



STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS
INTRODUCTION OF LEGISLATION TO EXPAND AVAILABILITY OF
MANUFACTURING BONDS

The United States Senate

Apr 17, 2008

Section 34

Sen. John Kerry [D-MA]: Mr. President, today, Senator Snowe and I are introducing legislation that would expand the availability of the Industrial Development Bond, IDB, program. The small-issue IDB program has given State and local governments a low-cost source of financing to create and retain jobs in manufacturing plants.

Over the years, numerous technological advances have driven software and biotechnology to the forefront of our economy. According to the U.S. Census Bureau, there are more than 400 biotechnology companies in Massachusetts alone, employing more than 42,000 and paying more than \$5 billion in annual salaries.

Currently, the small-issue IDB program is limited only to manufacturing facilities. As our economy continues to evolve, so must our policies. Our legislation would allow IDBs to be used for high-technology and biotechnology uses. The definition of manufacturing would be broadened to include the creation of intangible property--specifically, patents, copyrights, formulas, processes, designs, patterns, know-how and other similar items.

Expanding the current definition of manufacturing to include "knowledge based" companies would promote economic development in our local communities as well as nationwide. This legislation is supported by the Council of Development Finance Agencies.

In addition to expanding the definition of manufacturing, the legislation clarifies that a manufacturing facility includes functionally related and subordinate facilities as part of the facility.

This legislation will provide a boost to the economy by fostering development in technology. I urge my colleagues to support this common sense change.