



## **CDFA's Bipartisan Modernizing Agricultural and Manufacturing Bonds Act Introduced in U.S. Senate by Senators Ernst (R-IA) and Warner (D-VA)**

### **— S.2100 Reforms Private Activity Bonds for Manufacturers and First-Time Farmers —**

Columbus, OH - The Council of Development Finance Agencies (CDFA) is pleased to announce that U.S. Senators Ernst (R-IA) and Warner (D-VA) have introduced the **Modernizing Agricultural and Manufacturing Bonds Act (MAMBA)** in the U.S. Senate as **S.2100**.

"We are thrilled that **MAMBA** has been reintroduced in the U.S. Senate with bipartisan support," said CDFA President & CEO Toby Rittner. "With our country facing great economic opportunity, it has become clear that investments in farmers and manufacturers are necessary to strengthen the United States' global competitiveness. By updating the 40-year-old rules around agricultural and manufacturing bonds, **MAMBA** allows for the innovative financing tools necessary to invest in local communities by expanding and growing American manufacturing and farming. Senators Ernst and Warner have been great champions of farmers and manufacturers and the development finance industry as a whole, and I am thankful for their commitment to those key pillars of the U.S. economy."

CDFA has worked closely with the offices of Senators Ernst and Warner to secure this introduction in the U.S. Senate. Their leadership in driving investment in American manufacturing and farming cannot be underscored.

**MAMBA**, CDFA's signature piece of policy, will modernize the IRC rules as they relate to small issue bonds, specifically the private activity bond rules for manufacturing bonds and first-time farmers. MAMBA will reform small issue bonds by making six key changes to the tax code. Those changes include:

- 1. Expand the definition of "manufacturing facility."**
- 2. Eliminate restrictions on "directly related and ancillary facilities."**
- 3. Increase the maximum IDB size limitation from \$10 million to \$30 million, indexed to inflation.**
- 4. Increase the limitation on small issue bond proceeds for first-time farmers to \$1 million, indexed to inflation.**
- 5. Repeal the separate dollar limitation on the use of bond proceeds for depreciable property.**



**6. Modify the definition of “substantial farmland” to allow for more low-cost bond financing for first-time farmers.**

**MAMBA** represents the most comprehensive reform to manufacturing and agricultural bonds since the 1980s. This piece of legislation will help drive U.S. global competitiveness, grow small manufacturers, and drive growth in American communities. CDFA expects a bi-partisan introduction in the U.S. House of Representatives shortly and will begin to push this legislation through Congress for full passage.

CDFA would like to thank Senator Ernst and Senator Warner, and their hardworking staff, for their time and effort to introduce this bill. CDFA will be working with its members and partners across the country to encourage Congress to pass **MAMBA**.

Development finance agencies are encouraged to let their voices be heard on Capitol Hill by supporting **MAMBA**. To learn more about **MAMBA**, get engaged, and **contact CDFA** for more information.

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 non-profit entities alike. Learn more at **CDFA.net**.

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