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NEWS RELEASE

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CDFA IDB Legislation Gains New Co-Sponsor
-- Senator Susan Collins Signs on to S. 2885 --

Cleveland, OH – CDFA’s legislation to expand the use of industrial development bonds (IDBs) continues to garner interest and support on Capitol Hill as Senator Susan Collins, R-ME, has now officially been added as a co-sponsor for S. 2885.

With a strong grass-roots campaign, CDFA expects to continue to add co-sponsors in the Senate, while CDFA’s legislative team works towards the introduction of a companion bill in the House of Representatives.

IDBs, a bedrock financing tool for the economic development industry, have been subject to outdated manufacturing definitions for the past two decades.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.

S. 2885 would allow for manufacturing companies who produce both tangible and intangible property to access IDBs. The changing U.S. economy is providing new and exciting employment opportunities in the area of software development and biotechnology. Traditional tax-exempt bond finance programs operated by state and local finance agencies do not extend to these important and growing sectors of the manufacturing economy. CDFA’s proposed legislation remedies this challenge.

CDFA has a strong history of passing important development finance legislation. In 2006, CDFA was successful in getting the capital expenditure limit increased from \$10 million to \$20 million for IDBs allowing more companies to expand and create jobs. Thousands of new IDB issuances have since assisted small to medium sized U.S. manufacturing companies.

CDFA is requesting its members contact their Senators to ask for support and additional co-sponsorship of this key development finance legislation. Senate Finance Committee members will be specifically targeted in coming weeks for co-sponsorships.

IDBs are tax-exempt financings that provide low-cost debt to small- and mid-sized companies that do not have access to credit markets. Expanding the use of IDBs allows these groups to finance expansions and job growth that would not be possible through higher cost financing. CDFA’s proposed changes will result directly in new job growth, investment and economic development. Given the goals of the economic stimulus package, CDFA’s proposed legislation should receive strong interest.

Learn More about CDFA’s legislative agenda and S. 2885. [>>>READ MORE](#)

If you have any questions about CDFA’s proposed legislation, please contact CDFA.

CDFA 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 over 265 public, private and non-profit development organizations.

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