

Washington, DC - In an effort to stimulate economic growth and jumpstart the availability of financing critical for economic recovery, Congressman Maurice Hinchey (D-NY) today announced \$81.9 million in federal economic recovery bond authority for counties he represents in Congress: Broome, Delaware, Dutchess, Orange, Sullivan, Tioga, Tompkins and Ulster counties. The bonds come from the Recovery Zone Bond program, which was established as part of the American Recovery and Reinvestment Act (ARRA). Hinchey actively supported and voted for the ARRA earlier this year and President Obama subsequently signed the bill into law.

"This new bond authority that is being extended to counties in upstate New York demonstrates how the economic recovery measure we passed in Washington is having a positive impact back home," Hinchey said. "This funding will help stem the flow of job loss and ensure local initiatives receive the funding they need to begin or continue. State and local budgets are feeling the squeeze in upstate New York and this new federal support will help prevent cuts to critical programs, while also maintaining and creating local jobs. Additionally, these funds will facilitate public infrastructure development at lower borrowing costs. We need to turn this economy around and Recovery Zone Bonds are helping to lead the country in the right direction."

Recovery Zone Bonds are targeted to areas particularly affected by job loss and are designed to help local governments obtain financing for much needed economic development projects, such as public infrastructure development, at lower borrowing costs. The Treasury Department released \$81.9 million, in the counties Hinchey represents in Congress, for two new types of Recovery Zone Bonds – \$32.8 million for Recovery Zone Economic Development Bonds and \$49.1 million for Recovery Zone Facility Bonds.

Recovery Zone Economic Development Bonds are a type of taxable Build America Bond that are administered by the local government in conjunction with the state. This municipal bond will have 45 percent of the interest subsidized by the federal government, and will finance a broad range of qualified public development projects ranging from job training to building infrastructure such as a public school or court house. Recovery Zone Facility Bonds are a type of traditional tax-exempt private activity bond that may be used for private use in designated recovery zones to finance capital projects, such as private hospitals or businesses.

Locally, Recovery Zone Bonds were allocated as follows: \$8.7 million for Broome County; \$4.8 million for Delaware County; \$20.4 million for Dutchess County; \$25 million for Orange County; \$2 million for Sullivan County; \$2.3 million for Tioga County; \$3.9 million for Tompkins County; and \$14.7 million for Ulster County.

