



# Treasury Releases Guidance on Tribal Economic Development Draw-Down Loans

## Resources

[Notice 2015-83](#)

## Treasury Requests Comments Issuing New Clean Renewable Energy Bonds as Draw-Down Bonds

The Notice also requests public comments regarding whether to consider providing special volume cap allocation rules for New Clean Renewable Energy Bonds issued as draw-down bonds similar to the rules in this notice. Comments should be submitted [here](#).

Treasury released new guidance ([Notice 2015-83](#)) last week that will make it easier for tribal governments to use Tribal Economic Development (TED) bond volume cap for draw-down loans. The Notice allows bonds to be issued in phases over time rather than drawn down all at once.

In the new guidance, if a tribal government receives a TED bond allocation for a tax-exempt loan, for example a construction project, and spends at least 10% of its volume cap within the first six months, the tribe will have a two-year period to spend the unused portion as costs for the construction project have incurred. This flexible approach also allows a three-year period to use the remaining funds if the tribe spends at least 50% of the total bond within two years.

The Notice is effective for applications submitted on or after December 4, 2015 and includes applicants that received an allocation that has not expired before this date.

For questions or comments, please contact Jennifer Parisien at [Jennifer@nafoa.org](mailto:Jennifer@nafoa.org) or (202) 558-8040.