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NEWS RELEASE

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CDFA Legislation Included in Senate Finance Committee Recovery Package

- Legislation Will Expand Definition of Manufacturing for Industrial Development Bonds -

Cleveland, OH – The Council of Development Finance Agencies' (CDFA) legislation to expand the use of industrial development bonds (IDBs) for new technology manufacturing was unveiled today as part of the American Recovery and Reinvestment Act of 2009 by Senate Finance Committee Chairman Max Baucus (MT).

The bill includes \$455 billion in tax cuts and aid to American families, individuals and businesses. CDFA's IDB legislation is one of two measures in the recovery package targeted at helping the manufacturing sector.

"Today is an exciting day for the development finance community," CDFA President and CEO Toby Rittner said. "This common sense legislation will make a difference throughout the country immediately to help retain and create jobs, spur manufacturing investment and accelerate the nation's economy. We will be working very hard to ensure that this legislation is included in the final economic recovery package passed by Congress."

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IDBs, a bedrock financing tool for the economic development industry, have been subject to outdated manufacturing definitions for the past two decades. Current law does not allow high-tech, innovation and intangible manufacturing practices to be eligible for IDB financing.

The proposed change would allow for companies who produce both tangible and intangible property to access IDBs. Traditional tax-exempt bond finance programs currently operated by state and local finance agencies do not extend to these important and growing sectors of the manufacturing economy.

The bill is now scheduled to go through Senate markup next week. Once approved by the Finance Committee, it would then go to the Senate floor before going to conference committee to be reconciled with the House of Representatives' stimulus package. CDFA will be working with House offices in the coming weeks to build support.

More information and instructions on legislative grassroots efforts is forthcoming from CDFA. For more information or questions about CDFA's legislative efforts, please contact [CDFA](#).

The [Council of Development Finance Agencies](#) is a national association dedicated to the advancement of development finance concerns and interests. CDFA is comprised of the nation's leading and most knowledgeable members of the development finance community representing public, private and nonprofit entities alike. For more information about CDFA, visit www.cdfa.net or e-mail info@cdfa.net.

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