2,021,135
Illinois	Cook County	$24,948,146
Illinois	Dekalb County	$1,103,086
Illinois	Dupage County	$8,173,550
Illinois	Kane	$3,089,684
Illinois	Kankakee County	$1,170,159
Illinois	Lake County	$7,357,456
Illinois	LaSalle County	$1,178,255
Illinois	Macon County	$1,138,706
Illinois	Madison County	$2,797,540
Illinois	McHenry County	$3,295,988
Illinois	McLean County	$1,717,486
Illinois	Peoria County	$726,949
Illinois	Rock Island County	$1,540,357
Illinois	Sangamon County	$804,820
Illinois	St. Clair County	$2,736,092
Illinois	Tazewell	$1,371,743
Illinois	Will County	$5,008,254
Illinois	Winnebago County	$1,480,857
Illinois	Balance to the State	$22,620,783
Iowa	Black Hawk County	$1,322,188.24
Iowa	Johnson County	$1,303,991.37
Iowa	Polk County	$2,296,301.70
Iowa	Scott County	$1,687,795.91
Iowa	Woodbury County	$1,061,176.25
Iowa	Cedar Rapids	$1,311,295.01
Iowa	Des Moines	$2,043,755.30
Iowa	Balance to State	$20,123,496.22
Kentucky	Lexington-Fayette	$2,984,924
Kentucky	Lousiville	$7,408,699
Maryland	Anne Arundel County	$5,324,796
Maryland	Baltimore County	$8,188,030
Maryland	Carroll County	$1,761,908
Maryland	Charles County	$1,463,345
Maryland	Frederick County	$2,340,341

Maryland	Harford County	$2,499,895
Maryland	Howard County	$2,850,689
Maryland	Montgomery County	$9,793,890
Maryland	Prince George's County	$8,662,178
Maryland	St. Mary's County	$1,044,425
Maryland	Washington County	$1,508,357
Maryland	Baltimore City	$6,659,180
Maryland	Balance to State	$6,347,968
Massachusetts	Barnstable County	$2,293,267.00
Massachusetts	Bristol County	$5,662,627.00
Massachusetts	Norfolk County	$6,846,210.00
Massachusetts	Plymouth County	$5,104,927.00
Massachusetts	Suffolk County	$1,282,918.00
Massachusetts	Boston	$6,318,294.00
Massachusetts	Worcester	$1,815,647.00
Massachusetts	Springfield	$1,562,811.00
Massachusetts	Cambridge	$1,095,503.00
Massachusetts	Lowell	$1,074,951.00
Massachusetts	Balance to State	$34,355,845
Michigan	Oakland County	$12,415,518
Michigan	Wayne County	$10,994,900
Michigan	Detroit	$9,468,817
Michigan	Macomb County	$5,863,765
Michigan	Kent County	$4,228,623
Michigan	Genesee County	$3,299,808
Michigan	Ottawa County	$2,669,019
Michigan	Kalamazoo County	$2,525,459
Michigan	Washtenaw County	$2,409,213
Michigan	Saginaw County	$2,088,779
Michigan	Grand Rapids	$1,994,962
Michigan	Livingston County	$1,866,202
Michigan	Muskegon County	$1,797,941
Michigan	St. Clair County	$1,753,867
Michigan	Ingham County	$1,740,102
Michigan	Jackson County	$1,680,197
Michigan	Berrien County	$1,645,500
Michigan	Monroe County	$1,583,385
Michigan	Calhoun County	$1,407,864
Michigan	Warren	$1,383,545
Michigan	Sterling Heights	$1,317,187
Michigan	Ann Arbor	$1,184,118
Michigan	Flint	$1,182,208
Michigan	Allegan County	$1,162,773
Michigan	Lansing	$1,133,952

Michigan	Bay County	$1,108,724
Michigan	Eaton County	$1,056,792
Michigan	Lenawee County	$1,046,548
Michigan	Lansing	$49,371
Michigan	Balance to State	$21,720,861
Minnesota	Anoka	$3,393,397
Minnesota	Dakota	$4,074,639
Minnesota	Hennepin	$7,867,849
Minnesota	Minneapolis	$3,969,338
Minnesota	Ramsey	$2,301,460
Minnesota	St. Paul	$2,900,608
Minnesota	Rochester	$1,041,735
Minnesota	St. Louis	$2,042,367
Minnesota	Scott	$1,337,658
Minnesota	Stearns	$1,525,841
Minnesota	Washington	$2,377,557
Minnesota	Wright	$1,241,839
Minnesota	Tribal Reservations	$364,498
Minnesota	Balance to State	$19,720,214
Missouri	Kansas City	$4,670,389
Missouri	St. Louis	$3,637,371
Missouri	Springfield	$1,605,037
Missouri	Independence	$1,148,000
Missouri	Boone County	$1,577,408
Missouri	Clay County	$1,192,333
Missouri	Greene County	$1,130,969
Missouri	Jackson County	$3,656,810
Missouri	Jasper County	$1,193,557
Missouri	Jefferson County	$2,238,409
Missouri	St. Charles County	$3,560,546
Missouri	St. Louis County	$10,307,031.00
Missouri	Balance to State	$25,411,140.00
Nebraska	Omaha	$4,525,358.00
Nebraska	Lincoln	$2,594,899.00
Nebraska	Sarpy County	$1,529,901.00
Nebraska	Balance to State	$9,851,840.00
Nevada	Henderson	$2,621,091.00
Nevada	Las Vegas	$5,874,351.00
Nevada	North Las Vegas	$2,229,404.00
Nevada	Clark County	$8,575,996.00
Nevada	Reno	$2,261,645.00
Nevada	Washoe County	$2,012,271.00
Nevada	Tribes	$298,705.00
Nevada	Balance to State	$3,101,538.00

New Hampshire	Rockingham County	$3,079,634.00
New Hampshire	Stafford County	$1,260,921.00
New Hampshire	Hillsborough County	$3,042,757.00
New Hampshire	Merrimack County	$1,540,358.00
New Hampshire	Manchester	$1,129,348.00
New Hampshire	Balance to State	$3,597,982
New Jersey	Atlantic County	$3,597,982
New Jersey	Bergen County	$9,292,868
New Jersey	Burlington County	$4,635,489
New Jersey	Camden County	$5,330,080
New Jersey	Cumberland County	$1,613,686
New Jersey	Essex County	$5,159,316
New Jersey	Gloucester County	$2,964,535
New Jersey	Hudson County	$3,715,346
New Jersey	Hunterdon County	$1,341,916
New Jersey	Mercer County	$3,791,339
New Jersey	Middlesex County	$8,181,607
New Jersey	Monmouth County	$6,660,720
New Jersey	Morris County	$1,613,686
New Jersey	Ocean County	$5,866,689
New Jersey	Passaic County	$3,593,104
New Jersey	Somerset County	$3,356,680
New Jersey	Sussex County	$1,571,503
New Jersey	Union County	$4,154,964
New Jersey	Warren County	$1,138,463
New Jersey	City of Newark	$2,892,173
New Jersey	City of Jersey City	$2,490,246
New Jersey	City of Paterson	$1,512,327
New Jersey	City of Elizabeth	$1,288,083
New York	City of New York	$86,699,806
New York	Town of Hempstead	$7,709,997
New York	Town of Oyster Bay	$3,052,259
New York	Town of Ramapo	$1,192,376
New York	Dutchess County	$3,067,368
New York	Erie County	$5,502,216
New York	Monroe County	$5,479,133
New York	Orange County	$3,951,945
New York	Tompkins County	$1,058,846
New York	City of Buffalo	$2,856,615
New York	City of Yonkers	$2,087,662
New York	Town of Brookhaven	$4,922,473
New York	Albany County	$3,136,114
New York	Jefferson County	$1,228,022
New York	Nassau County	$635,423

New York	Niagara County	$2,251,128
New York	Oneida County	$2,434,062
New York	Onondaga County	$3,299,821
New York	Ontario County	$1,089,242
New York	Rensselaer County	$1,627,409
New York	Saratoga County	$2,261,679
New York	Schenectady County	$1,580,258
New York	St. Lawrence County	$1,150,570
New York	Ulster County	$1,905,514
New York	Westchester County	$7,880,242
New York	City of Syracuse	$1,457,258
New York	Town of Amherst	$1,211,048
New York	Town of Babylon	$2,212,569
New York	Town of Islip	$3,392,865
New York	Town of North Hempstead	$2,292,065
New York	Suffolk County	$1,444,224
New York	City of Rochester	$2,166,404
New York	Chautauqua County	$1,403,465
New York	Broome County	$250,000
New York	Balance to State	$28,309,922
New Mexico	Bernalillo County	$6,589,345
New Mexico	Dona Ana	$2,091,561
New Mexico	Sandoval	$1,268,799
New Mexico	San Juan	$1,270,895
New Mexico	Santa Fe	$1,493,296
New Mexico	Albuquerque	$5,415,557
New Mexico	Balance to State	$2,457,547
North Dakota	City of Fargo	$2,875,000
North Dakota	Mandan School District	$3,780,000
North Carolina	Alamance County	$1,528,708
North Carolina	Buncombe County	$1,675,982
North Carolina	Cabarrus County	$1,202,476
North Carolina	Cumberland County	$1,199,996
North Carolina	Fayetteville	$2,058,780
North Carolina	Davidson County	$1,647,121
North Carolina	Durham City	$2,289,970
North Carolina	Forsyth County	$1,313,416
North Carolina	Winston-Salem	$2,359,521
North Carolina	Gaston County	$2,136,079
North Carolina	Guilford County	$1,254,188
North Carolina	Greensboro	$2,594,225
North Carolina	High Point	$1,059,152
North Carolina	Harnett County	$1,146,405
North Carolina	Henderson County	$1,062,276

North Carolina	Iredell County	$1,598,566
North Carolina	Johnston County	$1,656,347
North Carolina	Mecklenburg County	$2,067,668
North Carolina	Charlotte	$7,068,999
North Carolina	New Hanover	$2,006,351
North Carolina	Onslow County	$1,727,038
North Carolina	Orange County	$1,316,593
North Carolina	Pitt County	$1,606,018
North Carolina	Randolph County	$1,470,589
North Carolina	Robeson County	$1,348,819
North Carolina	Rowan County	$1,449,678
North Carolina	Union County	$1,947,292
North Carolina	Wake County	$3,500,363
North Carolina	Cary	$1,277,537
North Carolina	Raleigh	$4,001,702
North Carolina	Wayne County	$1,195,953
Ohio	Findlay	$518,006
Ohio	South Euclid	$386,146
Ohio	Pickaway County	$1,557,500
Oklahoma	Oklahoma City	$5,724,433.00
Oklahoma	Tulsa	$4,000,699
Oklahoma	Norman	$1,109,606.00
Oklahoma	Comance County	$1,159,558.00
Oklahoma	Oklahoma County	$2,558,939.00
Oklahoma	Tulsa County	$1,393,281.00
Oklahoma	Tribes	$4,646,666.00
Oklahoma	Balance to State	$17,193,819.00
Oregon	Multnomah County	$1,726,583.00
Oregon	Washington County	$5,474,987.00
Oregon	Clackamas County	$3,940,277.00
Oregon	Lane County	$2,049,546.00
Oregon	Marion County	$1,917,128.00
Oregon	Jackson County	$2,086,707.00
Oregon	Deschutes County	$1,643,903.00
Oregon	Linn County	$1,196,679.00
Oregon	Douglas County	$1,079,561.00
Oregon	Portland city	$5,710,087.00
Oregon	Salem city	$1,576,022.00
Oregon	Eugene city	$1,545,843.00
Oregon	Balance to State	$9,372,679.00
Pennsylvania	Adams County	$1,049,054
Pennsylvania	Alleghany County	$9,389,558
Pennsylvania	Pittsburgh	$3,216,462
Pennsylvania	Beaver County	$1,789,343

Pennsylvania	Berks County	$4,187,075
Pennsylvania	Blair County	$1,298,611
Pennsylvania	Bucks County	$6,449,202
Pennsylvania	Butler County	$1,897,507
Pennsylvania	Cambria County	$1,497,230
Pennsylvania	Centre County	$1,502,002
Pennsylvania	Chester County	$5,098,926
Pennsylvania	Cumberland County	$2,379,493
Pennsylvania	Dauphin County	$2,661,689
Pennsylvania	Delaware County	$5,743,491
Pennsylvania	Erie County	$1,819,242
Pennsylvania	City of Erie	$1,077,044
Pennsylvania	Fayette County	$1,493,142
Pennsylvania	Franklin County	$1,488,681
Pennsylvania	Lackawanna County	$2,172,492
Pennsylvania	Lancaster County	$5,211,811
Pennsylvania	Lebanon County	$1,337,619
Pennsylvania	Lehigh County	$2,414,538
Pennsylvania	City of Allentown	$1,112,659
Pennsylvania	Luzerne County	$3,236,651
Pennsylvania	Lycoming County	$1,210,387
Pennsylvania	Mercer County	$1,210,200
Pennsylvania	Monroe County	$1,712,385
Pennsylvania	Montgomery County	$8,071,817
Pennsylvania	Northampton County	$3,058,252
Pennsylvania	Philadelphia County	$15,015,921
Pennsylvania	Schuylkill County	$1,527,679
Pennsylvania	Washington County	$2,141,358
Pennsylvania	Westmoreland County	$3,751,286
Pennsylvania	York County	$4,404,813
Pennsylvania	Balance to State	$17,516,380
South Dakota	Davison County (Mitchell) #17-2	$1,725,000
South Dakota	Lake County	$850,000
South Dakota	Rapid City Area School District	$4,000,000
South Dakota	Rapid City Area School District	$1,768,000
Tennessee	Memphis	$7,014,356
Tennessee	Nashville	$6,441,971
Tennessee	Knoxville	$1,910,094
Tennessee	Chatanooga	$1,767,919
Tennessee	Blount County	$1,247,286
Tennessee	Hamilton County	$1,668,015
Tennessee	Knox County	$2,501,003
Tennessee	Clarksville	$1,241,344
Tennessee	Rutherford County	$2,512,804

Tennessee	Shelby County	$2,456,712
Tennessee	Sullivan County	$1,597,614
Tennessee	Summer County	$1,589,310
Tennessee	Washington County	$1,214,005
Tennessee	Williamson County	$1,728,832
Tennessee	Wilson County	$1,106,807
Tennessee	Balance to State	$28,677,928
Texas	Houston	$23,373,147
Texas	Harris County	$16,892,571
Texas	San Antonio	$14,067,032
Texas	Dallas	$13,130,436
Texas	Austin	$7,865,291
Texas	Fort Worth	$7,216,908
Texas	Tarrant County	$6,588,669
Texas	El Paso	$6,424,054
Texas	Hidalgo County	$6,120,482
Texas	Dallas County	$5,223,960
Texas	Fort Bend County	$4,971,999
Texas	Montgomery County	$4,346,871
Texas	Denton County	$4,203,627
Texas	Arlington	$3,927,364
Texas	Williamson County	$3,773,122
Texas	Collin County	$3,261,781
Texas	Brazoria County	$3,102,310
Texas	Corpus Christi	$3,022,035
Texas	Galveston County	$2,996,367
Texas	Indian Tribal Government	$2,935,885
Texas	Bexar County	$2,764,348
Texas	Plano City	$2,760,474
Texas	Travis County	$2,568,900
Texas	Garland City	$2,315,870
Texas	Laredo City	$2,302,258
Texas	Lubbock	$2,300,353
Texas	Cameron County	$2,245,026
Texas	Irving	$2,111,721
Texas	Smith County	$2,095,283
Texas	Amarillo	$1,969,895
Texas	Brownsville	$1,829,117
Texas	Brazos County	$1,808,773
Texas	Bell County	$1,750,081
Texas	Grand Prairie	$1,676,865
Texas	Johnson County	$1,580,988
Texas	Pasadena	$1,550,864
Texas	Ellis County	$1,503,857

Texas	Hays County	$1,499,083
Texas	Jefferson County	$1,405,588
Texas	Mesquite	$1,394,421
Texas	Ector County	$1,369,779
Texas	McAllen City	$1,346,863
Texas	Carrollton City	$1,310,388
Texas	El Paso County	$1,302,523
Texas	Waco	$1,293,696
Texas	Grayson County	$1,249,705
Texas	Gregg County	$1,237,067
Texas	Abilene	$1,230,155
Texas	McKinney	$1,223,815
Texas	Denton	$1,222,608
Texas	Killeen	$1,190,092
Texas	Guadalupe County	$1,189,361
Texas	Beaumont	$1,159,872
Texas	Parker County	$1,147,742
Texas	Tom Green County	$1,128,647
Texas	McLennan County	$1,117,586
Texas	Comal county	$1,108,769
Texas	Midland	$1,099,549
Texas	Wichita Falls	$1,075,310
Texas	Balance to the State	$46,496,801
Utah	Cache County	$1,159,365
Utah	Davis County	$3,060,769
Utah	Provo City	$1,253,544
Utah	Salt Lake City	$1,908,605
Utah	Salt Lake County	$6,392,683
Utah	Utah County	$4,205,966
Utah	Washington County	$1,419,458
Utah	Weber County	$2,355,204
Utah	West Jordan City	$1,089,694
Utah	West Valley City	$1,301,676
Utah	Indian Tribal Government	$393,660
Utah	Balance of State	$3,848,376
Virginia	Fairfax County	$10,512,656
Virginia	Virginia Beach City	$4,554,143
Virginia	Prince William County	$3,764,598
Virginia	Chesterfield County	$3,130,521
Virginia	Henrico County	$3,030,414
Virginia	Loudoun County	$2,903,590
Virginia	Norfolk County	$2,470,542
Virginia	Chesapeake City	$2,290,975
Virginia	Arlington County	$2,134,764

Virginia	Richmond City	$2,093,745
Virginia	Newport News City	$1,892,936
Virginia	Hampton	$1,533,382
Virginia	Alexandria	$1,464,096
Virginia	Stafford County	$1,262,805
Virginia	Spotsylvania County	$1,244,652
Virginia	Portsmouth City	$1,067,136
Virginia	Balance to the State	$35,249,046.00
Washington	Seattle	$6,164,529
Washington	Bellevue	$1,258,893
Washington	Balance of King County	$12,033,825
Washington	Tacoma	$2,038,763
Washington	Balance of Pierce County	$6,111,713
Washington	Snohomish County	$7,092,461
Washington	Spokane City	$2,084,980
Washington	Balance of Spokane County	$2,714,982
Washington	Vancouver	$1,674,790
Washington	Balance of Clark County	$2,731,529
Washington	Thurston County	$2,543,588
Washington	Kitsap County	$2,487,442
Washington	Yakima County	$2,433,444
Washington	Whatcom County	$2,038,856
Washington	Benton County	$1,691,617
Washington	Skagit County	$1,224,171
Washington	Cowlitz County	$1,050,442
Washington	Tribes	$710,081
Washington	Balance of State	$9,857,893
West Virginia	Kanawha County	$1,976,520
West Virginia	Berkeley County	$1,054,144
West Virginia	Balance to State	$15,793,336
Wisconsin	Milwaukee city	$6,276,756
Wisconsin	Madison city	$2,384,567
Wisconsin	Green Bay city	$1,050,460
Wisconsin	Brown County	$1,483,753
Wisconsin	Dane County	$2,585,057
Wisconsin	Kenosha County	$1,698,158
Wisconsin	La Crosse County	$1,161,259
Wisconsin	Marathon County	$1,354,578
Wisconsin	Milwaukee County	$3,638,332
Wisconsin	Outagamie County	$1,810,541
Wisconsin	Racine County	$2,033,555
Wisconsin	Rock County	$1,663,782
Wisconsin	Sheboygan County	$1,193,498
Wisconsin	Walworth County	$1,050,658

Wisconsin	Washington County	$1,336,369
Wisconsin	Waukesha County	$3,953,863
Wisconsin	Tribal Population	$507,328
Wisconsin	Balance to State	$21,514,324