

Title 15. Natural Resources and Economic Development

Chapter VII. Arkansas Development Finance Authority, Department of Commerce

Subchapter B. Development Finance and Bond Finance

Part 74. Allocation of State Volume Cap for Qualified Energy Conservation Bonds

Codification Notes. This part as promulgated prior to codification into the Code of Arkansas Rules provided as follows:

"RESOLUTION

WHEREAS, 26 USC § 54D sets, a national Qualified Energy Conservation Bond (QECCB) tax exempt bond volume cap allocation of \$3,200,000,000 for the entire country.

WHEREAS, Arkansas got a QECCB allocation of \$29,623,000 divided among the State, the five largest counties in Arkansas and the City of Little Rock; and

WHEREAS, the Legislature of the State of Arkansas passed Act 814 of 2011 to allow the Arkansas Development Finance Authority (ADFA) take the necessary actions to allow for the use of federally authorized volume cap; and

WHEREAS, ADFA is the administrator of volume cap in Arkansas for a variety of federally authorized bond financing programs; and

WHEREAS, Act 814 requires the promulgation of rules and regulations; and

WHEREAS, the Federal allocation has a short window of opportunity (timeframe) because the allocation expires December 31, 2013; and

WHEREAS, the Arkansas Economic Development Commission Arkansas Energy Office (AEDC AEO), and the Arkansas Development Finance Authority (ADFA) desire to work together for the implementation of the QECCB bond allocation in the State; and

WHEREAS, the QECCB method of finance leads to the conservation of energy and monetary savings to borrowers on financing costs;

NOW THEREFORE, BE IT RESOLVED, that the following rules and regulations implementing a plan for the use of QECCB's developed pursuant to Act 814 of 2011, are

hereby adopted and shall be in effect from and after the date set forth in section _ of this resolution."

Subpart 1. Generally

15 CAR § 74-101. Qualified energy conservation bonds.

(a) The qualified energy conservation bond (QECB) allocations to Little Rock, the counties in Arkansas, and the state will be pooled together so that projects from all over the state can apply for bond financing using QECBs.

(b) Before allocations to Little Rock or the other counties in Arkansas can be aggregated, those governmental jurisdictions must waive the right to the volume cap allocation to the Arkansas Development Finance Authority.

(c) The authority and the Arkansas Energy Office of the Division of Environmental Quality will develop fact sheets about the QECB volume cap.

(d) The requests for allocations will be reviewed by a state agency review team made up of staff from the authority and the Arkansas Energy Office, which team shall make recommendations.

(e) The Volume Cap Review Committee, made up of the President of the Arkansas Development Finance Authority, Director of the Arkansas Economic Development Commission, and Secretary of the Department of Finance and Administration shall make the final determination on the requests for volume cap.

(f) The authority will perform the required duties of administrator of the QECB volume cap allocation.

Authority. Arkansas Code § 15-5-207.