



STATE OF VERMONT
JOINT FISCAL OFFICE

MEMORANDUM

To: James Reardon, Commissioner of Finance & Management
From: Nathan Lavery, Fiscal Analyst
Date: November 5, 2009
Subject: JFO #2399, #2401, #2403

The Joint Fiscal Committee has reviewed the following items and agreed to waive the remainder of the statutory review period and consider the Governor's approval of the items as final:

JFO #2399 — \$130,000 grant from the U.S. Department of Justice to the Department of Public Safety. These grant funds will be used to hire one intelligence analyst who will be assigned to the Vermont Fusion Center (VTFC) to support rural law enforcement investigations in Vermont. This grant is a competitive award under the American Recovery and Reinvestment Act (ARRA).
[JFO received 10/13/09]

JFO #2401 — Award from the U.S. Internal Revenue Service to Office of the State Treasurer. Acceptance of this request will allow for federal reimbursement to the issuer of 45% of the interest cost of these bonds; the preliminary estimated value of this subsidy is approximately \$9 million. This award is part of the American Recovery and Reinvestment Act (ARRA) and expedited approval of this item has been requested.
[JFO received 10/21/09]

JFO #2403 — \$355,435 grant from the Vermont Center for Geographic Information (VCGI) to the Department of Public Service. These grant funds will be used to fully fund 1.0 FTE position for a three year period to support the activities of the Vermont Broadband Mapping Initiative. Expedited approval of this item was requested subsequent to JFO receipt. Approval of this item was granted only after VCGI had been notified of the grant award.
[JFO received 10/21/09]

We ask that you inform the Secretary of Administration and your staff of this action.

cc: Thomas Tremblay, Commissioner
Jeb Spaulding, Treasurer
David O'Brien, Commissioner
Mel Adams, Chief Recovery Officer



STATE OF VERMONT
JOINT FISCAL OFFICE

MEMORANDUM

To: Joint Fiscal Committee Members
From: Nathan Lavery, Fiscal Analyst
Date: October 21, 2009
Subject: Grant Requests

Enclosed please find six (6) requests that the Joint Fiscal Office has received from the administration:

JFO #2401 — Award from the U.S. Internal Revenue Service to Office of the State Treasurer. The American Recovery and Reinvestment Act allocated \$90 million of bonding authority to Vermont for use as Recovery Zone Economic Development Bonds. Acceptance of this request will allow for federal reimbursement to the issuer of 45% of the interest cost of these bonds; the preliminary estimated value of this subsidy is approximately \$9 million. **This award is part of the American Recovery and Reinvestment Act (ARRA) and expedited approval of this item has been requested.** The Joint Fiscal Committee members will be contacted within two weeks with a request to waive the statutory review period and accept this item.

[JFO received 10/21/09]

JFO #2402 — \$500,000 grant from the U.S. Department of Energy to Education Department. These grant funds will be distributed to local school districts for the installation of solar panels.

[JFO received 10/21/09]

JFO #2403 — \$355,435 grant from the Vermont Center for Geographic Information (VCGI) to the Department of Public Service. **These grant funds will be used to fully fund 1.0 FTE position for a three year period** to support the activities of the Vermont Broadband Mapping Initiative. VCGI received funding from the American Recovery and Reinvestment Act to support this project.

[JFO received 10/21/09]

JFO #2404 — \$105,876 grant from the Federal Emergency Management Agency (FEMA) to Department of Public Safety. These grant funds will be used to provide financial assistance to implement measures that will permanently reduce or eliminate future damage from natural hazards through safer building practices and improving existing structures.

[JFO received 10/21/09]

JFO #2405 — \$1,000,000 grant from the Federal Emergency Management Agency (FEMA) to Department of Public Safety. These grant funds will be used renovate and equip the Emergency Operations Center (EOC) at Public Safety headquarters in Waterbury.

[JFO received 10/21/09]

JFO #2406 — \$1,770,018 grant from the Center for Disease Control and Prevention to Department of Health. These grant funds will be to establish and maintain a tracking network for obtaining health and environmental data to improve health in communities. **Three (3) limited service position requests are associated with this request.**

[JFO received 10/21/09]

The Joint Fiscal Office has reviewed these submissions and determined that all appropriate forms bearing the necessary approvals are in order. In accordance with the procedures for processing such requests, we ask you to review the enclosed and notify the Joint Fiscal Office (Nathan Lavery at (802) 828-1488; nlavery@leg.state.vt.us) if you have questions or would like an item held for Joint Fiscal Committee review. Unless we hear from you to the contrary by November 4 we will assume that you agree to consider as final the Governor's acceptance of these requests.

cc: James Reardon, Commissioner
Jeb Spaulding, Treasurer
Armando Vilaseca, Commissioner
David O'Brien, Commissioner
Thomas Tremblay, Commissioner
Wendy Davis, Commissioner

State of Vermont
Agency of Administration
Office of Economic Stimulus and Recovery
Pavilion Office Building
109 State Street
Montpelier, VT 05609-0201
www.vermont.recovery.gov

[phone] 802-828-1350
[fax] 802-828-3320

Tom Evslin, Chief Recovery Officer

October 13, 2009

To: Joint Fiscal Office

CC: Treasurer Jeb Spaulding

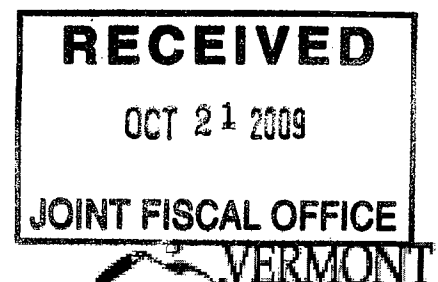
From: Tom Evslin, Chief Recovery Officer

Subject: Request to Expedite ARRA Competitive Grant

In light of the ARRA goal and expressed intent of the Vermont legislature and the Governor that stimulus money be put to work as quickly as possible to help alleviate unemployment and stimulate the economy and at Chairman Obuchowski's suggestion, I am requesting expedited consideration by the Joint Fiscal Committee of the plan for use of Recovery Zone Economic Development Bonds.

Earliest consideration of this authorization is especially important since the authorization expires if unused at the end of calendar 2010. We'd like to give municipalities and county governments as much time as possible to get local approval for their projects and make project submissions.

Thank you for your consideration.



ARRA ACTIVITY ACCEPTANCE REQUEST: Revision? <input type="checkbox"/> Yes Revision Date:	<input type="checkbox"/> ARRA Competitive Grant (Alternate Form AA-1)	<input checked="" type="checkbox"/> Other ARRA Activity (Not subject to AA-1 Process)
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INSTRUCTIONS: This form must be completed in its entirety and is required for:

- 1) acceptance of all ARRA Discretionary Grants, and
- 2) **PRIOR** to receipt of all ARRA Formula/Block Grants, and
- 3) **PRIOR** to receipts of all ARRA funding for Individual Entitlement Programs.

GRANT TRK # 58

NOTE: Incomplete forms will be returned to departments and will result in the delay of spending authority release.

BASIC ARRA INFORMATION

1. Agency (ARRA-F):	2. Department (ARRA-F): Office of the State Treasurer	3. DUNS # (ARRA-C): 809550320
4. Office Location:	City/town: Montpelier	County:
5. ARRA Activity (ARRA 1-01): Recovery Zone Economic Bonds		6. ARRA Code (ARRA 2-1):
7. Legal Title of Grant: Recovery Zone Economic Development Bonds		
8. Federal Agency Award # (ARRA-B): IRS		9. CFDA # (ARRA-E):
10. Federal Funding Agency's US Treasury Account Symbol (TAS):		(if provided by the federal funding agency)
11. Federal (or VT) Funding Agency (ARRA-A): N/A		12. Award Date: July 1, 2009
13. Award Amount \$		14. Check if this amount is an estimate: <input type="checkbox"/>
15. Grant Period (ARRA-H) From:	7/1/2009	To: 1/1/2011
16. Date by which ARRA funds must be: <input checked="" type="checkbox"/> Obligated by Date: and/or <input type="checkbox"/> Spent by Date: 1/1/2011		
17. Purpose of Grant/ARRA Narrative (ARRA 2-02): Interest buy down on 90M of \$Bonding Authority		
18. Area that will Benefit (name the state, county, city or school district): Government Units statewide with eligible projects (See attached)		
19. Impact on existing program if grant is not Accepted: None		

20. BUDGET INFORMATION (Note the total of columns A+B+C must equal the total of columns D+E+F)

Column Reference	A	B	C	D	E	F
	←-----State Fiscal Year-----→			←-----Federal Fiscal Year-----→		
Fiscal Year	SFY 2009	SFY 2010	SFY 2011 & Beyond	FFY 2009	FFY 2010	SFY 2011 & Beyond
Expenditures:						
Personnel Costs	\$	\$	\$	\$	\$	\$
3 rd Party Contracts	\$	\$	\$	\$	\$	\$
Operating Expenses	\$	\$	\$	\$	\$	\$
Grants/Sub-Awards	\$	\$	\$	\$	\$	\$
Total Expenditures	\$	\$	\$	\$	\$	\$
Revenues:						
State Funds:	\$	\$	\$	\$	\$	\$
Cash	\$	\$	\$	\$	\$	\$
In-Kind	\$	\$	\$	\$	\$	\$
ARRA Federal Funds:	\$	\$	\$	\$	\$	\$
(Direct Costs)	\$	\$	\$	\$	\$	\$
(Statewide Indirect)	\$	\$	\$	\$	\$	\$
(Dept'l Indirect)	\$	\$	\$	\$	\$	\$
Sub-total ARRA Funds	\$	\$	\$	\$	\$	\$
Other Funds:	\$	\$	\$	\$	\$	\$
(Other Federal)	\$	\$	\$	\$	\$	\$
(list source)	\$	\$	\$	\$	\$	\$
Total Revenues	\$	\$	\$	\$	\$	\$

Comments about expenditures or revenues may be made in the space provided below:

Recovery Zone Economic Development Bonds are treated as qualified bonds for purposes of § 6431 and they have a refundable credit subsidy equal to 45 percent of the total coupon interest payable to investors in taxable bonds.

21. VISION Tracking Information:

DeptID/Appropriation:	Other VISION Chartfield (funds, programs or projects)	Total Amount (all FYs)	Comments
N/A	N/A	\$	
		\$	
		\$	
		\$	
		\$	
Total		\$	This Total MUST agree with the total of Item 10, columns A+B+C above

PERSONAL SERVICE INFORMATION

22. Will monies from this grant be used to fund one or more Personal Service Contracts? Yes No
 If "Yes", appointing authority must initial here to indicate intent to follow current competitive bidding process/policy.

Appointing Authority Name: _____ Agreed by: _____ (initial)

23. State Position Information and Title(s):	# Existing Positions Retained	Est. Annual Regular Hours	# Positions Created (New)	Est. Annual Regular Hours
N/A				
Total Positions				

24. Is the appropriate Position Request Form attached for new position(s) listed in Line 12 above?
 YES – Form attached or No new positions created

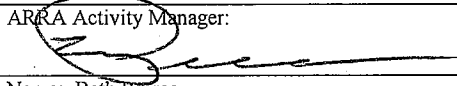
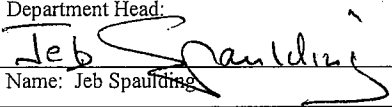
25. Equipment and space for these positions: Is presently available. Can be obtained w/available funds.

26. Does this qualify as "Infrastructure"? Yes No If Yes complete next line:

27. Infrastructure Rationale (select one) (ARRA 2-06):

1. To Preserve & create jobs & promote economic recovery.
2. To assist those most impacted by the recession.
3. To provide investment needed to increase economic efficiency by spurring technological advances in science & health.
4. To invest in transportation, environmental protection, & other infrastructure that will provide long-term economic benefits.
5. To stabilize State & local government budgets, in order to minimize & avoid reductions in essential services & counterproductive state & local tax increases.

28. AUTHORIZATION AGENCY/DEPARTMENT SIGNATURES

I/we certify that no funds beyond basic application preparation and filing costs have been expended or committed in anticipation of Joint Fiscal Committee approval of this grant, unless previous notification was made on Form AA-1PN (if applicable). I/we further certify that these funds will be used only in accordance with the federal American Recovery & Reinvestment Act and all federal and state rules and regulations pertaining thereto:	ARRA Activity Manager:	Date:
		10/13/09
	Name: Beth Pearce	Title: Deputy Treasurer
	Department Head:	Date:
	10/13/09	
Name: Jeb Spaulding	Title: State Treasurer	
Agency Secretary (if required):	Date:	
Name:	Title:	

29. REVIEW BY FINANCE & MANAGEMENT (continue on separate sheet if necessary)

<input type="checkbox"/>	√ To Release Spending Authority in VISION:	FY 20 _____ \$	Citation(s):
Analyst (initial):	Date:	Commissioner Finance & Management initial:	Date: 10/14/09
For ESR Use Only:	Assigned ESR Director's Signature: <i>Colan K...</i>		Date: 10-13-09
*** Section 30 through 33 are required ONLY when Form ESR-2 is used in lieu of Form AA-1 ***			
30. SECRETARY OF ADMINISTRATION			
<input checked="" type="checkbox"/>	Check One Box: Accepted	(Secretary's signature or designee) <i>Heath F. ...</i>	Date: 10/14/09
<input type="checkbox"/>	Rejected		Date:
31. ACTION BY GOVERNOR			
<input checked="" type="checkbox"/>	Check One Box: Request to JFO	(Governor's signature or designee) <i>[Signature]</i>	Date: 10/15/09
<input type="checkbox"/>	Rejected		Date:
32. SENT TO JFO			
<input type="checkbox"/>	Sent to JFO		Date:
*** Section 33 is a required section ***			
33. ARRA FORM ESR-2 DOCUMENTATION CHECK LIST (check all that apply):			
<input type="checkbox"/> Notice of Award or Proof of Award (REQUIRED)	<input type="checkbox"/> Dept. project approval (if applicable)	<input type="checkbox"/> Grant (Project) Timeline (if applicable)	
<input type="checkbox"/> Request Memo	<input type="checkbox"/> Governor's Certification (if applicable)	<input type="checkbox"/> Request for Extension (if applicable)	
<input type="checkbox"/> Grant Agreement	<input type="checkbox"/> Notice of Donation (if any)	<input type="checkbox"/> Form AA-1PN attached (if applicable)	
	<input type="checkbox"/> Position Request Form(s)		

Attachment for ESR-2 Question 18

The American Reinvestment and Recovery Act (ARRA) allocated \$90 million of bonding authority to Vermont for use as Recovery Zone Economic Development Bonds (RZED Bonds). These bonds are issued by state or local governments for purposes which are eligible for financing with tax exempt municipal bonds and which do not violate ARRA restrictions. However, these bonds are issued as taxable bonds and the federal government reimburses 45% of the interest cost to the issuer making the bonds both more easily saleable and less expensive for the issuer than traditional tax exempt bonds. The bonds must be issued by December 31, 2010 or the bonding authority is forfeit.

The RZED bonding authority was originally allocated by the federal government to eleven of Vermont's fourteen counties (see attached allocation sheet). The Vermont Attorney General issued an opinion (attached) stating that the counties do not have the authority to use or reallocate this bonding authority except for buildings, such as courthouses, which counties have authority to build. The Attorney General further opined that the assistant judges do have the requisite authority to waive these allocations. ARRA provides that such a waiver is always to the state.

To date assistant judges representing nine of the eleven counties with allocations and the vast majority of the funds allocated have signed waivers (copies attached); the remaining two are expected to sign in the near future.

Bond counsel has opined (attached) that these bonds are "something of value" received by the state and that the Joint Fiscal Committee has the proper authority when the legislature is not in session to approve the Governor's plan for acceptance and use of this authority. This plan was developed jointly by the State Treasurer and the Chief Recovery Officer in consultation with interested parties--especially the assistant judges of counties that received federal allocations; and the plan formed the basis of the waivers signed by the assistant judges.

The plan is for the Vermont Municipal Bond Bank (VMBB) to be given responsibility for issuing these bonds on behalf of counties and municipalities with eligible projects ready for construction in time to allow issuance of these bonds by December 31, 2010. VMBB will honor the following restrictions in issuing these bonds:

1. One-half, or \$45 million, of the RZED Bond volume cap allocated by the United States Treasury and Internal Revenue Service to each county will be reserved as a minimum for projects located within that county provided that any amount of such minimum allocation for which projects have not been approved by March 31, 2010 shall become available for projects in any county in the state.
2. The remaining \$45 million of the RZED Bond volume cap is immediately available for projects in any county in the state for any eligible purpose. Prior to April 1, 2010, portions of this amount may be used in the counties that have minimums if those minimums have been exhausted. After this date, this amount may be used for any eligible project in any county in the state.

3. VMBB shall use its customary procedures to determine the eligibility of projects and applicants for this bonding and shall additionally ensure that such projects and applicants are eligible under the American Recovery and Reinvestment Act of 2009 (ARRA) and other relevant federal law.
4. No single project or applicant may receive more than \$25 million of the available RZED Bond volume cap from this pool.
5. Except as otherwise specified above, the bond volume cap will be allocated to eligible projects and applicants on a first come, first served basis.
6. All volume cap not firmly allocated by VMBB by November 1, 2010 may be made available by the VMBB Board for the Treasurer to use to reduce the cost of eligible State of Vermont bonds.

RZEDB & RZFB Allocations				
County	RZ Econ Dev Bond federal allocation	Proposed Minimum Reservation	RZ Facility Bond federal allocation	Proposed Minimum Reservation
Addison	\$2,428,000	\$1,214,000	\$3,641,000	\$1,820,500
Bennington	\$848,000	\$424,000	\$1,272,000	\$636,000
Caledonia	\$681,000	\$340,500	\$1,021,000	\$510,500
Chittenden	\$21,796,000	\$10,898,000	\$32,695,000	\$16,347,500
Essex	\$26,000	\$13,000	\$39,000	\$19,500
Franklin	\$6,371,000	\$3,185,500	\$9,556,000	\$4,778,000
Grand Isle	\$1,015,000	\$507,500	\$1,522,000	\$776,000
Lamoille	\$0	\$0	\$0	\$0
Orange	1,143,000	\$571,500	\$1,715,000	\$857,000
Orleans	\$0	\$0	\$0	\$0
Rutland	\$42,231,000	\$21,115,500	\$63,347,000	\$31,673,500
Washington	\$9,094,000	\$4,547,000	\$13,641,000	\$6,820,500
Windham	\$4,367,000	\$2,183,500	\$6,551,000	\$3,275,500
Windsor	\$0	\$0	\$0	\$0
VTA				\$20,000,000
TOTAL	\$90,000,000		\$135,000,000	

MEMORANDUM

OFFICE OF THE ATTORNEY GENERAL

TO: Jeb Spaulding, State Treasurer
 Tom Evslin, Chief Recovery Officer

FROM: Bill Griffin, Chief Assistant Attorney General

RE: ARRA Recovery Zone Bonds – Allocation Process

DATE: August 25, 2009

This is in reply to your question whether the Emergency Board would have the authority to allocate bond ceilings for Recovery Zone Facility Bonds in the event that Vermont counties decide to waive their allocations in favor of the State. It is the opinion of the Attorney General's Office that the Emergency Board would have this authority in these circumstances. It is less clear that the Emergency Board or other state officials would have the authority to allocate bond ceilings for Recovery Zone Economic Development Bonds. It may become necessary to seek legislative clarification respecting the Economic Development Bonds.

As we have discussed, the American Recovery and Reinvestment Act (ARRA) provides for both Facility Bonds and Economic Development Bonds. Facility Bonds may be issued on behalf of private borrowers for certain private uses. The interest paid on these bonds is exempt from federal income taxes. Economic Development Bonds may be issued by public entities for public purposes. The interest paid on these bonds qualifies for a 45% federal subsidy.

The IRS has allocated bond ceilings among the states and apportioned these allocations among eleven Vermont counties. The ARRA would allow these counties to use these allocations themselves or to waive their allocations in favor of the state. However, Vermont counties are created by state law and their actual authority to use or waive their allocations depends on state law.

The AG's Office has previously advised that Vermont law would allow county governments to use some or all of their allocations of Economic Development Bond ceilings for specified public purposes. For example, Vermont counties, acting through their assistant judges, have the authority to levy taxes and spend funds to provide and maintain courthouses. *See*, 24 V.S.A § 71a.

We have also advised that state law does not authorize counties to use their allocations of Facility Bond ceilings. Facility bonds can only be issued on behalf of private borrowers for private uses. Vermont law does not authorize county governments to sponsor private activities or financings.

Finally, we have advised that counties, as political subdivisions of the State, can allocate or waive both their Facility Bond and their Economic Development Bond ceilings to the State. An allocation to the State would adhere to Vermont's constitutional and statutory structure and would not be an affirmative exercise of any taxing, spending or governmental power beyond the scope of powers expressly conferred by the State. Vermont law does not authorize counties to allocate bond ceilings to other entities or political subdivisions.

Our discussions and the advice summarized above brought us to the immediate question, which is how the State should apportion bond ceiling allocations acquired from Vermont counties. Federal law provides that states may allocate waived allocations to ultimate beneficiaries and issuers but defers to state law on the allocation process. Vermont law authorizes the Emergency Board to allocate Facility Bond (private activity) ceilings but makes no specific provision for allocating the Economic Development Bond (public purpose) ceilings.

Our advice on the Facility Bond ceilings is based on longstanding Vermont legislation that designates the Emergency Board as "the duly authorized agency of the state having the power to apportion the state's private activity bond ceiling to and among the constituted issuing authorities empowered to issue such bonds." 32 V.S.A. § 992(b). This statute predates the ARRA by more than twenty years -- it was enacted in response to prior federal legislation -- but it is close enough in terms and in purpose to enable the Emergency Board to apportion the private activity bond ceilings authorized by the ARRA and allocated by the IRS.

Therefore, if Vermont counties decide to waive their Facility Bond ceiling allocations in favor of the State, the Emergency Board could apportion those allocations among the issuing authorities described in the statutes. Those issuing authorities would include the Vermont Economic Development Authority, the Vermont Housing Finance Agency, the Vermont Municipal Bond Bank and the Vermont Student Assistance Corporation. 32 V.S.A. § 991(2). They would also include other state agencies, public corporations and municipal corporations (such as the Vermont Telecommunications Authority) that are "authorized by law to issue private activity bonds." *Id.*

There does not appear to be any comparable Vermont statute that directs the Emergency Board or any other agency or official to apportion public purpose bond ceilings among issuing authorities. The Emergency Board, with its legislative and executive composition and its existing authority to apportion private activity bond ceilings, would be a logical and probably lawful choice. However, since the issuance of bonds usually requires fairly definite legal assurances, it may be best to seek legislative confirmation that the Emergency Board or some other state entity has authority to allocate the Economic Development (public purpose) Bond ceilings.

MEMORANDUM

TO: George B. "Jeb" Spaulding, Vermont State Treasurer
Bill Griffin, Chief Assistant Attorney General
Jaye Pershing Johnson, Assistant Attorney General
Susanne Young of the Governor's Office
Tom Evslin, Chief Recovery Officer

FROM: Meghan B. Burke
Colin M. McNiece

DATE: September 29, 2009

RE: Allocation of Recovery Zone Economic Development Bond Volume Cap

Based on our legal analysis and discussions with Bill Griffin and Jaye Pershing Johnson of the Attorney General's Office and Susanne Young of the Governor's Office, we are able to give our opinion that the Joint Fiscal Committee may make the allocation of the Recovery Zone Economic Development Bonds ("RZEDB") to the Vermont Municipal Bond Bank (the "Bond Bank"). It is our opinion that the allocation in the American Recovery and Reinvestment Act of 2009 ("ARRA") constitutes a "thing of value" under 2 VSA 503(b)(3).

Pursuant to Internal Revenue Service Notice 2009-50, upon the waiver by a county of its Recovery Zone Economic Development Bond volume cap allocation, the "State" may use such volume cap itself or may reallocate the volume cap. The State may reallocate the waived volume cap "in any reasonable manner as it shall determine in good faith in its discretion." Thus the reallocation is subject only to state law requirements.

Vermont law does not clearly delineate where the authority to reallocate the volume cap may lie. As a constitutional matter the spending power lies with the executive and the power to make appropriations lies with the legislature. See *Hunter v. State*, 177 Vt. 339, 348-49 (2004). However, the authority to reallocate a federal apportionment of volume cap for bond financing falls somewhere in between. Through several statutes the General Assembly has expressed an intent to have a role in similar acts.

The Emergency Board, established under 32 V.S.A. §131, has been designated pursuant to 32 V.S.A. §992 to allocate the State's private activity bond ceiling. However, the Emergency Board's authority is not broad enough to include the allocation of volume cap for public purpose

development purpose²” as defined in the Internal Revenue Code and thus be eligible for financing through the issuance of RZEDB if those projects are located within a Recovery Zone.³

Because the State could potentially use the allocation itself and thus receive the subsidy, it does have value to the State. As a thing of value it appropriately falls under the jurisdiction of the Joint Fiscal Committee. The Governor’s acceptance of the allocation would then be submitted pursuant to 32 V.S.A §5.

32 V.S.A. § 5 requires that the governor’s approval be submitted along with the following information:

- (A) the source of the grant, gift or loan;
- (B) the legal and referenced titles of the grant;
- (C) the costs, direct and indirect, for the present and future years related to such a grant;
- (D) the department and/or program which will utilize the grant;
- (E) a brief statement of purpose; and
- (F) impact on existing programs if grant is not accepted.

Thus to meet the requirements of 32 V.S.A. §5, the Governor would (following waiver by all the Counties) submit to the Joint Fiscal Committee an acceptance of the aggregate Recovery Zone Economic Development Bonds volume cap waived by the Counties including the information above and outlining a program to reallocate the volume cap to the Bond Bank.

The Bond Bank would issue Recovery Zone Economic Development Bonds pursuant to the allocation and use the proceeds to purchase the taxable general obligation or revenue bonds

² IRC Section 1400U-2(c) defines the term “qualified economic development purpose” for purposes of § 1400U-2 to mean any expenditures for purposes of promoting development or other economic activity in a recovery zone, including (1) capital expenditures paid or incurred with respect to property located in the recovery zone, (2) expenditures for public infrastructure and construction of public facilities, and (3) expenditures for job training and educational programs. This broad definition of qualified economic development purpose includes capital expenditures (as defined in § 1.150-1(b) of the Income Tax Regulations) and working capital expenditures to promote development or other economic activity in a recovery zone.

³ Section 1400U-1(b) provides that, for purposes of §§ 1400U-1 through 1400U-3, the term “recovery zone” means: (1) any area designated by the issuer as having significant poverty, unemployment, rate of home foreclosures, or general distress; (2) any area designated by the issuer as economically distressed by reason of the closure or realignment of a military installation pursuant to the Defense Base Closure and Realignment Act of 1990; and (3) any area for which a designation as an empowerment zone or renewal community is in effect as of the effective date of ARRA, which effective date is February 17, 2009.

**WAIVERS OF VOLUME CAP ALLOCATIONS PURSUANT TO THE AMERICAN
RECOVERY AND REINVESTMENT ACT OF 2009**

WHEREAS Addison County, Vermont has received a Recovery Zone Economic Development Bond volume cap in the amount of \$2,428,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Addison County, Vermont has received a Recovery Zone Facility Bond volume cap in the amount of \$3,641,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Section 1400U-1(a)(3)(A) of the American Recovery and Reinvestment Act of 2009 provides that a county may waive allocations received for Recovery Zone Bonds;

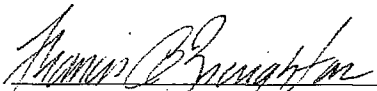
WHEREAS IRS Notice 2009-50, Section 5.05, provides that upon any waiver of Recovery Zone volume caps by a county, the State in which such county is located shall be authorized to reallocate the waived volume cap in any reasonable manner as it shall determine in good faith in its discretion; and

WHEREAS Addison County, Vermont wishes to waive its Recovery Zone volume caps so that the State of Vermont may reallocate these volume caps in a reasonable manner as it shall determine in good faith in its discretion;

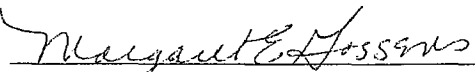
NOW, THEREFORE,

1. Addison County, Vermont hereby waives its Recovery Zone Economic Development Bond volume cap in the amount of \$2,428,000 under the American Recovery and Reinvestment Act of 2009; and
2. Addison County, Vermont hereby waives its Recovery Zone Facility Bond volume cap in the amount of \$3,641,000 under the American Recovery and Reinvestment Act of 2009.

ADDISON COUNTY, VERMONT


By: 
Frank Broughton, Assistant Judge

Dated: Oct. 7, 2009

By: 
Betsey Gossens, Assistant Judge

Dated: October 7, 2009

The State of Vermont hereby accepts the Addison County, Vermont waivers of Recovery Zone Bond volume caps as described above.

By: 
Jeb Spaulding, State Treasurer

Dated: 10/14/09

By: 
Neale Lunderville, Sec'y of Administration

Dated: 10/15/09

**WAIVERS OF VOLUME CAP ALLOCATIONS PURSUANT TO THE AMERICAN
RECOVERY AND REINVESTMENT ACT OF 2009**

WHEREAS Bennington County, Vermont has received a Recovery Zone Economic Development Bond volume cap in the amount of \$848,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Bennington County, Vermont has received a Recovery Zone Facility Bond volume cap in the amount of \$1,272,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Section 1400U-1(a)(3)(A) of the American Recovery and Reinvestment Act of 2009 provides that a county may waive allocations received for Recovery Zone Bonds;

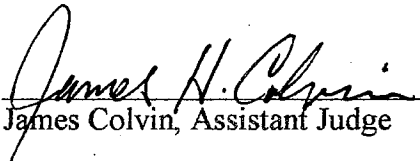
WHEREAS IRS Notice 2009-50, Section 5.05, provides that upon any waiver of Recovery Zone volume caps by a county, the State in which such county is located shall be authorized to reallocate the waived volume cap in any reasonable manner as it shall determine in good faith in its discretion; and

WHEREAS Bennington County, Vermont wishes to waive its Recovery Zone volume caps so that the State of Vermont may reallocate these volume caps in a reasonable manner as it shall determine in good faith in its discretion;

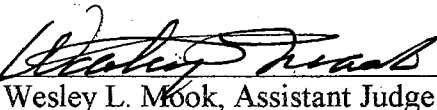
NOW, THEREFORE,

1. Bennington County, Vermont hereby waives its Recovery Zone Economic Development Bond volume cap in the amount of \$848,000 under the American Recovery and Reinvestment Act of 2009; and
2. Bennington County, Vermont hereby waives its Recovery Zone Facility Bond volume cap in the amount of \$1,272,000 under the American Recovery and Reinvestment Act of 2009.

BENNINGTON COUNTY, VERMONT

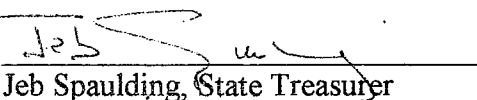
By: 
James Colvin, Assistant Judge

Dated: 9-18-2009

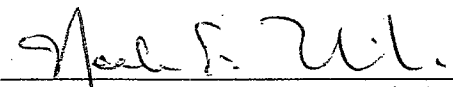
By: 
Wesley L. Mook, Assistant Judge

Dated: 9/18/2009

The State of Vermont hereby accepts the Bennington County, Vermont waivers of Recovery Zone Bond volume caps as described above.

By: 
Jeb Spaulding, State Treasurer

Dated: 10/14/09

By: 
Neale Lunderville, Sec'y of Administration

Dated: 10/15/09

**WAIVERS OF VOLUME CAP ALLOCATIONS PURSUANT TO THE AMERICAN
RECOVERY AND REINVESTMENT ACT OF 2009**

WHEREAS Caledonia County, Vermont has received a Recovery Zone Economic Development Bond volume cap in the amount of \$681,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Caledonia County, Vermont has received a Recovery Zone Facility Bond volume cap in the amount of \$1,021,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Section 1400U-1(a)(3)(A) of the American Recovery and Reinvestment Act of 2009 provides that a county may waive allocations received for Recovery Zone Bonds;

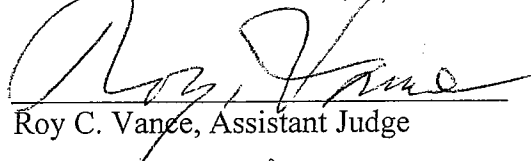
WHEREAS IRS Notice 2009-50, Section 5.05, provides that upon any waiver of Recovery Zone volume caps by a county, the State in which such county is located shall be authorized to reallocate the waived volume cap in any reasonable manner as it shall determine in good faith in its discretion; and

WHEREAS Caledonia County, Vermont wishes to waive its Recovery Zone volume caps so that the State of Vermont may reallocate these volume caps in a reasonable manner as it shall determine in good faith in its discretion;

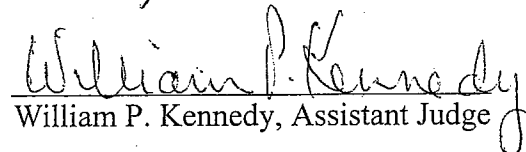
NOW, THEREFORE,

1. Caledonia County, Vermont hereby waives its Recovery Zone Economic Development Bond volume cap in the amount of \$681,000 under the American Recovery and Reinvestment Act of 2009; and
2. Caledonia County, Vermont hereby waives its Recovery Zone Facility Bond volume cap in the amount of \$1,021,000 under the American Recovery and Reinvestment Act of 2009.

CALEDONIA COUNTY, VERMONT

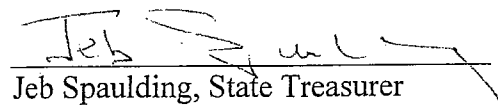
By: 
Roy C. Vance, Assistant Judge

Dated: 10-5-09

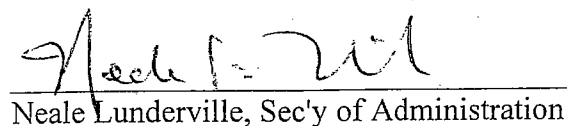
By: 
William P. Kennedy, Assistant Judge

Dated: 10-5-09

The State of Vermont hereby accepts the Caledonia County, Vermont waivers of Recovery Zone Bond volume caps as described above.

By: 
Jeb Spaulding, State Treasurer

Dated: 10/14/09

By: 
Neale Lunderville, Sec'y of Administration

Dated: 10/15/09

**WAIVERS OF VOLUME CAP ALLOCATIONS PURSUANT TO THE AMERICAN
RECOVERY AND REINVESTMENT ACT OF 2009**

WHEREAS Chittenden County, Vermont has received a Recovery Zone Economic Development Bond volume cap in the amount of \$21,796,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Chittenden County, Vermont has received a Recovery Zone Facility Bond volume cap in the amount of \$32,695,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Section 1400U-1(a)(3)(A) of the American Recovery and Reinvestment Act of 2009 provides that a county may waive allocations received for Recovery Zone Bonds;

WHEREAS IRS Notice 2009-50, Section 5.05, provides that upon any waiver of Recovery Zone volume caps by a county, the State in which such county is located shall be authorized to reallocate the waived volume cap in any reasonable manner as it shall determine in good faith in its discretion; and

WHEREAS Chittenden County, Vermont wishes to waive its Recovery Zone volume caps so that the State of Vermont may reallocate these volume caps in a reasonable manner as it shall determine in good faith in its discretion;

NOW, THEREFORE,

1. Chittenden County, Vermont hereby waives its Recovery Zone Economic Development Bond volume cap in the amount of \$21,796,000 under the American Recovery and Reinvestment Act of 2009; and
2. Chittenden County, Vermont hereby waives its Recovery Zone Facility Bond volume cap in the amount of \$32,695,000 under the American Recovery and Reinvestment Act of 2009.

CHITTENDEN COUNTY, VERMONT

By: Elizabeth M. Gretkowski
Elizabeth Gretkowski, Assistant Judge

Dated: September 16, 2009

By: Thomas Crowley
Thomas Crowley, Assistant Judge

Dated: Sept 16, 2009

The State of Vermont hereby accepts the Chittenden County, Vermont waivers of Recovery Zone Bond volume caps as described above.

By: Jeb Spaulding
Jeb Spaulding, State Treasurer

Dated: 10/14/09

By: Neale F. Lunderville
Neale Lunderville, Sec'y of Administration

Dated: 10/15/09

**WAIVERS OF VOLUME CAP ALLOCATIONS PURSUANT TO THE AMERICAN
RECOVERY AND REINVESTMENT ACT OF 2009**

WHEREAS Essex County, Vermont has received a Recovery Zone Economic Development Bond volume cap in the amount of \$26,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Essex County, Vermont has received a Recovery Zone Facility Bond volume cap in the amount of \$39,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Section 1400U-1(a)(3)(A) of the American Recovery and Reinvestment Act of 2009 provides that a county may waive allocations received for Recovery Zone Bonds;

WHEREAS IRS Notice 2009-50, Section 5.05, provides that upon any waiver of Recovery Zone volume caps by a county, the State in which such county is located shall be authorized to reallocate the waived volume cap in any reasonable manner as it shall determine in good faith in its discretion; and

WHEREAS Essex County, Vermont wishes to waive its Recovery Zone volume caps so that the State of Vermont may reallocate these volume caps in a reasonable manner as it shall determine in good faith in its discretion;

NOW, THEREFORE,

1. Essex County, Vermont hereby waives its Recovery Zone Economic Development Bond volume cap in the amount of \$26,000 under the American Recovery and Reinvestment Act of 2009; and
2. Essex County, Vermont hereby waives its Recovery Zone Facility Bond volume cap in the amount of \$39,000 under the American Recovery and Reinvestment Act of 2009.

ESSEX COUNTY, VERMONT

By: Allen D. Hodgdon
Allen Hodgdon, Assistant Judge

Dated: 09/18/2009

By: Calvin Colby
Calvin Colby, Assistant Judge

Dated: 9/26/2009

The State of Vermont hereby accepts the Essex County, Vermont waivers of Recovery Zone Bond volume caps as described above.

By: Jeb Spaulding
Jeb Spaulding, State Treasurer

Dated: 10/14/09

By: Neale Lunderville
Neale Lunderville, Sec'y of Administration

Dated: 10/15/09

**WAIVERS OF VOLUME CAP ALLOCATIONS PURSUANT TO THE AMERICAN
RECOVERY AND REINVESTMENT ACT OF 2009**

WHEREAS Franklin County, Vermont has received a Recovery Zone Economic Development Bond volume cap in the amount of \$6,371,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Franklin County, Vermont has received a Recovery Zone Facility Bond volume cap in the amount of \$9,556,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Section 1400U-1(a)(3)(A) of the American Recovery and Reinvestment Act of 2009 provides that a county may waive allocations received for Recovery Zone Bonds;


WHEREAS IRS Notice 2009-50, Section 5.05, provides that upon any waiver of Recovery Zone volume caps by a county, the State in which such county is located shall be authorized to reallocate the waived volume cap in any reasonable manner as it shall determine in good faith in its discretion; and

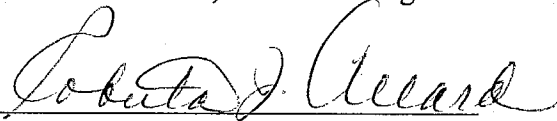
WHEREAS Franklin County, Vermont wishes to waive its Recovery Zone volume caps so that the State of Vermont may reallocate these volume caps in a reasonable manner as it shall determine in good faith in its discretion;

NOW, THEREFORE,

1. Franklin County, Vermont hereby waives its Recovery Zone Economic Development Bond volume cap in the amount of \$6,371,000 under the American Recovery and Reinvestment Act of 2009; and
2. Franklin County, Vermont hereby waives its Recovery Zone Facility Bond volume cap in the amount of \$9,556,000 under the American Recovery and Reinvestment Act of 2009.

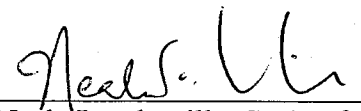
FRANKLIN COUNTY, VERMONT

By:  Dated: October 19, 2009
Teresa Manahan, Assistant Judge

By:  Dated: October 19, 2009
Roberta (Bobbie) Allard, Assistant Judge

The State of Vermont hereby accepts the Franklin County, Vermont waivers of Recovery Zone Bond volume caps as described above.

By:  Dated: 10/20/09
Jeb Spaulding, State Treasurer

By:  Dated: 10/20/09
Neale Lunderville, Sec'y of Administration

WAIVERS OF VOLUME CAP ALLOCATIONS PURSUANT TO THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009

WHEREAS Grand Isle County, Vermont has received a Recovery Zone Economic Development Bond volume cap in the amount of \$1,015,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Grand Isle County, Vermont has received a Recovery Zone Facility Bond volume cap in the amount of \$1,522,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Section 1400U-1(a)(3)(A) of the American Recovery and Reinvestment Act of 2009 provides that a county may waive allocations received for Recovery Zone Bonds;

WHEREAS IRS Notice 2009-50, Section 5.05, provides that upon any waiver of Recovery Zone volume caps by a county, the State in which such county is located shall be authorized to reallocate the waived volume cap in any reasonable manner as it shall determine in good faith in its discretion; and


WHEREAS Grand Isle County, Vermont wishes to waive its Recovery Zone volume caps so that the State of Vermont may reallocate these volume caps in a reasonable manner as it shall determine in good faith in its discretion;

NOW, THEREFORE,

- Grand Isle County, Vermont hereby waives its Recovery Zone Economic Development Bond volume cap in the amount of \$1,015,000 under the American Recovery and Reinvestment Act of 2009; and

- Grand Isle County, Vermont hereby waives its Recovery Zone Facility Bond volume cap in the amount of \$1,522,000 under the American Recovery and Reinvestment Act of 2009.

GRAND ISLE COUNTY, VERMONT

By: 
Sherri Potvin, Assistant Judge

Dated: Oct 15 2009

By: 
Andrew deTreville, Assistant Judge

Dated: Oct. 15, 2009

The State of Vermont hereby accepts the Grand Isle County, Vermont waivers of Recovery Zone Bond volume caps as described above.

By: 
Jeb Spaulding, State Treasurer

Dated: 10/16/09

By: 
Neale Lunderville, Sec'y of Administration

Dated: 10/16/09

**WAIVERS OF VOLUME CAP ALLOCATIONS PURSUANT TO THE AMERICAN
RECOVERY AND REINVESTMENT ACT OF 2009**

WHEREAS Orange County, Vermont has received a Recovery Zone Economic Development Bond volume cap in the amount of \$1,143,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Orange County, Vermont has received a Recovery Zone Facility Bond volume cap in the amount of \$1,715,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Section 1400U-1(a)(3)(A) of the American Recovery and Reinvestment Act of 2009 provides that a county may waive allocations received for Recovery Zone Bonds;

WHEREAS IRS Notice 2009-50, Section 5.05, provides that upon any waiver of Recovery Zone volume caps by a county, the State in which such county is located shall be authorized to reallocate the waived volume cap in any reasonable manner as it shall determine in good faith in its discretion; and

WHEREAS Orange County, Vermont wishes to waive its Recovery Zone volume caps so that the State of Vermont may reallocate these volume caps in a reasonable manner as it shall determine in good faith in its discretion;

NOW, THEREFORE,

1. Orange County, Vermont hereby waives its Recovery Zone Economic Development Bond volume cap in the amount of \$1,143,000 under the American Recovery and Reinvestment Act of 2009; and
2. Orange County, Vermont hereby waives its Recovery Zone Facility Bond volume cap in the amount of \$1,715,000 under the American Recovery and Reinvestment Act of 2009.

ORANGE COUNTY, VERMONT

By: Prudence K. Pease Dated: 10/6/09
Prudence Pease, Assistant Judge

By: Maurice A. Brown Dated: 10/6/09
Maurice A. Brown, Assistant Judge

The State of Vermont hereby accepts the Orange County, Vermont waivers of Recovery Zone Bond volume caps as described above.

By: Jeb Spaulding Dated: 10/14/09
Jeb Spaulding, State Treasurer

By: Neale Lunderville Dated: 10/15/09
Neale Lunderville, Sec'y of Administration

**WAIVERS OF VOLUME CAP ALLOCATIONS PURSUANT TO THE AMERICAN
RECOVERY AND REINVESTMENT ACT OF 2009**

WHEREAS Rutland County, Vermont has received a Recovery Zone Economic Development Bond volume cap in the amount of \$42,231,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Rutland County, Vermont has received a Recovery Zone Facility Bond volume cap in the amount of \$63,347,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Section 1400U-1(a)(3)(A) of the American Recovery and Reinvestment Act of 2009 provides that a county may waive allocations received for Recovery Zone Bonds;

WHEREAS IRS Notice 2009-50, Section 5.05, provides that upon any waiver of Recovery Zone volume caps by a county, the State in which such county is located shall be authorized to reallocate the waived volume cap in any reasonable manner as it shall determine in good faith in its discretion; and

WHEREAS Rutland County, Vermont wishes to waive its Recovery Zone volume caps so that the State of Vermont may reallocate these volume caps in a reasonable manner as it shall determine in good faith in its discretion;

NOW, THEREFORE,

1. Rutland County, Vermont hereby waives its Recovery Zone Economic Development Bond volume cap in the amount of \$42,231,000 under the American Recovery and Reinvestment Act of 2009; and

2. Rutland County, Vermont hereby waives its Recovery Zone Facility Bond volume cap in the amount of \$63,347,000 under the American Recovery and Reinvestment Act of 2009.

RUTLAND COUNTY, VERMONT

By: *Marlene R. Burke*
Marlene R. Burke, Assistant Judge

Dated: *Sept 15, 2009*

By: *Jean H. Coloutti*
Jean H. Coloutti, Assistant Judge

Dated: *September 15, 2009*

The State of Vermont hereby accepts the Rutland County, Vermont waivers of Recovery Zone Bond volume caps as described above.

By: *Jeb Spaulding*
Jeb Spaulding, State Treasurer

Dated: *10/14/09*

By: *Neil S. Mc*

Dated: *10/15/09*

**WAIVERS OF VOLUME CAP ALLOCATIONS PURSUANT TO THE AMERICAN
RECOVERY AND REINVESTMENT ACT OF 2009**

WHEREAS Washington County, Vermont has received a Recovery Zone Economic Development Bond volume cap in the amount of \$9,094,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Washington County, Vermont has received a Recovery Zone Facility Bond volume cap in the amount of \$13,641,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Section 1400U-1(a)(3)(A) of the American Recovery and Reinvestment Act of 2009 provides that a county may waive allocations received for Recovery Zone Bonds;

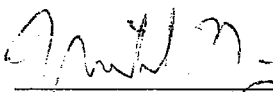
WHEREAS IRS Notice 2009-50, Section 5.05, provides that upon any waiver of Recovery Zone volume caps by a county, the State in which such county is located shall be authorized to reallocate the waived volume cap in any reasonable manner as it shall determine in good faith in its discretion; and

WHEREAS Washington County, Vermont wishes to waive its Recovery Zone volume caps so that the State of Vermont may reallocate these volume caps in a reasonable manner as it shall determine in good faith in its discretion;

NOW, THEREFORE,

1. Washington County, Vermont hereby waives its Recovery Zone Economic Development Bond volume cap in the amount of \$9,094,000 under the American Recovery and Reinvestment Act of 2009; and
2. Washington County, Vermont hereby waives its Recovery Zone Facility Bond volume cap in the amount of \$13,641,000 under the American Recovery and Reinvestment Act of 2009.

WASHINGTON COUNTY, VERMONT


By: 
Michael Zimmerman, Assistant Judge

Dated: 9/18/09

By: 
Barney Bloom, Assistant Judge

Dated: 16 SEPT 09

The State of Vermont hereby accepts the Washington County, Vermont waivers of Recovery Zone Bond volume caps as described above.

By: 
Jeb Spaulding, State Treasurer

Dated: 9/28/09

By: 
Neale Lunderville, Sec'y of Administration

Dated: 10/15/09

**WAIVERS OF VOLUME CAP ALLOCATIONS PURSUANT TO THE AMERICAN
RECOVERY AND REINVESTMENT ACT OF 2009**

WHEREAS Windham County, Vermont has received a Recovery Zone Economic Development Bond volume cap in the amount of \$4,367,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Windham County, Vermont has received a Recovery Zone Facility Bond volume cap in the amount of \$6,551,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Section 1400U-1(a)(3)(A) of the American Recovery and Reinvestment Act of 2009 provides that a county may waive allocations received for Recovery Zone Bonds;

WHEREAS IRS Notice 2009-50, Section 5.05, provides that upon any waiver of Recovery Zone volume caps by a county, the State in which such county is located shall be authorized to reallocate the waived volume cap in any reasonable manner as it shall determine in good faith in its discretion; and

WHEREAS Windham County, Vermont wishes to waive its Recovery Zone volume caps so that the State of Vermont may reallocate these volume caps in a reasonable manner as it shall determine in good faith in its discretion;

NOW, THEREFORE,

1. Windham County, Vermont hereby waives its Recovery Zone Economic Development Bond volume cap in the amount of \$4,367,000 under the American Recovery and Reinvestment Act of 2009; and
2. Windham County, Vermont hereby waives its Recovery Zone Facility Bond volume cap in the amount of \$6,551,000 under the American Recovery and Reinvestment Act of 2009.

WINDHAM COUNTY, VERMONT

By: Mary Ann Clarkson Dated: 10.14.09
Mary Ann Clarkson, Assistant Judge

By: Patricia W. Duff Dated: 10-14-09
Patricia Duff, Assistant Judge

The State of Vermont hereby accepts the Windham County, Vermont waivers of Recovery Zone Bond volume caps as described above.

By: Jeb Spaulding Dated: 10/19/09
Jeb Spaulding, State Treasurer

By: Neale Lunderville Dated: 10/20/09
Neale Lunderville, Sec'y of Administration



JFO 2401

State of Vermont
Agency of Administration
Office of Economic Stimulus and Recovery
Pavilion Office Building
109 State Street
Montpelier, VT 05609-0201
www.vermont.recovery.gov

[phone] 802-828-1350
[fax] 802-828-3320

Tom Evslin, Chief Recovery Officer

October 13, 2009

To: Joint Fiscal Office

CC: Treasurer Jeb Spaulding

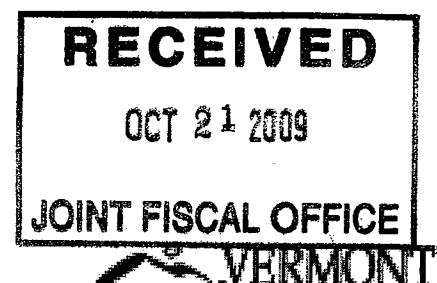
From: Tom Evslin, Chief Recovery Officer

Subject: Request to Expedite ARRA Competitive Grant

In light of the ARRA goal and expressed intent of the Vermont legislature and the Governor that stimulus money be put to work as quickly as possible to help alleviate unemployment and stimulate the economy and at Chairman Obuchowski's suggestion, I am requesting expedited consideration by the Joint Fiscal Committee of the plan for use of Recovery Zone Economic Development Bonds.

Earliest consideration of this authorization is especially important since the authorization expires if unused at the end of calendar 2010. We'd like to give municipalities and county governments as much time as possible to get local approval for their projects and make project submissions.

Thank you for your consideration.



ARRA ACTIVITY ACCEPTANCE REQUEST:		<input type="checkbox"/> ARRA Competitive Grant (Alternate Form AA-1)		<input checked="" type="checkbox"/> Other ARRA Activity (Not subject to AA-1 Process)		
Revision? <input type="checkbox"/> Yes		Revision Date:				
INSTRUCTIONS: This form must be completed in its entirety and is required for: <ul style="list-style-type: none"> 1) acceptance of all ARRA Discretionary Grants, and 2) PRIOR to receipt of all ARRA Formula/Block Grants, and 3) PRIOR to receipts of all ARRA funding for Individual Entitlement Programs. 						
NOTE: Incomplete forms will be returned to departments and will result in the delay of spending authority release.						
BASIC ARRA INFORMATION						
1. Agency (ARRA-F):		2. Department (ARRA-F): Office of the State Treasurer		3. DUNS # (ARRA-C): 809550320		
4. Office Location:		City/town: Montpelier		County:		
5. ARRA Activity (ARRA 1-01): Recovery Zone Economic Bonds			6. ARRA Code (ARRA 2-1):			
7. Legal Title of Grant: Recovery Zone Economic Development Bonds						
8. Federal Agency Award # (ARRA-B): IRS			9. CFDA # (ARRA-E):			
10. Federal Funding Agency's US Treasury Account Symbol (TAS):				(if provided by the federal funding agency)		
11. Federal (or VT) Funding Agency (ARRA-A): N/A			12. Award Date: July 1, 2009			
13. Award Amount \$			14. Check if this amount is an estimate: <input type="checkbox"/>			
15. Grant Period (ARRA-H) From:		7/1/2009		To: 1/1/2011		
16. Date by which ARRA funds must be:			<input checked="" type="checkbox"/> Obligated by Date:		and/or <input type="checkbox"/> Spent by Date: 1/1/2011	
17. Purpose of Grant/ARRA Narrative (ARRA 2-02): Interest buy down on 90M of \$Bonding Authority						
18. Area that will Benefit (name the state, county, city or school district): Government Units statewide with eligible projects (See attached)						
19. Impact on existing program if grant is not Accepted: None						
20. BUDGET INFORMATION (Note the total of columns A+B+C must equal the total of columns D+E+F)						
Column Reference	A	B	C	D	E	F
	←-----State Fiscal Year-----→			←-----Federal Fiscal Year-----→		
Fiscal Year	SFY 2009	SFY 2010	SFY 2011 & Beyond	FFY 2009	FFY 2010	SFY 2011 & Beyond
Expenditures:						
Personnel Costs	\$	\$	\$	\$	\$	\$
3 rd Party Contracts	\$	\$	\$	\$	\$	\$
Operating Expenses	\$	\$	\$	\$	\$	\$
Grants/Sub-Awards	\$	\$	\$	\$	\$	\$
Total Expenditures	\$	\$	\$	\$	\$	\$
Revenues:						
State Funds:						
Cash	\$	\$	\$	\$	\$	\$
In-Kind	\$	\$	\$	\$	\$	\$
ARRA Federal Funds:	\$	\$	\$	\$	\$	\$
(Direct Costs)	\$	\$	\$	\$	\$	\$
(Statewide Indirect)	\$	\$	\$	\$	\$	\$
(Dept'l Indirect)	\$	\$	\$	\$	\$	\$
Sub-total ARRA Funds	\$	\$	\$	\$	\$	\$
Other Funds:						
(Other Federal)	\$	\$	\$	\$	\$	\$
(list source)	\$	\$	\$	\$	\$	\$
Total Revenues	\$	\$	\$	\$	\$	\$

Comments about expenditures or revenues may be made in the space provided below:

Recovery Zone Economic Development Bonds are treated as qualified bonds for purposes of § 6431 and they have a refundable credit subsidy equal to 45 percent of the total coupon interest payable to investors in taxable bonds.

21. VISION Tracking Information:

DeptID/Appropriation:	Other VISION Chartfield (funds, programs or projects)	Total Amount (all FYs)	Comments
N/A	N/A	\$	
		\$	
		\$	
		\$	
		\$	
Total		\$	This Total MUST agree with the total of Item 10, columns A+B+C above

PERSONAL SERVICE INFORMATION

22. Will monies from this grant be used to fund one or more Personal Service Contracts? Yes No
 If "Yes", appointing authority must initial here to indicate intent to follow current competitive bidding process/policy.

Appointing Authority Name: _____ Agreed by: _____ (initial)

23. State Position Information and Title(s):	# Existing Positions Retained	Est. Annual Regular Hours	# Positions Created (New)	Est. Annual Regular Hours
N/A				
Total Positions				

24. Is the appropriate Position Request Form attached for new position(s) listed in Line 12 above?
 YES - Form attached or No new positions created

25. Equipment and space for these positions: Is presently available. Can be obtained w/available funds.

26. Does this qualify as "Infrastructure"? Yes No If Yes complete next line:

27. Infrastructure Rationale (select one) (ARRA 2-06):

1. To Preserve & create jobs & promote economic recovery.
2. To assist those most impacted by the recession.
3. To provide investment needed to increase economic efficiency by spurring technological advances in science & health.
4. To invest in transportation, environmental protection, & other infrastructure that will provide long-term economic benefits.
5. To stabilize State & local government budgets, in order to minimize & avoid reductions in essential services & counterproductive state & local tax increases.

28. AUTHORIZATION AGENCY/DEPARTMENT SIGNATURES

I/we certify that no funds beyond basic application preparation and filing costs have been expended or committed in anticipation of Joint Fiscal Committee approval of this grant, unless previous notification was made on Form AA-IPN (if applicable). I/we further certify that these funds will be used only in accordance with the federal American Recovery & Reinvestment Act and all federal and state rules and regulations pertaining thereto:	ARRA Activity Manager:	Date:	
	Name: Beth Pearce	Title: Deputy Treasurer	10/13/09
	Department Head:	Date:	
	Name: Jeb Spaulding	Title: State Treasurer	10/13/09
	Agency Secretary (if required):	Date:	
	Name:	Title:	

29. REVIEW BY FINANCE & MANAGEMENT (continue on separate sheet if necessary)

<input type="checkbox"/> To Release Spending Authority in VISION:	FY 20 _____ \$	Citation(s):
---	----------------	--------------

Analyst (initial):	Date:	Commissioner Finance & Management initial):	Date: 10/14/09
For ESR Use Only:	Assigned ESR Director's Signature: <i>Coleen Krause</i>		Date: 10-13-09

*** Section 30 through 33 are required ONLY when Form ESR-2 is used in lieu of Form AA-1 ***

30. SECRETARY OF ADMINISTRATION

<input checked="" type="checkbox"/>	Check One Box: Accepted	(Secretary's signature or designee) <i>Heidi R. ...</i>	Date: 10/14/09
<input type="checkbox"/>	Rejected		Date:

31. ACTION BY GOVERNOR

<input checked="" type="checkbox"/>	Check One Box: Request to JFO	(Governor's signature or designee) <i>[Signature]</i>	Date: 10/15/09
<input type="checkbox"/>	Rejected		Date:

32. SENT TO JFO

<input type="checkbox"/>	Sent to JFO		Date:
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*** Section 33 is a required section ***

33. ARRA FORM ESR-2 DOCUMENTATION CHECK LIST (check all that apply):

<input type="checkbox"/> Notice of Award or Proof of Award (REQUIRED)	<input type="checkbox"/> Dept. project approval (if applicable)	<input type="checkbox"/> Grant (Project) Timeline (if applicable)
<input type="checkbox"/> Request Memo	<input type="checkbox"/> Governor's Certification (if applicable)	<input type="checkbox"/> Request for Extension (if applicable)
<input type="checkbox"/> Grant Agreement	<input type="checkbox"/> Notice of Donation (if any)	<input type="checkbox"/> Form AA-1PN attached (if applicable)
	<input type="checkbox"/> Position Request Form(s)	

Attachment for ESR-2 Question 18

The American Reinvestment and Recovery Act (ARRA) allocated \$90 million of bonding authority to Vermont for use as Recovery Zone Economic Development Bonds (RZED Bonds). These bonds are issued by state or local governments for purposes which are eligible for financing with tax exempt municipal bonds and which do not violate ARRA restrictions. However, these bonds are issued as taxable bonds and the federal government reimburses 45% of the interest cost to the issuer making the bonds both more easily saleable and less expensive for the issuer than traditional tax exempt bonds. The bonds must be issued by December 31, 2010 or the bonding authority is forfeit.

The RZED bonding authority was originally allocated by the federal government to eleven of Vermont's fourteen counties (see attached allocation sheet). The Vermont Attorney General issued an opinion (attached) stating that the counties do not have the authority to use or reallocate this bonding authority except for buildings, such as courthouses, which counties have authority to build. The Attorney General further opined that the assistant judges do have the requisite authority to waive these allocations. ARRA provides that such a waiver is always to the state.

To date assistant judges representing nine of the eleven counties with allocations and the vast majority of the funds allocated have signed waivers (copies attached); the remaining two are expected to sign in the near future.

Bond counsel has opined (attached) that these bonds are "something of value" received by the state and that the Joint Fiscal Committee has the proper authority when the legislature is not in session to approve the Governor's plan for acceptance and use of this authority. This plan was developed jointly by the State Treasurer and the Chief Recovery Officer in consultation with interested parties--especially the assistant judges of counties that received federal allocations; and the plan formed the basis of the waivers signed by the assistant judges.

The plan is for the Vermont Municipal Bond Bank (VMBB) to be given responsibility for issuing these bonds on behalf of counties and municipalities with eligible projects ready for construction in time to allow issuance of these bonds by December 31, 2010. VMBB will honor the following restrictions in issuing these bonds:

1. One-half, or \$45 million, of the RZED Bond volume cap allocated by the United States Treasury and Internal Revenue Service to each county will be reserved as a minimum for projects located within that county provided that any amount of such minimum allocation for which projects have not been approved by March 31, 2010 shall become available for projects in any county in the state.
2. The remaining \$45 million of the RZED Bond volume cap is immediately available for projects in any county in the state for any eligible purpose. Prior to April 1, 2010, portions of this amount may be used in the counties that have minimums if those minimums have been exhausted. After this date, this amount may be used for any eligible project in any county in the state.

3. VMBB shall use its customary procedures to determine the eligibility of projects and applicants for this bonding and shall additionally ensure that such projects and applicants are eligible under the American Recovery and Reinvestment Act of 2009 (ARRA) and other relevant federal law.
4. No single project or applicant may receive more than \$25 million of the available RZED Bond volume cap from this pool.
5. Except as otherwise specified above, the bond volume cap will be allocated to eligible projects and applicants on a first come, first served basis.
6. All volume cap not firmly allocated by VMBB by November 1, 2010 may be made available by the VMBB Board for the Treasurer to use to reduce the cost of eligible State of Vermont bonds.

RZEDB & RZFB Allocations				
County	RZ Econ Dev Bond federal allocation	Proposed Minimum Reservation	RZ Facility Bond federal allocation	Proposed Minimum Reservation
Addison	\$2,428,000	\$1,214,000	\$3,641,000	\$1,820,500
Bennington	\$848,000	\$424,000	\$1,272,000	\$636,000
Caledonia	\$681,000	\$340,500	\$1,021,000	\$510,500
Chittenden	\$21,796,000	\$10,898,000	\$32,695,000	\$16,347,500
Essex	\$26,000	\$13,000	\$39,000	\$19,500
Franklin	\$6,371,000	\$3,185,500	\$9,556,000	\$4,778,000
Grand Isle	\$1,015,000	\$507,500	\$1,522,000	\$776,000
Lamoille	\$0	\$0	\$0	\$0
Orange	1,143,000	\$571,500	\$1,715,000	\$857,000
Orleans	\$0	\$0	\$0	\$0
Rutland	\$42,231,000	\$21,115,500	\$63,347,000	\$31,673,500
Washington	\$9,094,000	\$4,547,000	\$13,641,000	\$6,820,500
Windham	\$4,367,000	\$2,183,500	\$6,551,000	\$3,275,500
Windsor	\$0	\$0	\$0	\$0
VTA				\$20,000,000
TOTAL	\$90,000,000		\$135,000,000	

MEMORANDUM

OFFICE OF THE ATTORNEY GENERAL

TO: Jeb Spaulding, State Treasurer
 Tom Evslin, Chief Recovery Officer

FROM: Bill Griffin, Chief Assistant Attorney General

RE: ARRA Recovery Zone Bonds – Allocation Process

DATE: August 25, 2009

This is in reply to your question whether the Emergency Board would have the authority to allocate bond ceilings for Recovery Zone Facility Bonds in the event that Vermont counties decide to waive their allocations in favor of the State. It is the opinion of the Attorney General's Office that the Emergency Board would have this authority in these circumstances. It is less clear that the Emergency Board or other state officials would have the authority to allocate bond ceilings for Recovery Zone Economic Development Bonds. It may become necessary to seek legislative clarification respecting the Economic Development Bonds.

As we have discussed, the American Recovery and Reinvestment Act (ARRA) provides for both Facility Bonds and Economic Development Bonds. Facility Bonds may be issued on behalf of private borrowers for certain private uses. The interest paid on these bonds is exempt from federal income taxes. Economic Development Bonds may be issued by public entities for public purposes. The interest paid on these bonds qualifies for a 45% federal subsidy.

The IRS has allocated bond ceilings among the states and apportioned these allocations among eleven Vermont counties. The ARRA would allow these counties to use these allocations themselves or to waive their allocations in favor of the state. However, Vermont counties are created by state law and their actual authority to use or waive their allocations depends on state law.

The AG's Office has previously advised that Vermont law would allow county governments to use some or all of their allocations of Economic Development Bond ceilings for specified public purposes. For example, Vermont counties, acting through their assistant judges, have the authority to levy taxes and spend funds to provide and maintain courthouses. *See*, 24 V.S.A § 71a.

We have also advised that state law does not authorize counties to use their allocations of Facility Bond ceilings. Facility bonds can only be issued on behalf of private borrowers for private uses. Vermont law does not authorize county governments to sponsor private activities or financings.

Finally, we have advised that counties, as political subdivisions of the State, can allocate or waive both their Facility Bond and their Economic Development Bond ceilings to the State. An allocation to the State would adhere to Vermont's constitutional and statutory structure and would not be an affirmative exercise of any taxing, spending or governmental power beyond the scope of powers expressly conferred by the State. Vermont law does not authorize counties to allocate bond ceilings to other entities or political subdivisions.

Our discussions and the advice summarized above brought us to the immediate question, which is how the State should apportion bond ceiling allocations acquired from Vermont counties. Federal law provides that states may allocate waived allocations to ultimate beneficiaries and issuers but defers to state law on the allocation process. Vermont law authorizes the Emergency Board to allocate Facility Bond (private activity) ceilings but makes no specific provision for allocating the Economic Development Bond (public purpose) ceilings.

Our advice on the Facility Bond ceilings is based on longstanding Vermont legislation that designates the Emergency Board as "the duly authorized agency of the state having the power to apportion the state's private activity bond ceiling to and among the constituted issuing authorities empowered to issue such bonds." 32 V.S.A. § 992(b). This statute predates the ARRA by more than twenty years -- it was enacted in response to prior federal legislation -- but it is close enough in terms and in purpose to enable the Emergency Board to apportion the private activity bond ceilings authorized by the ARRA and allocated by the IRS.

Therefore, if Vermont counties decide to waive their Facility Bond ceiling allocations in favor of the State, the Emergency Board could apportion those allocations among the issuing authorities described in the statutes. Those issuing authorities would include the Vermont Economic Development Authority, the Vermont Housing Finance Agency, the Vermont Municipal Bond Bank and the Vermont Student Assistance Corporation. 32 V.S.A. § 991(2). They would also include other state agencies, public corporations and municipal corporations (such as the Vermont Telecommunications Authority) that are "authorized by law to issue private activity bonds." *Id.*

There does not appear to be any comparable Vermont statute that directs the Emergency Board or any other agency or official to apportion public purpose bond ceilings among issuing authorities. The Emergency Board, with its legislative and executive composition and its existing authority to apportion private activity bond ceilings, would be a logical and probably lawful choice. However, since the issuance of bonds usually requires fairly definite legal assurances, it may be best to seek legislative confirmation that the Emergency Board or some other state entity has authority to allocate the Economic Development (public purpose) Bond ceilings.

MEMORANDUM

TO: George B. "Jeb" Spaulding, Vermont State Treasurer
Bill Griffin, Chief Assistant Attorney General
Jaye Pershing Johnson, Assistant Attorney General
Susanne Young of the Governor's Office
Tom Evslin, Chief Recovery Officer

FROM: Meghan B. Burke
Colin M. McNiece

DATE: September 29, 2009

RE: Allocation of Recovery Zone Economic Development Bond Volume Cap

Based on our legal analysis and discussions with Bill Griffin and Jaye Pershing Johnson of the Attorney General's Office and Susanne Young of the Governor's Office, we are able to give our opinion that the Joint Fiscal Committee may make the allocation of the Recovery Zone Economic Development Bonds ("RZEDB") to the Vermont Municipal Bond Bank (the "Bond Bank"). It is our opinion that the allocation in the American Recovery and Reinvestment Act of 2009 ("ARRA") constitutes a "thing of value" under 2 VSA 503(b)(3).

Pursuant to Internal Revenue Service Notice 2009-50, upon the waiver by a county of its Recovery Zone Economic Development Bond volume cap allocation, the "State" may use such volume cap itself or may reallocate the volume cap. The State may reallocate the waived volume cap "in any reasonable manner as it shall determine in good faith in its discretion." Thus the reallocation is subject only to state law requirements.

Vermont law does not clearly delineate where the authority to reallocate the volume cap may lie. As a constitutional matter the spending power lies with the executive and the power to make appropriations lies with the legislature. See *Hunter v. State*, 177 Vt. 339, 348-49 (2004). However, the authority to reallocate a federal apportionment of volume cap for bond financing falls somewhere in between. Through several statutes the General Assembly has expressed an intent to have a role in similar acts.

The Emergency Board, established under 32 V.S.A. §131, has been designated pursuant to 32 V.S.A. §992 to allocate the State's private activity bond ceiling. However, the Emergency Board's authority is not broad enough to include the allocation of volume cap for public purpose

Allocation of RZEDB Volume Cap
September 29, 2009

development purpose²” as defined in the Internal Revenue Code and thus be eligible for financing through the issuance of RZEDB if those projects are located within a Recovery Zone.³

Because the State could potentially use the allocation itself and thus receive the subsidy, it does have value to the State. As a thing of value it appropriately falls under the jurisdiction of the Joint Fiscal Committee. The Governor’s acceptance of the allocation would then be submitted pursuant to 32 V.S.A §5.

32 V.S.A. § 5 requires that the governor’s approval be submitted along with the following information:

- (A) the source of the grant, gift or loan;
- (B) the legal and referenced titles of the grant;
- (C) the costs, direct and indirect, for the present and future years related to such a grant;
- (D) the department and/or program which will utilize the grant;
- (E) a brief statement of purpose; and
- (F) impact on existing programs if grant is not accepted.

Thus to meet the requirements of 32 V.S.A. §5, the Governor would (following waiver by all the Counties) submit to the Joint Fiscal Committee an acceptance of the aggregate Recovery Zone Economic Development Bonds volume cap waived by the Counties including the information above and outlining a program to reallocate the volume cap to the Bond Bank.

The Bond Bank would issue Recovery Zone Economic Development Bonds pursuant to the allocation and use the proceeds to purchase the taxable general obligation or revenue bonds

² IRC Section 1400U-2(c) defines the term “qualified economic development purpose” for purposes of § 1400U-2 to mean any expenditures for purposes of promoting development or other economic activity in a recovery zone, including (1) capital expenditures paid or incurred with respect to property located in the recovery zone, (2) expenditures for public infrastructure and construction of public facilities, and (3) expenditures for job training and educational programs. This broad definition of qualified economic development purpose includes capital expenditures (as defined in § 1.150-1(b) of the Income Tax Regulations) and working capital expenditures to promote development or other economic activity in a recovery zone.

³ Section 1400U-1(b) provides that, for purposes of §§ 1400U-1 through 1400U-3, the term “recovery zone” means: (1) any area designated by the issuer as having significant poverty, unemployment, rate of home foreclosures, or general distress; (2) any area designated by the issuer as economically distressed by reason of the closure or realignment of a military installation pursuant to the Defense Base Closure and Realignment Act of 1990; and (3) any area for which a designation as an empowerment zone or renewal community is in effect as of the effective date of ARRA, which effective date is February 17, 2009.

**WAIVERS OF VOLUME CAP ALLOCATIONS PURSUANT TO THE AMERICAN
RECOVERY AND REINVESTMENT ACT OF 2009**

WHEREAS Addison County, Vermont has received a Recovery Zone Economic Development Bond volume cap in the amount of \$2,428,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Addison County, Vermont has received a Recovery Zone Facility Bond volume cap in the amount of \$3,641,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Section 1400U-1(a)(3)(A) of the American Recovery and Reinvestment Act of 2009 provides that a county may waive allocations received for Recovery Zone Bonds;

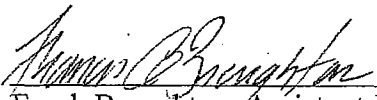
WHEREAS IRS Notice 2009-50, Section 5.05, provides that upon any waiver of Recovery Zone volume caps by a county, the State in which such county is located shall be authorized to reallocate the waived volume cap in any reasonable manner as it shall determine in good faith in its discretion; and

WHEREAS Addison County, Vermont wishes to waive its Recovery Zone volume caps so that the State of Vermont may reallocate these volume caps in a reasonable manner as it shall determine in good faith in its discretion;

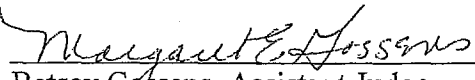
NOW, THEREFORE,

1. Addison County, Vermont hereby waives its Recovery Zone Economic Development Bond volume cap in the amount of \$2,428,000 under the American Recovery and Reinvestment Act of 2009; and
2. Addison County, Vermont hereby waives its Recovery Zone Facility Bond volume cap in the amount of \$3,641,000 under the American Recovery and Reinvestment Act of 2009.

ADDISON COUNTY, VERMONT

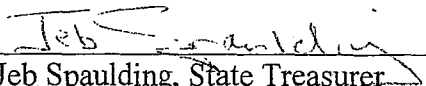
By: 
Frank Broughton, Assistant Judge

Dated: Oct. 7, 2009

By: 
Betsey Gossens, Assistant Judge

Dated: October 7, 2009

The State of Vermont hereby accepts the Addison County, Vermont waivers of Recovery Zone Bond volume caps as described above.

By: 
Jeb Spaulding, State Treasurer

Dated: 10/14/09

By: 
Neale Lunderville, Sec'y of Administration

Dated: 10/15/09

**WAIVERS OF VOLUME CAP ALLOCATIONS PURSUANT TO THE AMERICAN
RECOVERY AND REINVESTMENT ACT OF 2009**

WHEREAS Bennington County, Vermont has received a Recovery Zone Economic Development Bond volume cap in the amount of \$848,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Bennington County, Vermont has received a Recovery Zone Facility Bond volume cap in the amount of \$1,272,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Section 1400U-1(a)(3)(A) of the American Recovery and Reinvestment Act of 2009 provides that a county may waive allocations received for Recovery Zone Bonds;

WHEREAS IRS Notice 2009-50, Section 5.05, provides that upon any waiver of Recovery Zone volume caps by a county, the State in which such county is located shall be authorized to reallocate the waived volume cap in any reasonable manner as it shall determine in good faith in its discretion; and

WHEREAS Bennington County, Vermont wishes to waive its Recovery Zone volume caps so that the State of Vermont may reallocate these volume caps in a reasonable manner as it shall determine in good faith in its discretion;

NOW, THEREFORE,

1. Bennington County, Vermont hereby waives its Recovery Zone Economic Development Bond volume cap in the amount of \$848,000 under the American Recovery and Reinvestment Act of 2009; and
2. Bennington County, Vermont hereby waives its Recovery Zone Facility Bond volume cap in the amount of \$1,272,000 under the American Recovery and Reinvestment Act of 2009.

BENNINGTON COUNTY, VERMONT

By: James H. Colvin
James Colvin, Assistant Judge

Dated: 9-18-2009

By: Wesley L. Mook
Wesley L. Mook, Assistant Judge

Dated: 9/18/2009

The State of Vermont hereby accepts the Bennington County, Vermont waivers of Recovery Zone Bond volume caps as described above.

By: Jeb Spaulding
Jeb Spaulding, State Treasurer

Dated: 10/14/09

By: Neale F. Wil.
Neale Lunderville, Sec'y of Administration

Dated: 10/15/09

**WAIVERS OF VOLUME CAP ALLOCATIONS PURSUANT TO THE AMERICAN
RECOVERY AND REINVESTMENT ACT OF 2009**

WHEREAS Caledonia County, Vermont has received a Recovery Zone Economic Development Bond volume cap in the amount of \$681,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Caledonia County, Vermont has received a Recovery Zone Facility Bond volume cap in the amount of \$1,021,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Section 1400U-1(a)(3)(A) of the American Recovery and Reinvestment Act of 2009 provides that a county may waive allocations received for Recovery Zone Bonds;

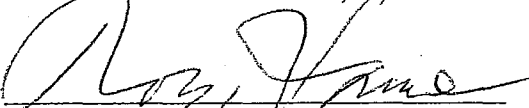
WHEREAS IRS Notice 2009-50, Section 5.05, provides that upon any waiver of Recovery Zone volume caps by a county, the State in which such county is located shall be authorized to reallocate the waived volume cap in any reasonable manner as it shall determine in good faith in its discretion; and

WHEREAS Caledonia County, Vermont wishes to waive its Recovery Zone volume caps so that the State of Vermont may reallocate these volume caps in a reasonable manner as it shall determine in good faith in its discretion;

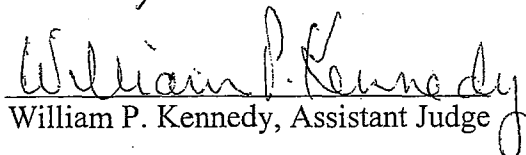
NOW, THEREFORE,

1. Caledonia County, Vermont hereby waives its Recovery Zone Economic Development Bond volume cap in the amount of \$681,000 under the American Recovery and Reinvestment Act of 2009; and
2. Caledonia County, Vermont hereby waives its Recovery Zone Facility Bond volume cap in the amount of \$1,021,000 under the American Recovery and Reinvestment Act of 2009.

CALEDONIA COUNTY, VERMONT

By: 
Roy C. Vance, Assistant Judge

Dated: 10-5-09


By: 
William P. Kennedy, Assistant Judge

Dated: 10-5-09

The State of Vermont hereby accepts the Caledonia County, Vermont waivers of Recovery Zone Bond volume caps as described above.

By: 
Jeb Spaulding, State Treasurer

Dated: 10/14/09

By: 
Neale Lunderville, Sec'y of Administration

Dated: 10/15/09

**WAIVERS OF VOLUME CAP ALLOCATIONS PURSUANT TO THE AMERICAN
RECOVERY AND REINVESTMENT ACT OF 2009**

WHEREAS Chittenden County, Vermont has received a Recovery Zone Economic Development Bond volume cap in the amount of \$21,796,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Chittenden County, Vermont has received a Recovery Zone Facility Bond volume cap in the amount of \$32,695,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Section 1400U-1(a)(3)(A) of the American Recovery and Reinvestment Act of 2009 provides that a county may waive allocations received for Recovery Zone Bonds;

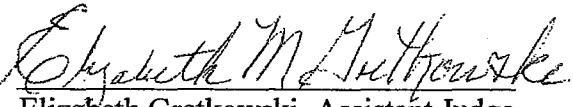
WHEREAS IRS Notice 2009-50, Section 5.05, provides that upon any waiver of Recovery Zone volume caps by a county, the State in which such county is located shall be authorized to reallocate the waived volume cap in any reasonable manner as it shall determine in good faith in its discretion; and

WHEREAS Chittenden County, Vermont wishes to waive its Recovery Zone volume caps so that the State of Vermont may reallocate these volume caps in a reasonable manner as it shall determine in good faith in its discretion;

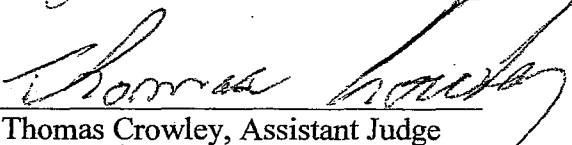
NOW, THEREFORE,

1. Chittenden County, Vermont hereby waives its Recovery Zone Economic Development Bond volume cap in the amount of \$21,796,000 under the American Recovery and Reinvestment Act of 2009; and
2. Chittenden County, Vermont hereby waives its Recovery Zone Facility Bond volume cap in the amount of \$32,695,000 under the American Recovery and Reinvestment Act of 2009.

CHITTENDEN COUNTY, VERMONT


By: 
Elizabeth Gretkowski, Assistant Judge

Dated: September 16, 2009


By: 
Thomas Crowley, Assistant Judge

Dated: Sept 16, 2009

The State of Vermont hereby accepts the Chittenden County, Vermont waivers of Recovery Zone Bond volume caps as described above.

By: 
Jeb Spaulding, State Treasurer

Dated: 10/14/09

By: 
Neale Lunderville, Sec'y of Administration

Dated: 10/12/09

**WAIVERS OF VOLUME CAP ALLOCATIONS PURSUANT TO THE AMERICAN
RECOVERY AND REINVESTMENT ACT OF 2009**

WHEREAS Essex County, Vermont has received a Recovery Zone Economic Development Bond volume cap in the amount of \$26,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Essex County, Vermont has received a Recovery Zone Facility Bond volume cap in the amount of \$39,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Section 1400U-1(a)(3)(A) of the American Recovery and Reinvestment Act of 2009 provides that a county may waive allocations received for Recovery Zone Bonds;

WHEREAS IRS Notice 2009-50, Section 5.05, provides that upon any waiver of Recovery Zone volume caps by a county, the State in which such county is located shall be authorized to reallocate the waived volume cap in any reasonable manner as it shall determine in good faith in its discretion; and

WHEREAS Essex County, Vermont wishes to waive its Recovery Zone volume caps so that the State of Vermont may reallocate these volume caps in a reasonable manner as it shall determine in good faith in its discretion;

NOW, THEREFORE,

1. Essex County, Vermont hereby waives its Recovery Zone Economic Development Bond volume cap in the amount of \$26,000 under the American Recovery and Reinvestment Act of 2009; and
2. Essex County, Vermont hereby waives its Recovery Zone Facility Bond volume cap in the amount of \$39,000 under the American Recovery and Reinvestment Act of 2009.

ESSEX COUNTY, VERMONT

By: Allen D. Hodgdon
Allen Hodgdon, Assistant Judge

Dated: 09/18/2009

By: Calvin Colby
Calvin Colby, Assistant Judge

Dated: 9/26/2009

The State of Vermont hereby accepts the Essex County, Vermont waivers of Recovery Zone Bond volume caps as described above.

By: Jeb Spaulding
Jeb Spaulding, State Treasurer

Dated: 10/14/09

By: Neale Lunderville
Neale Lunderville, Sec'y of Administration

Dated: 10/15/09

WAIVERS OF VOLUME CAP ALLOCATIONS PURSUANT TO THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009

WHEREAS Franklin County, Vermont has received a Recovery Zone Economic Development Bond volume cap in the amount of \$6,371,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Franklin County, Vermont has received a Recovery Zone Facility Bond volume cap in the amount of \$9,556,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Section 1400U-1(a)(3)(A) of the American Recovery and Reinvestment Act of 2009 provides that a county may waive allocations received for Recovery Zone Bonds;


WHEREAS IRS Notice 2009-50, Section 5.05, provides that upon any waiver of Recovery Zone volume caps by a county, the State in which such county is located shall be authorized to reallocate the waived volume cap in any reasonable manner as it shall determine in good faith in its discretion; and

WHEREAS Franklin County, Vermont wishes to waive its Recovery Zone volume caps so that the State of Vermont may reallocate these volume caps in a reasonable manner as it shall determine in good faith in its discretion;

NOW, THEREFORE,

1. Franklin County, Vermont hereby waives its Recovery Zone Economic Development Bond volume cap in the amount of \$6,371,000 under the American Recovery and Reinvestment Act of 2009; and
2. Franklin County, Vermont hereby waives its Recovery Zone Facility Bond volume cap in the amount of \$9,556,000 under the American Recovery and Reinvestment Act of 2009.

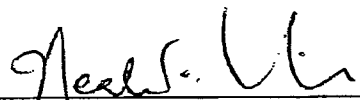
FRANKLIN COUNTY, VERMONT

By:  Dated: October 19, 2009
Teresa Manahan, Assistant Judge

By:  Dated: October 19, 2009
Roberta (Bobbie) Allard, Assistant Judge

The State of Vermont hereby accepts the Franklin County, Vermont waivers of Recovery Zone Bond volume caps as described above.

By:  Dated: 10/20/09
Jeb Spaulding, State Treasurer

By:  Dated: 10/20/09
Neale Lunderville, Sec'y of Administration

WAIVERS OF VOLUME CAP ALLOCATIONS PURSUANT TO THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009

WHEREAS Grand Isle County, Vermont has received a Recovery Zone Economic Development Bond volume cap in the amount of \$1,015,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Grand Isle County, Vermont has received a Recovery Zone Facility Bond volume cap in the amount of \$1,522,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Section 1400U-1(a)(3)(A) of the American Recovery and Reinvestment Act of 2009 provides that a county may waive allocations received for Recovery Zone Bonds;

WHEREAS IRS Notice 2009-50, Section 5.05, provides that upon any waiver of Recovery Zone volume caps by a county, the State in which such county is located shall be authorized to reallocate the waived volume cap in any reasonable manner as it shall determine in good faith in its discretion; and

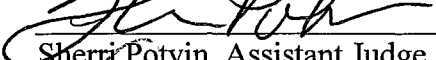
WHEREAS Grand Isle County, Vermont wishes to waive its Recovery Zone volume caps so that the State of Vermont may reallocate these volume caps in a reasonable manner as it shall determine in good faith in its discretion;

NOW, THEREFORE,

- Grand Isle County, Vermont hereby waives its Recovery Zone Economic Development Bond volume cap in the amount of \$1,015,000 under the American Recovery and Reinvestment Act of 2009; and

- Grand Isle County, Vermont hereby waives its Recovery Zone Facility Bond volume cap in the amount of \$1,522,000 under the American Recovery and Reinvestment Act of 2009.

GRAND ISLE COUNTY, VERMONT


By: 
Sherri Potvin, Assistant Judge

Dated: Oct 15 2009

By: 
Andrew deTreville, Assistant Judge

Dated: Oct. 15, 2009

The State of Vermont hereby accepts the Grand Isle County, Vermont waivers of Recovery Zone Bond volume caps as described above.

By: 
Jeb Spaulding, State Treasurer

Dated: 10/16/09

By: 
Neale Lunderville, Sec'y of Administration

Dated: 10/16/09

**WAIVERS OF VOLUME CAP ALLOCATIONS PURSUANT TO THE AMERICAN
RECOVERY AND REINVESTMENT ACT OF 2009**

WHEREAS Orange County, Vermont has received a Recovery Zone Economic Development Bond volume cap in the amount of \$1,143,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Orange County, Vermont has received a Recovery Zone Facility Bond volume cap in the amount of \$1,715,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Section 1400U-1(a)(3)(A) of the American Recovery and Reinvestment Act of 2009 provides that a county may waive allocations received for Recovery Zone Bonds;


WHEREAS IRS Notice 2009-50, Section 5.05, provides that upon any waiver of Recovery Zone volume caps by a county, the State in which such county is located shall be authorized to reallocate the waived volume cap in any reasonable manner as it shall determine in good faith in its discretion; and

WHEREAS Orange County, Vermont wishes to waive its Recovery Zone volume caps so that the State of Vermont may reallocate these volume caps in a reasonable manner as it shall determine in good faith in its discretion;

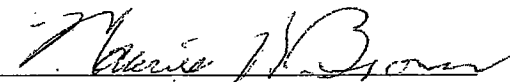
NOW, THEREFORE,

1. Orange County, Vermont hereby waives its Recovery Zone Economic Development Bond volume cap in the amount of \$1,143,000 under the American Recovery and Reinvestment Act of 2009; and
2. Orange County, Vermont hereby waives its Recovery Zone Facility Bond volume cap in the amount of \$1,715,000 under the American Recovery and Reinvestment Act of 2009.

ORANGE COUNTY, VERMONT

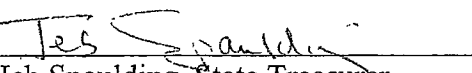
By: 
Prudence Pease, Assistant Judge

Dated: 10/6/09


By: 
Maurice A. Brown, Assistant Judge

Dated: 10/6/09

The State of Vermont hereby accepts the Orange County, Vermont waivers of Recovery Zone Bond volume caps as described above.

By: 
Jeb Spaulding, State Treasurer

Dated: 10/14/09

By: 
Neale Lunderville, Sec'y of Administration

Dated: 10/15/09

**WAIVERS OF VOLUME CAP ALLOCATIONS PURSUANT TO THE AMERICAN
RECOVERY AND REINVESTMENT ACT OF 2009**

WHEREAS Rutland County, Vermont has received a Recovery Zone Economic Development Bond volume cap in the amount of \$42,231,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Rutland County, Vermont has received a Recovery Zone Facility Bond volume cap in the amount of \$63,347,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Section 1400U-1(a)(3)(A) of the American Recovery and Reinvestment Act of 2009 provides that a county may waive allocations received for Recovery Zone Bonds;

WHEREAS IRS Notice 2009-50, Section 5.05, provides that upon any waiver of Recovery Zone volume caps by a county, the State in which such county is located shall be authorized to reallocate the waived volume cap in any reasonable manner as it shall determine in good faith in its discretion; and

WHEREAS Rutland County, Vermont wishes to waive its Recovery Zone volume caps so that the State of Vermont may reallocate these volume caps in a reasonable manner as it shall determine in good faith in its discretion;

NOW, THEREFORE,

1. Rutland County, Vermont hereby waives its Recovery Zone Economic Development Bond volume cap in the amount of \$42,231,000 under the American Recovery and Reinvestment Act of 2009; and

2. Rutland County, Vermont hereby waives its Recovery Zone Facility Bond volume cap in the amount of \$63,347,000 under the American Recovery and Reinvestment Act of 2009.

RUTLAND COUNTY, VERMONT

By: *Marlene R. Burke* Dated: *Sept 15, 2009*
Marlene R. Burke, Assistant Judge

By: *Jean H. Coloutti* Dated: *September 15, 2009*
Jean H. Coloutti, Assistant Judge

The State of Vermont hereby accepts the Rutland County, Vermont waivers of Recovery Zone Bond volume caps as described above.

By: *Jeb Spaulding* Dated: *10/14/09*
Jeb Spaulding, State Treasurer

By: *Neil M.* Dated: *10/15/09*

**WAIVERS OF VOLUME CAP ALLOCATIONS PURSUANT TO THE AMERICAN
RECOVERY AND REINVESTMENT ACT OF 2009**

WHEREAS Washington County, Vermont has received a Recovery Zone Economic Development Bond volume cap in the amount of \$9,094,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Washington County, Vermont has received a Recovery Zone Facility Bond volume cap in the amount of \$13,641,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Section 1400U-1(a)(3)(A) of the American Recovery and Reinvestment Act of 2009 provides that a county may waive allocations received for Recovery Zone Bonds;

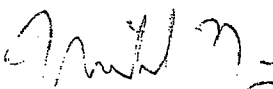
WHEREAS IRS Notice 2009-50, Section 5.05, provides that upon any waiver of Recovery Zone volume caps by a county, the State in which such county is located shall be authorized to reallocate the waived volume cap in any reasonable manner as it shall determine in good faith in its discretion; and

WHEREAS Washington County, Vermont wishes to waive its Recovery Zone volume caps so that the State of Vermont may reallocate these volume caps in a reasonable manner as it shall determine in good faith in its discretion;

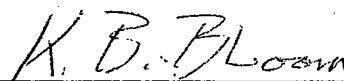
NOW, THEREFORE,

1. Washington County, Vermont hereby waives its Recovery Zone Economic Development Bond volume cap in the amount of \$9,094,000 under the American Recovery and Reinvestment Act of 2009; and
2. Washington County, Vermont hereby waives its Recovery Zone Facility Bond volume cap in the amount of \$13,641,000 under the American Recovery and Reinvestment Act of 2009.

WASHINGTON COUNTY, VERMONT

By: 
Michael Zimmerman, Assistant Judge

Dated: 9/18/09

By: 
Barney Bloom, Assistant Judge

Dated: 18 SEPT 09

The State of Vermont hereby accepts the Washington County, Vermont waivers of Recovery Zone Bond volume caps as described above.

By: 
Jeb Spaulding, State Treasurer

Dated: 9/18/09

By: 
Neale Lunderville, Sec'y of Administration

Dated: 10/15/09

WAIVERS OF VOLUME CAP ALLOCATIONS PURSUANT TO THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009

WHEREAS Windham County, Vermont has received a Recovery Zone Economic Development Bond volume cap in the amount of \$4,367,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Windham County, Vermont has received a Recovery Zone Facility Bond volume cap in the amount of \$6,551,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Section 1400U-1(a)(3)(A) of the American Recovery and Reinvestment Act of 2009 provides that a county may waive allocations received for Recovery Zone Bonds;

WHEREAS IRS Notice 2009-50, Section 5.05, provides that upon any waiver of Recovery Zone volume caps by a county, the State in which such county is located shall be authorized to reallocate the waived volume cap in any reasonable manner as it shall determine in good faith in its discretion; and

WHEREAS Windham County, Vermont wishes to waive its Recovery Zone volume caps so that the State of Vermont may reallocate these volume caps in a reasonable manner as it shall determine in good faith in its discretion;

NOW, THEREFORE,

1. Windham County, Vermont hereby waives its Recovery Zone Economic Development Bond volume cap in the amount of \$4,367,000 under the American Recovery and Reinvestment Act of 2009; and
2. Windham County, Vermont hereby waives its Recovery Zone Facility Bond volume cap in the amount of \$6,551,000 under the American Recovery and Reinvestment Act of 2009.

WINDHAM COUNTY, VERMONT

By: Mary Ann Clarkson
Mary Ann Clarkson, Assistant Judge

Dated: 10-14-09

By: Patricia W. Duff
Patricia Duff, Assistant Judge

Dated: 10-14-09

The State of Vermont hereby accepts the Windham County, Vermont waivers of Recovery Zone Bond volume caps as described above.

By: Jeb Spaulding
Jeb Spaulding, State Treasurer

Dated: 10/19/09

By: Neale Lunderville
Neale Lunderville, Sec'y of Administration

Dated: 10/20/09

**WAIVERS OF VOLUME CAP ALLOCATIONS PURSUANT TO THE AMERICAN
RECOVERY AND REINVESTMENT ACT OF 2009**

WHEREAS Franklin County, Vermont has received a Recovery Zone Economic Development Bond volume cap in the amount of \$6,371,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Franklin County, Vermont has received a Recovery Zone Facility Bond volume cap in the amount of \$9,556,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Section 1400U-1(a)(3)(A) of the American Recovery and Reinvestment Act of 2009 provides that a county may waive allocations received for Recovery Zone Bonds;


WHEREAS IRS Notice 2009-50, Section 5.05, provides that upon any waiver of Recovery Zone volume caps by a county, the State in which such county is located shall be authorized to reallocate the waived volume cap in any reasonable manner as it shall determine in good faith in its discretion; and

WHEREAS Franklin County, Vermont wishes to waive its Recovery Zone volume caps so that the State of Vermont may reallocate these volume caps in a reasonable manner as it shall determine in good faith in its discretion;

NOW, THEREFORE,

1. Franklin County, Vermont hereby waives its Recovery Zone Economic Development Bond volume cap in the amount of \$6,371,000 under the American Recovery and Reinvestment Act of 2009; and
2. Franklin County, Vermont hereby waives its Recovery Zone Facility Bond volume cap in the amount of \$9,556,000 under the American Recovery and Reinvestment Act of 2009.

FRANKLIN COUNTY, VERMONT

By:  Dated: October 19, 2009
Teresa Manahan, Assistant Judge

By:  Dated: October 19, 2009
Roberta (Bobbie) Allard, Assistant Judge

The State of Vermont hereby accepts the Franklin County, Vermont waivers of Recovery Zone Bond volume caps as described above.

By:  Dated: 10/20/09
Jeb Spaulding, State Treasurer

By:  Dated: 10/20/09
Neale Lunderville, Sec'y of Administration

**WAIVERS OF VOLUME CAP ALLOCATIONS PURSUANT TO THE AMERICAN
RECOVERY AND REINVESTMENT ACT OF 2009**

WHEREAS Windham County, Vermont has received a Recovery Zone Economic Development Bond volume cap in the amount of \$4,367,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Windham County, Vermont has received a Recovery Zone Facility Bond volume cap in the amount of \$6,551,000 under the American Recovery and Reinvestment Act of 2009;

WHEREAS Section 1400U-1(a)(3)(A) of the American Recovery and Reinvestment Act of 2009 provides that a county may waive allocations received for Recovery Zone Bonds;

WHEREAS IRS Notice 2009-50, Section 5.05, provides that upon any waiver of Recovery Zone volume caps by a county, the State in which such county is located shall be authorized to reallocate the waived volume cap in any reasonable manner as it shall determine in good faith in its discretion; and

WHEREAS Windham County, Vermont wishes to waive its Recovery Zone volume caps so that the State of Vermont may reallocate these volume caps in a reasonable manner as it shall determine in good faith in its discretion;

NOW, THEREFORE,

1. Windham County, Vermont hereby waives its Recovery Zone Economic Development Bond volume cap in the amount of \$4,367,000 under the American Recovery and Reinvestment Act of 2009; and
2. Windham County, Vermont hereby waives its Recovery Zone Facility Bond volume cap in the amount of \$6,551,000 under the American Recovery and Reinvestment Act of 2009.

WINDHAM COUNTY, VERMONT

By: Mary Ann Clarkson
Mary Ann Clarkson, Assistant Judge

Dated: 10.14.09

By: Patricia W. Duff
Patricia Duff, Assistant Judge

Dated: 10-14-09

The State of Vermont hereby accepts the Windham County, Vermont waivers of Recovery Zone Bond volume caps as described above.

By: Jeb Spaulding
Jeb Spaulding, State Treasurer

Dated: 10/19/09

By: Neale Lunderville
Neale Lunderville, Sec'y of Administration

Dated: 10/20/09