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CDFA Annual Volume Cap Report

An Analysis of 2021-2023 Private Activity Bond & Volume Cap Trends

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ABOUT THIS REPORT

Every year the Council of Development Finance Agencies (CDFA) collects and analyzes national private activity bond (PAB) volume cap data as reported by the state agencies that manage it. The CDFA Annual Volume Cap Report provides an overview of volume cap trends and how private activity bonds (PABs) are used from state to state. As a leader in the development finance industry, CDFA serves as the principal source for PAB volume cap data, reporting, and trends. Comprehensive volume cap data can be found online in the CDFA Volume Cap Resource Center, where users can search, sort, and compare data from all 50 states and the District of Columbia dating back to 2014, with data archives going back to 2005.

This year's report combines the findings for the 2021, 2022, and 2023 volume cap data, trends, and analysis.

Methodology

To compile the data, CDFA surveyed representatives from each state's designated authority that allocates volume cap to bond issuers and/or bond categories within the state. CDFA requested data related to issuance by type of bond. This report does not contain data or analysis related to how states allocated volume cap compared to actual issuance.

Data for this report was collected on an ongoing basis from summer 2023 to summer 2025 and was primarily submitted to CDFA via an online survey. CDFA met with agencies in several states to confirm the accuracy of their data and then undertook an extensive cleansing and review process, working with CDFA members and industry practitioners to validate the information provided. The data represents the best available figures as reported to CDFA by each state's allocating agency. It is important to note that New Hampshire, Delaware, and Wyoming only submitted data from their housing financing agencies and their figures do not entirely represent bond issuance in those states. Any new or updated data submitted to CDFA will be published online in the CDFA Volume Cap Resource Center.

ABOUT VOLUME CAP

Private activity bonds (PABs) are revenue-backed bonds issued by a state or local authority on behalf of a project that has some level of private involvement, such as the expansion of a small manufacturer or a multifamily housing complex. When these bonds are issued for one of several defined purposes, they are deemed "qualified," making them exempt from federal income taxes. The tax exemption enables the project to access capital at a lower interest rate than could otherwise be achieved.

The federally mandated volume cap limits the maximum issuance allowed for most categories of qualified PABs.[1] Qualified 501(c)(3) bonds are a notable exception, along with Veterans' Mortgage Revenue Bonds and some Exempt Facilities bonds. Other categories, including Small Issue Bonds, Single-Family Mortgage Revenue Bonds, and most Exempt Facilities Bonds are subject to federal volume cap.

Every year, new cap is allocated to each state based on a formula. The IRS uses amounts under 26 USC §146(d) to calculate the state ceiling for the volume cap for private activity bonds. In 2021, the volume cap for each state was equal to either $110 per capita or $324,995,000 – whichever was greater.[2] In 2022, the volume cap for each state was equal to either $110 per capita or $335,150,000 – whichever was greater.[3] In 2023, the volume cap for each state was equal to either $120 per capita or $358,845,000 – whichever was greater.[4] Each state has the authority to sub-allocate its volume cap among agencies, municipalities, or private activity bond. In order to issue qualified PABs in cap-subject categories, an issuer generally must apply to the appropriate state agency to receive permission to use the volume cap.

Newly-received volume cap that is not used by the end of the current year may be carried forward for use in one of the next three years, or it can be converted into Mortgage Credit Certificates or voluntarily abandoned. Any remaining unused volume cap will expire after three years. Therefore, a state's current volume cap capacity can generally be defined as its new cap allocation plus the cap carried forward from its last three years, minus any allocation converted into mortgage credit certificates or abandoned.

Since states can carry forward unused cap for up to three years, some states choose not to use the entire amount of newly-received cap in a given year. Instead, these states issue bonds using cap that was carried-forward from prior years instead of allowing that cap to expire, while saving newly-received cap from the current year's allocation for future use.

Total carryforward is a good indicator of a state's future capacity to issue cap-subject PABs. Capacity ultimately determines the amount of private activity bonds that can be issued, and by extension, how many projects can benefit from tax-exempt financing.

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1 For details on which bonds are subject to volume cap, see IRS Publication 4078: Tax-Exempt Private Activity Bonds.
2 IRS Revenue Procedure 2018-57: Calendar Year 2021 Housing Credit and Bond Volume Caps
3 IRS Revenue Procedure 2019-44: Calendar Year 2022 Housing Credit and Bond Volume Caps
4 IRS Revenue Bulletin 2023-12: Calendar Year 2023 Housing Credit and Bond Volume Caps

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EXECUTIVE SUMMARY

Total issuance of PABs increased by 11% between 2020 and 2021 to $30.3 billion, marking a continuation of PAB issuance steadily rising since 2009. Reversing course after the one-year dip in issuance between 2019 and 2020. In 2022 PAB issuance reached a new record of $31.1 million. In 2023 PAB issuance broke the previous year's record with $33.4 billion. CDFA projects that in 2024 and beyond, total PAB issuance will continue the trend of steady increases seen since 2009, outside of the Covid impacted 2020.

In 2021 total PAB capacity increased for the first time since 2016, reaching $90.0 billion, due to a combination of increasing cap limits and a drop in issuances in 2020. In 2022 total cap returned to the norm by dropping down to $88.8 billion. Then in 2023 cap continued to reduce slightly by dropping to $88.7 billion.

Overall, issuance of Exempt Facilities, Multifamily Housing, and Single-Family Mortgage Revenue Bonds continued to increase, while Small-Issue Industrial Development Bond (IDB) and Aggie Bond issuance remained comparatively low.

Demand for volume cap is still increasing faster than the supply of volume cap, resulting in some states reaching their maximum allowable PAB issuance. CDFA projects that as total issuance rebounds, the availability of cap will continue to tighten. Absent any legislative action, states' allocating authorities will be forced to make difficult decisions on which bond categories and bond issuers to allocate cap toward.

Quick Reference: Total Amount of Available Volume Cap

	2021	2022	2023
New Cap	39,343.4	39,766.3	43,537.8
Cap Carried Forward from Last 3 Years into Current Year	51,051.0	50,026.3	47,405.6
Total Capacity	90,069.4	88,787.265	88,667.8

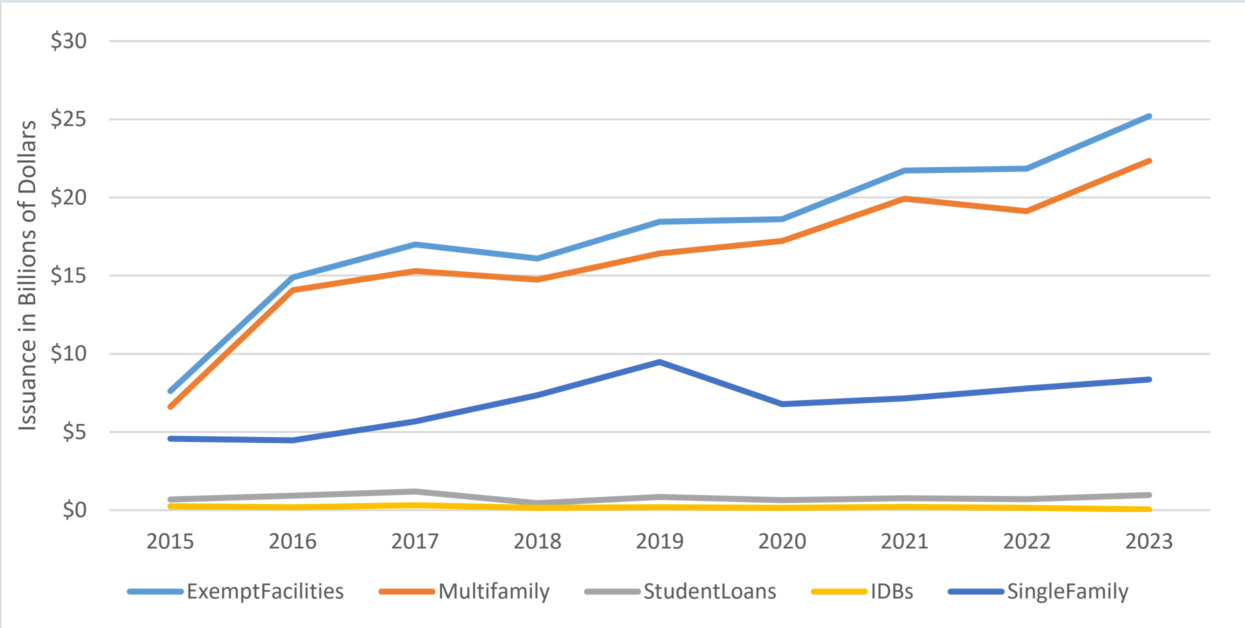
Quick Reference: Issuance by PAB Category

	2021	2022	2023
Exempt Facilities	21,719.9	21,845.2	25,201.6
Multi-family Housing	19,910.5	19,119.2	21,677.3
Single-family Mortgage Revenue	7,144.2	7,434.0	9,143.8
Student Loans	757.3	708.1	963.1
Industrial Development Bonds	205.3	146.6	51.5
First Time Farmers	51.7	48.5	36.2
Total PAB Issuance	30,328.2	31,050.1	33,429.5
Mortgage Credit Certificates	3,642.9	2,606.8	2,323.6
Expiring Cap	797.2	3,730.1	2,159
Carry-forward to Next Year	48,301.2	48,743.0	50,251

TOTAL ISSUANCE TRENDS

Total issuance of cap-subject private activity bonds increased from $27.4 billion in 2020 to $30.3 billion in 2021. The $30.3 billion issued in 2021 was the second highest issuance total recorded since CDFA started tracking private activity bond issuance in 2005. In 2022, the total PAB rose once again to $31.1 billion. Then 2023 showed record breaking issuances, totaling $33.4 billion. This record shows the recovery made post Covid-19, and returns to the historical steady increase of issuance over the past decade.

Figure 1. National Private Activity Bond Issuance by Category



New Cap Allocation

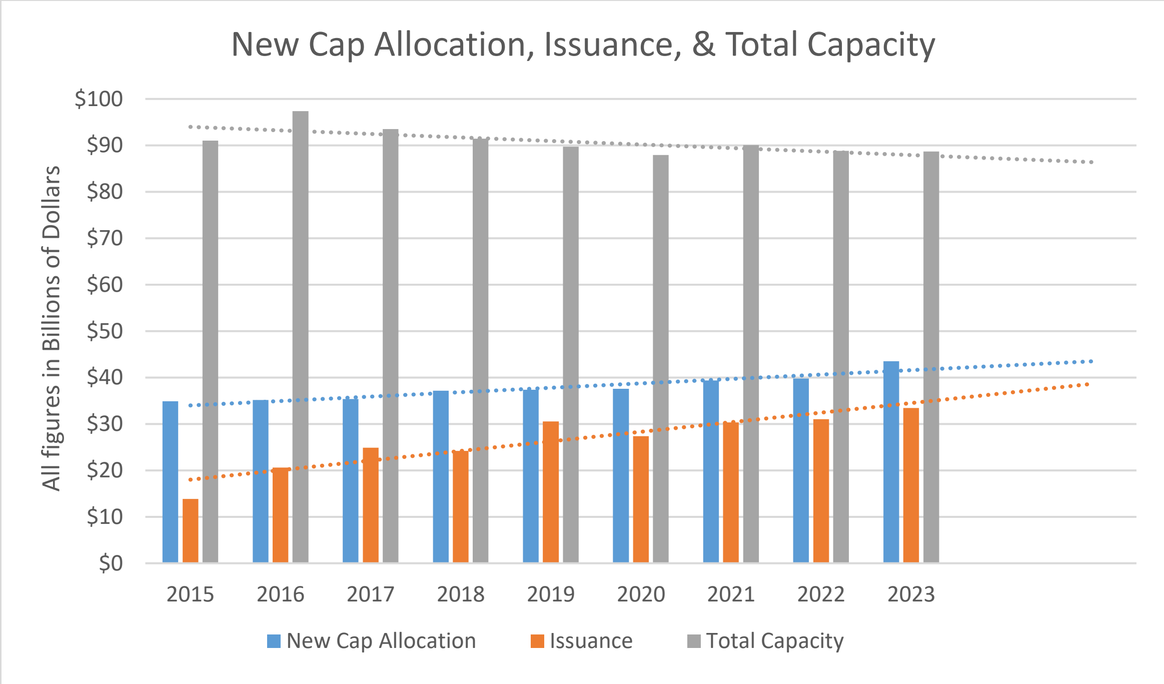
In 2021, the 50 states and the District of Columbia received $39.3 billion in new volume cap allocation.
In 2022, the 50 states and the District of Columbia received $39.8 billion in new volume cap allocation, an increase of $422.9 million from the amount received in 2021.This number was further increased to $43.5 billion in 2023, due to an increase in the per capita cap calculation of $10 from $110 to 120. In 2020, 73% of total new cap was used, this number increased to 77% in 2021, then increased further to 78% in 2022, leveling out at 77% in 2023. The tightening of demand for the allocation of cap-subject PABs among bond issuers is illustrated by declining total national bond capacity, resulting in cap oversubscription.

Total Bond Capacity

States' total capacity to issue PABs in 2021 increased for the first time since 2016, to $90.1 billion, following the downturns cause by Covid-19. Total national bond capacity resumed course in 2022 and reduced down to $88.8 billion. Then again reduced slightly to $88.7 billion in 2023 despite the increase in new cap.

In 2021, states used 34% of their total PAB capacity to issue bonds, and in 2022 they used 35% of their total bond capacity, in 2023 they used 38%. This follows a steady increase from 2020, when states issued 32% of their total available bond capacity. The states that had the most significant decreases in total bond capacity between 2020 and 2023 were Idaho (-71%), New Mexico (-51%), Utah (-40%), and Georgia (-37%). CDFA projects that states' capacity to issue PABs will continue to shrink unless legislative action is taken to ease the scarcity of volume cap.

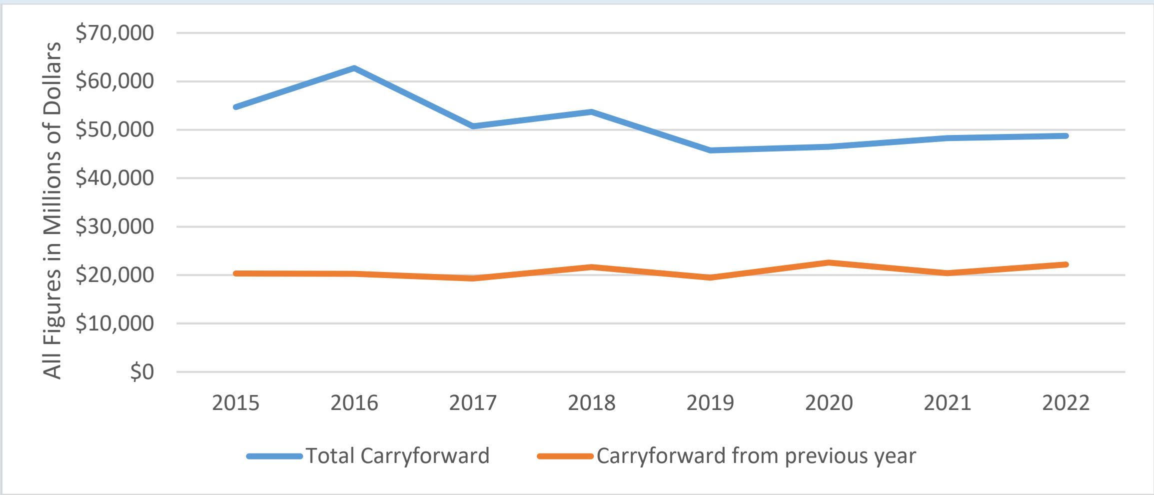
Figure 2. Total Capacity, New Cap Allocation, and Issuance



Carryforward

States carried forward $46.5 billion of unused cap from 2018 – 2020 into 2021, and brought $48.3 billion of unused cap from 2019-2021 into 2022. States carried forward a total of $46.5 billion of 2018-2020 cap into 2023. They are projected to carry forward $50.2 billion into 2024. Every year since 2016, the amount of cap carried forward by states into the next year has decreased. With demand for cap allocation among bond issuers tightening, states are issuing more bonds using cap carried-forward from past years rather than allowing that cap to expire. With less cap being carried forward to future years, states' overall capacity to issue bonds will continue to shrink.

Figure 3. Total Carryforward from Previous Years



Cap Oversubscription

A total of 23 states were oversubscribed for cap allocation in 2023. Oversubscription means that bond issuers requested more cap allocation than what is available, forcing allocating authorities in each state to ration volume cap, and by extension, choose which projects get funded. A recent Novogradac and Tiber Hudson report analyzing cap oversubscription corroborates CDFA's findings on shrinking capacity and increasing oversubscription among states.[5]

To better understand what oversubscription means, it is helpful to analyze the situations in oversubscribed states. Bond issuers in Texas have already requested over $4.6 billion in PABs from the Texas Department of Housing and Community Affairs (TDHCA), and most of these requests are for housing bonds. Similarly in Georgia, the Department of Community Affairs (DCA) in 2020 received over 100 applications worth over

[5] Despite Pandemic Concerns, Multifamily Private Activity Bond Issuance Reached Record High of $17.2 billion in 2020 | Novogradac

$1billion in 4% LIHTCs and PABs, which equates to the full amount of 2021's volume cap and half of 2022's allocation amount.[6]

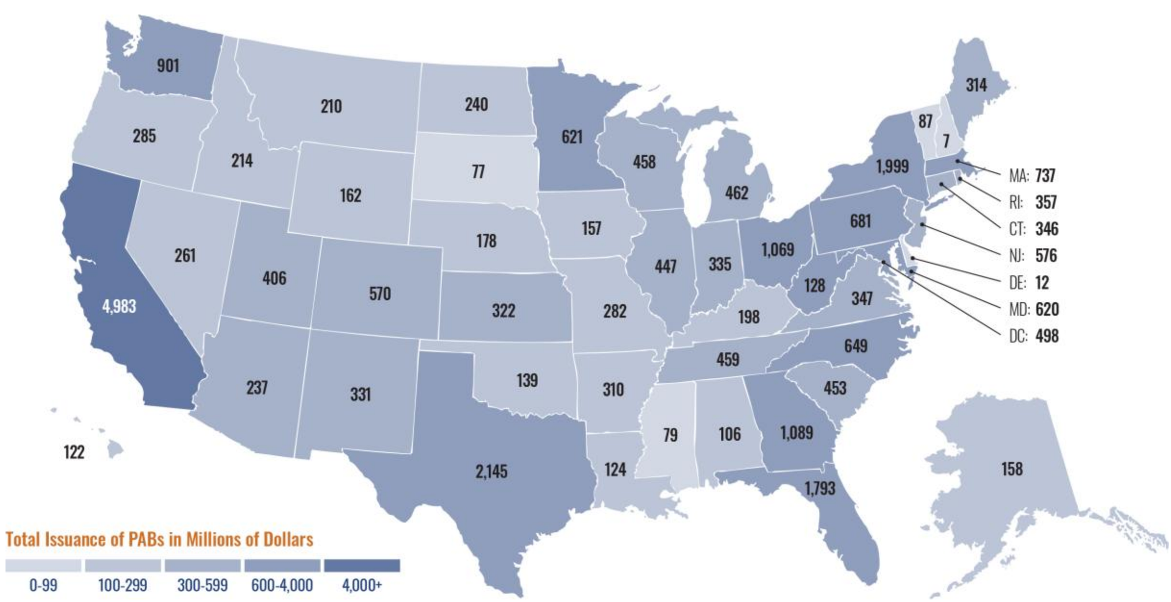
The California Debt Limit Allocation Committee (CDLAC) reported that in 2023, demand for cap was more than five times the amount available, and bond issuers applied for double the amount of cap that was allowed to be issued. Forcing CDLAC to implement a competitive cap allocation process. Over 75% of cap-subject bonds in California were issued for multifamily housing projects.[7]

Washington also reported significant cap oversubscription. The state's total issuance in 2019 surged to $951.7 million, which far exceeded the total cap available for 2019, resulting in a decline in carryforward and capacity. Washington reported that more than $300 million in anticipated affordable housing projects from 2020's round of applications to the State Housing Finance Commission and over $100 million in exempt facility projects would need to wait for allocations from 2021's volume cap. From 2020-2023, over 80% of cap used in Washington was for housing bonds.[8]

TRENDS BY STATE

This section analyzes notable private activity bond issuance trends in various states. States that issued more than $1 billion in private activity bonds in 2021, 2022, or 2023 included California, Florida, Georgia, Illinois, Michigan, Minnesota, New York, North Carolina, Ohio, Pennsylvania, and Texas. California had the highest issuance of any state for the ninth consecutive year, coming in at $5.27 billion issued in 2023.

Figure 4. 2022 Private Activity Bond Issuance by State



[6] 4% Floor Continues Increase in Demand for LIHTCs and Bonds | Novogradac

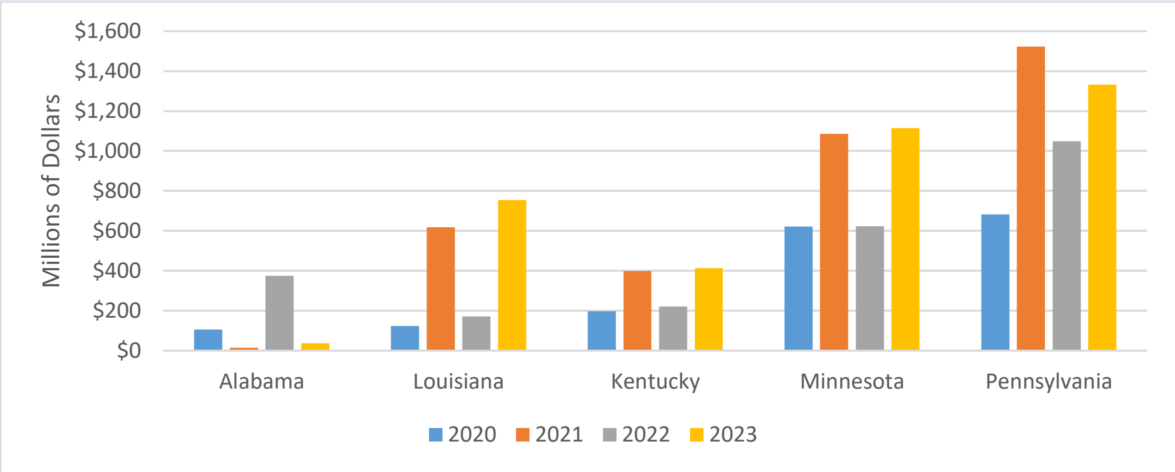
[7] California 2023 Report on Allocation of Qualified Private Activity Bonds - CDLAC

[8] Washington Bond Cap Allocation Program: 2022 Biennial Policy Report and Activity Summary – Washington State Department of Commerce

Issuance Fluctuations in States' Total PAB Issuance

Total PAB Issuance in several states experienced substantial fluctuations from 2020 – 2023. Alabama, Louisiana, Kentucky, Minnesota, and Pennsylvania. Covid-19 recovery, investment in previously unused or underused categories, and individual large-scale projects explain most variances.

Figure 5. Largest Fluctuations in States' Total PAB Issuance



In 2020, Alabama issued $106 million in total PABs. Then, the state's total PAB issuance dropped to $15 million in 2021. In 2022 Alabama's PAB issuance leapt to $375 million. The highest PAB total Alabama has recorded. Then dropped once again to $37.5 million in 2023, a 90% decrease.

Louisiana's total PAB issuance in 2020 was $124 million and the year 2021 saw total issuance leap to $617 million. Louisiana's total PAB issuance in 2022 decreased back to $172 million. In 2023 issuance increased to $754 million Driven by a multi-family housing increase of nearly $250 Million.

Kentucky's total PAB issuance in 2020 was $200 million, which increased 99% to $398 million in 2021 before returning to $221 million in 2022. Then once again rising to $413 million in 2023. This fluctuation was primarily due to IDBs increasing by nearly 2,000% in 2021, before returning to expectations. Then student loan bonds increasing by over $100 million in 2023.

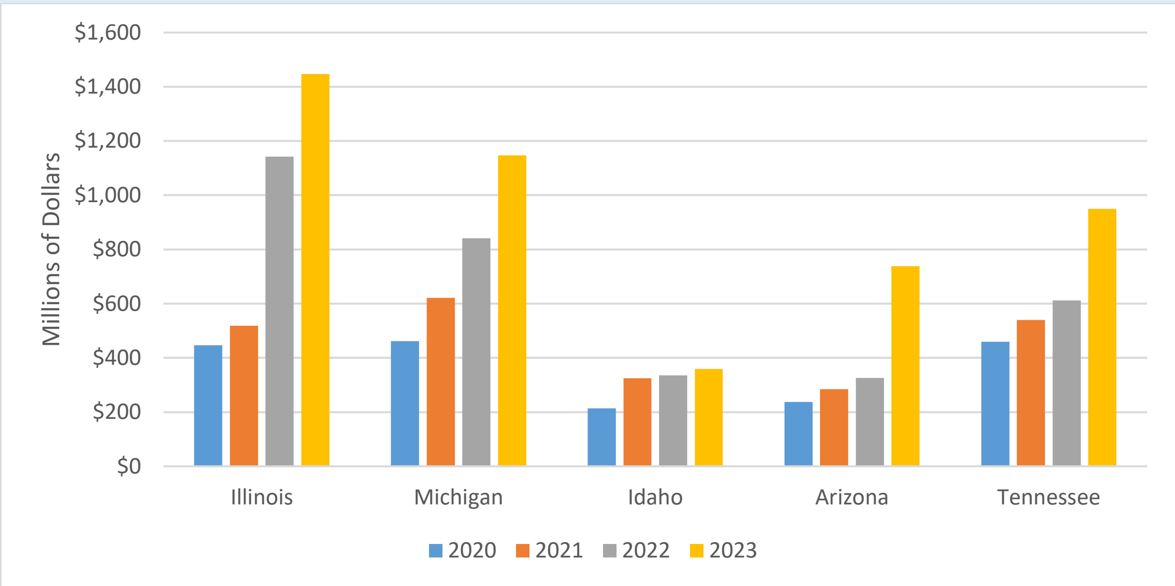
Minnesota issued a total of $621 million of private activity bonds in 2020, followed by a 407 million issuance increase to $1.09 billion in 2021. This was the first time Minnesota issued over 1 billion in PABs since 2016. Minnesota then dropped to a total of $622 million in 2022. Before returning above a billion once again to $1.14 billion in 2023.

In Pennsylvania, total PAB issuance in 2020 was $681 million. In 2021, total PAB issuance had a dramatic increase to $1.52 billion. This large increase in 2021 total PAB issuance was due to a $587 million increase in single-family housing bonds. The following year, Pennsylvania's total PAB issuance decreased somewhat to $1.05 billion. Before rising again to $1.33 billion in 2023.

Largest Increases in States' Total PAB Issuance

Illinois, Michigan, Idaho, Arizona, and Tennessee saw the largest increases in total PAB issuance from 2020 - 2023. These states combined to more than double their total PAB issuances over these four years.

Figure 6. Largest Increases in States' Total PAB Issuance



Illinois' total issuance steadily increased between 2020 and 2021. Increasing by 15% from $447 million to $519 million. Between 2021 and 2022 total PAB issuance increased by a staggering 120% from $518 million to $1.14 billion. Then continued to increase in 2023 to $1.45 billion. This surge was driven by a nearly $600 million increase in multi-family spending.

Michigan, after issuing $462 million in PABs in 2020, saw its issuance rise to $622 million in 2021, $841 million in 2022, then $1.15 billion in 2023. This was primarily due to multi-family housing bond issuances climbing by $99 million in 2021, then a $123 million increase in single-family housing bonds in 2022. Then both housing categories increasing substantially in 2023.

Idaho's total PAB issuance in 2020 was $214 million, followed by $325 million in 2021, $335 million in 2022, and $359 million in 2023. A steady rise that aligns with the gradually increasing single-family housing bonds issued.

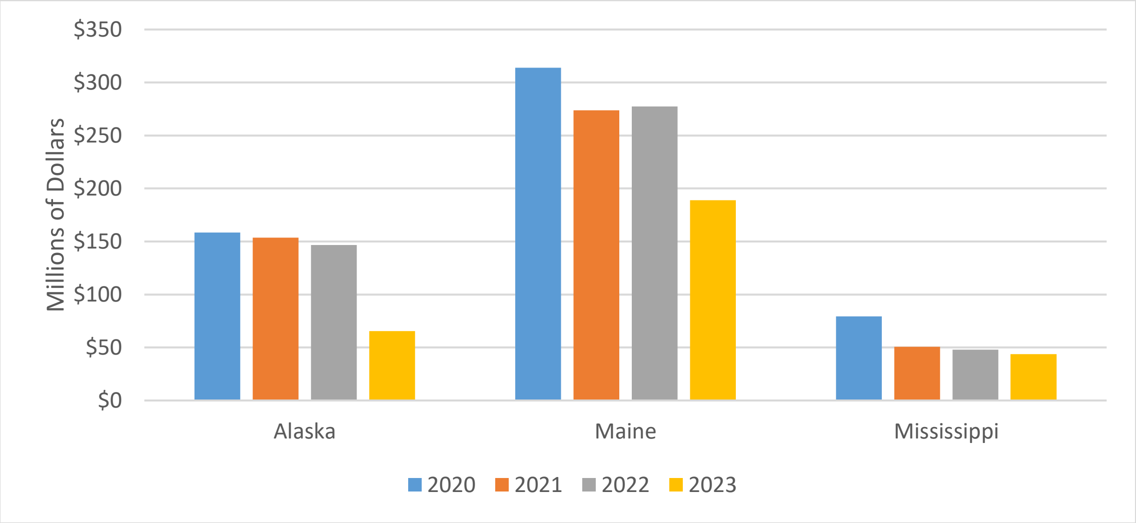
Arizona similarly saw increases, from $237 million in 2020 to $285 million in 2021. This trend continued into 2022 with Arizona's PAB issuance totaling $326 million. Before a 126% increase to $739 million in 2023. This was primarily driven by drastically increasing multi-family housing, from 26 million in 2020 to 682 million in 2023.

Tennessee issued $460 million in 2020 and increased its total PAB issuance to $540 million in 2021, further increasing to $612 million in 2022. Then jumping to $950 million in 2023. This growth is entirely explained by increases in multi-family issuances increasing in 2021 and exempt facilities growth in 2022-2023.

Largest Decreases in States' Total PAB Issuance

The three states that had the largest decreases between 2020 and 2023 were Mississippi, Oklahoma, and South Carolina.

Figure 7. Largest Decreases in States' Total PAB Issuance



Alaska's issuance saw the most dramatic decreases. In 2020, Alaska issued $158 billion in PABs. In 2021, Alaska issued $154 million, and in 2022 Alaska issued $147 million in PABs. However, issuances nosedived to $65 million in 2023. These reductions in issuance were found in the drastic reduction of single-family issuances.

In Maine, total PAB issuance decreased from $314 million in 2020 to $274 million in 2021, then increased slightly to $277 million in 2022. Finally dropping drastically to $189 million in 2023.

Mississippi reduced its total PAB issuances from $79 million in 2020, to $51 million in 2021, $48 million in 2022 and finally to $44 million in 2023. Mississippi's multi-family housing issuances stayed consistent, while all other bond categories reduced drastically.

TRENDS BY BOND CATEGORY

Several categories of private activity bonds experienced increases in issuance when compared to 2020 levels. After a sharp increase in issuance from 2015 – 2017, exempt facilities have grown gradually since. Multifamily housing increased in 2021, $19.9 billion, decreased in 2022 to $19.1 billion. Then 2023 issuances increased, to $21.7 billion, the largest ever recorded. The issuance of single-family housing bonds grew steadily in 2021 and 2022, up to $7.4 billion, then $9.1 billion in 2023. Approaching the record of $9.5 billion issued in 2019. Industrial Development Bond (IDB) issuance remained low in 2021, 2022, and 2023, as did Aggie bond issuance.

Nationally, states continue to allocate a significant portion of their volume cap toward Multifamily Housing, leaving less cap left over for other exempt facilities categories such as single-family housing, water, and sewer bonds. Single-family housing bonds have grown significantly slower than multi-family and exempt facilities since 2015.

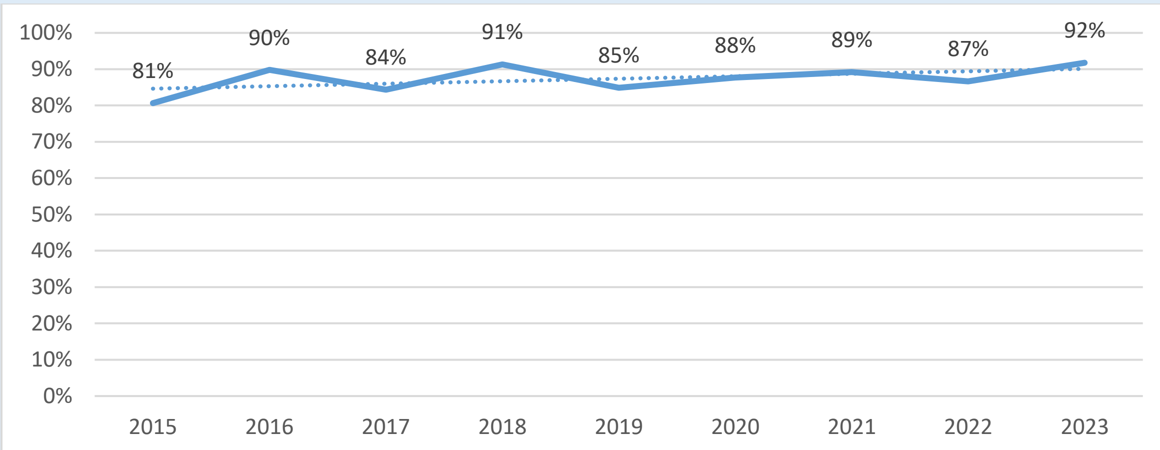
Housing Bonds

Multifamily housing bond issuance leapt 16% to a record $19.9 billion in 2021. The largest increase since 2016. 2022 saw a small decrease of 4% back to $19.1 billion. 2023 saw a return to rising issuances with $21.7 billion reported. The trend of steady increase since 2018 has generally continued.

Single-family (also called Mortgage Revenue) bond issuance was $7.14 billion in 2021, then $7.43 billion in 2022, and $9.14 billion in 2023. These remain a gradual uptick from 2018 levels after the record spike of $9.47 billion in 2019 and fall to $6.77 billion in 2020. Mortgage credit certificates continued their decline with $3.64 billion in 2021, $2.61 billion in 2022, and $2.32 billion in 2023. Less than a third of 2015 highs.

The decline in Single-Family Mortgage Revenue Bond issuance and MCCs since 2020 halted the longstanding trend of overall increases in cap usage for mortgage purposes. Combined multi- and single-family housing bond issuance rose 13% from $24.3 billion in 2020 to $27.1 billion in 2021, before reducing slightly to $26.5 billion. 2023 saw these combined totals eclipse $30 billion for the first time with $30.7 billion. Multifamily and Single-Family Housing Bonds have constituted an ever-increasing share of total cap-subject PAB issuance since 2012. Multi- and Single-Family Housing Bonds accounted for 89% of total PAB issuance in 2021, 86% of total issuance in 2022, and 86% in 2023. This continues a trend that began in 2014 of Multi- and Single-Family Housing Bonds accounting for greater than 80% of all cap-subject PABs issued.

Figure 8. Combined Multi- and Single-Family Issuance as a Percent of Total PAB Issuance



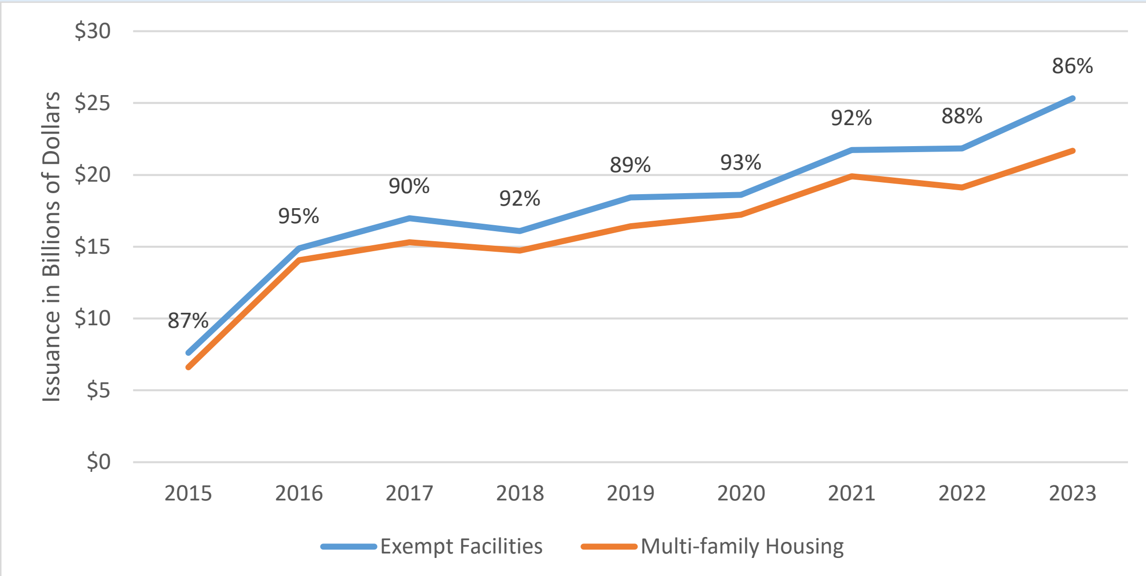
Exempt Facilities Bonds

Issuance of the wide-ranging Exempt Facilities bonds category leapt 17% from $18.6 billion in 2020 to $21.7 billion in 2021, then to $21.8 in 2022, and $25.2 in 2023. Categories of Exempt facilities bonds include Multifamily Housing bonds (officially known as Qualified Residential Rental Projects), Solid Waste Disposal Facilities, Sewage Facilities, Water Furnishing Facilities, and many other types of bonds.

A vast majority of issuances in the Exempt Facilities bond category were Multifamily housing bonds. Multifamily residential housing bond issuance reached $19.9 billion in 2021, and in 2022, total multifamily issuance regressed to $19.2 billion. In 2023, issuances rocketed to $21.7 billion, the highest ever recorded by over 7%. Other exempt facilities bond categories that saw noteworthy levels of issuance included Water Furnishing Facilities, Privately-Owned Solid Waste Disposal Facilities, and green energy Facilities.

In 2021, 2022, and 2023, bonds issued for Multifamily Housing continued to make up the largest share of exempt facilities bonds. Multifamily housing bonds have historically followed exempt facilities PAB issuance trends since the 2008 recession. Since multifamily housing bonds consistently account for a high percentage of all exempt facilities bonds issued, less cap is available for allocation to other types of exempt facilities bonds.

Figure 9. Multi-Family Housing as a Percentage of Exempt Facilities



Industrial Development Bonds and Aggie Bonds

Small-Issue Industrial Development Bonds (IDBs), also known as Industrial Revenue Bonds, are a type of qualified small issue bond that offers a critical source of low-cost financing for small manufacturers. IDBs can support expansion and investment in existing manufacturing facilities, as well as the development of new facilities and the purchase of new machinery and equipment. Current rules limit IDBs to $10 million and place substantial restrictions on who can use the bonds and how proceeds can be used concerning expansion. In 2022, a total of $146 million in IDBs were issued, an 28.6% decline from the $205 million issued in 2021. Then in 2023 IDB usage continued to drop to $51.5 million, the lowest ever recorded by CDFA.

Similarly, Small Issue First-Time Farmer Bonds (also called Aggie Bonds) allow bond issuers to pass tax-exempt savings onto beginning farmers by offering bonds with below-market interest rates. States must establish their own aggie bond program. Generally, local lenders issuing Aggie Bonds can offer eligible first-time farmers rates that on average are one to three percent lower than the commercial farm loan rate. Aggie bond issuance in 2021 was $51.7 million, in 2022 only $48.5 million were issued, in 2023 issuances dropped again to $39.5 million. Aggie bonds have not seen high levels of issuance since CDFA began tracking this category of small issue bonds.

Figure 10. National IDB Issuance and Aggie Issuance

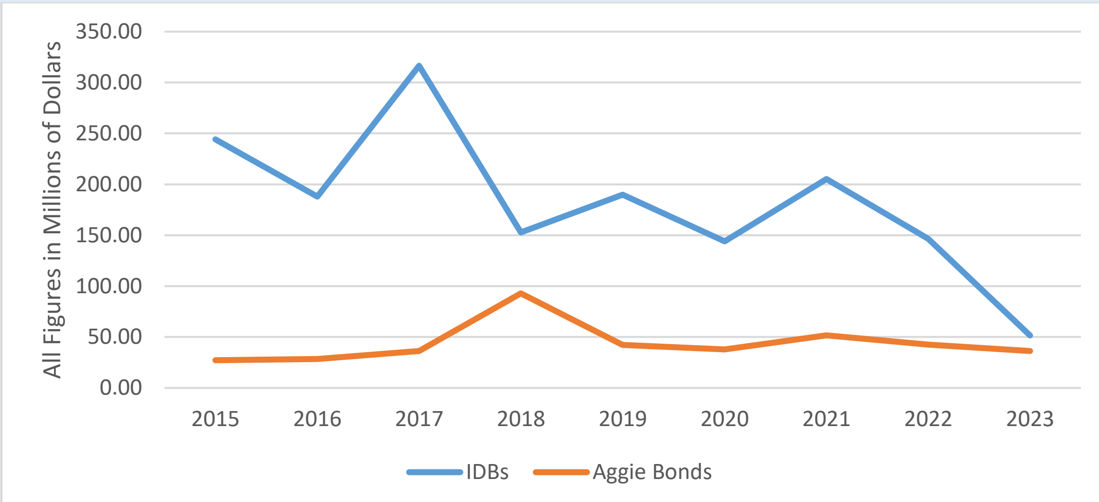


Table 1. Total IDB Issuance, Top States

State	2021-23 IDB Issuance
Illinois	$110M
Georgia	$105M
Utah	$30M
Pennsylvania	$24.2M
Wisconsin	$20.9M
Kentucky	$19.7M
California	$16M
Florida	$15.4M

Illinois issued the most IDBs across the three years despite only issuing in 2021. With $110 million, Illinois had a record high IDB usage. Georgia was the second-highest issuer of IDBs at $105 million, exclusively issued in 2022. Followed by Utah at $30 million; Pennsylvania's $24.2 million; Wisconsin's $20.9 million; and Kentucky's $19.7 million. Seven states across the three years issued more than $15 million in IDBs, which are shown in Table 1.

Overall, the $205 million in IDB issuance in 2021 was a small recovery from the sharp decline in IDB issuance. In 2022 the recovery halted, returning to 2020 numbers. 2023 saw numbers drop even further to $52 million, the lowest CDFA has ever recorded. CDFA continues to monitor the issuance and usage of IDBs closely.

PAB REFORMS

Private Activity Bonds offer state and local governments an effective and efficient means for supporting infrastructure, affordable housing, education, and commercial development. Unfortunately, despite the significant economic and financial changes that have occurred throughout the U.S., the rules and regulations governing the usage of PABs have remained largely the same since the early 1980s.

Several PAB categories would benefit from legislative reforms that consider the advanced state of the American economy, as well as the current challenges state and local governments face in funding public infrastructure improvements and development. To that end, CDFA's own Modernizing Agricultural and Manufacturing Bonds Act (MAMBA) was introduced in the U.S. Senate by Senators Joni Ernst (R-IA) and Mark Warner (D-VA) in June of 2025.

MAMBA is a common-sense, bipartisan, targeted reform package that will modernize two categories of qualified small issue private activity bonds: Small Issue Manufacturing Bonds (more commonly known as Industrial Development Bonds, or IDBs), and First-Time Farmer Bonds (also called Agricultural Bonds, or simply Aggie Bonds). These types of bonds are key economic development tools used by state and local agencies to finance the small- to mid-sized manufacturing and agricultural sectors.

Unfortunately, IDBs and Aggie Bonds have not been modernized in over 30 years, causing stagnation and decline in these respective industries. Over the past decade, IDB and Aggie Bond issuances have substantially declined due in major part to the outdated rules and regulations that govern the use of these bonds. The six reforms contained within MAMBA will update the Internal Revenue Code (IRC)'s private activity bond rules for IDBs and Aggie Bonds. The six reforms are as follows:

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
5. Repeal the separate dollar limitation on the use of small issue bond proceeds for depreciable property
6. Align the IRC's definition of "substantial farmland" with the FSA's

Ultimately, improving the Internal Revenue Code as it relates to the usage and regulation of PABs would be considerably beneficial for states and communities across the nation. PABs provide borrowers with efficient, low-cost capital to support project development, and the cost of PABs to the federal government in the form of foregone tax revenue is incredibly small. CDFA and its members stand ready to advise Congress and the Administration on pending and future PAB-related legislation. Details about CDFA's ongoing efforts and several policy papers are available at www.cdfa.net/advocacy.

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CDFA would like to thank the dedicated staff at each state allocating agency who volunteered their time and expertise in responding to CDFA's data collection requests. In addition, CDFA would like to thank Peter Lawrence with Novogradac & Company LLP for assisting in the collection and verification of state data. We greatly appreciate his efforts and could not produce this report without him.

ABOUT CDFA

The Council of Development Finance Agencies (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 public, private and non-profit entities alike. For more information about CDFA, visit www.cdfa.net or email info@cdfa.net.

Council of Development Finance Agencies

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