

CHRISTINE O. GREGOIRE  
Governor



STATE OF WASHINGTON  
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**EXECUTIVE ORDER 09-06**

**ADMINISTRATION OF TAX EXEMPT BOND VOLUME CAPS AUTHORIZED  
UNDER AMENDMENTS TO THE INTERNAL REVENUE CODE**

**WHEREAS**, in October 2008 Congress passed the Energy Improvement and Extension Act (Energy Act) of 2008, authorizing a new bond program, Qualified Energy Conservation Bonds, subject to a volume cap; and

**WHEREAS**, in February 2009 Congress passed the American Recovery and Reinvestment Act (Recovery Act), authorizing two new bond issuance programs subject to volume caps, Recovery Zone Economic Development Bonds and Recovery Zone Facility Bonds; and increasing the volume cap for Qualified Energy Conservation Bonds; and

**WHEREAS**, Congress has authorized the states to administer the Recovery Zone Economic Development Bond, Recovery Zone Facility Bond, and Qualified Energy Conservation Bond state volume caps; and

**WHEREAS**, RCW 39.86.160 authorizes the Governor to establish by executive order an alternative system to allocate state volume cap if federal legislation is passed that affects the state volume cap when the state Legislature is not in session, taking into consideration the requirements of federal law, the policy choices expressed in state law, and the projected needs of issuers; and

**WHEREAS**, it is the purpose of chapter 39.86 RCW to provide a flexible and efficient method of allocating the annual state ceiling in a manner that recognizes the need of the state and its political subdivisions to finance activities or projects that satisfy a substantial public purpose; and

**WHEREAS**, RCW 43.330.050(4) authorizes the Department of Commerce (formerly known as the Department of Community, Trade, and Economic Development) to administer programs assigned to the Department by the Governor or the Legislature; and

**WHEREAS**, the adoption of an emergency rule is permitted under RCW 34.05.350(1) when immediate adoption of a rule is necessary for the preservation of the public welfare and that

observing the time requirements of the notice and opportunity to comment upon adoption of a permanent rule would be contrary to the public interest; and

**WHEREAS**, it is in the best interests of the residents of the state of Washington, and in accordance with the intent of the Act to stimulate the economy, to allocate and use the volume cap authorized in the Act as quickly and efficiently as possible;

**NOW THEREFORE**, I Christine O. Gregoire, Governor of the state of Washington, do hereby order as follows:

1. The Department of Commerce shall allocate the Recovery Zone Economic Development Bond, Recovery Zone Facility Bond, and Qualified Energy Conservation Bond volume caps allocated to the state of Washington under the Energy Act and the Recovery Act in accordance with the provisions of federal and state law and program guidance published by the federal Treasury Department.
2. The Department of Commerce will adopt emergency rules approving appropriate amendments to the federal tax code and establishing procedures and timelines with which to allocate the volume caps.
3. The allocation of the volume caps authorized by the Energy Act and the Recovery Act according to the provisions of this Executive Order shall be effective until (a) all the additional cap authorized by the Energy and Recovery Acts has been allocated and used, (b) the legislature acts, or (c) this Executive Order is rescinded.

Signed and sealed with the official seal of the state of Washington, on this 8<sup>th</sup> day of September 2009, at Olympia, Washington.

By:

/s/

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Christine O. Gregoire  
Governor

BY THE GOVERNOR:

/s/

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Secretary of State