

Bond Issuance and Post-Issuance Compliance Policies

Requirements and Guidelines

Submission Requirements

1. Required Documents

An Applicant **must** submit:

- Adopted Bond Issuance and Post-Issuance Compliance Policies;
- A resolution signed by the appropriate governing body formally adopting the policy; and,
- A letter from legal counsel having expertise with the federal and state laws pertaining to the issuance or conversion and post-closing compliance of private activity conduit bonds, verifying that the policy is consistent with applicable federal and state laws.

2. Submission Deadlines

All required documents must be submitted:

- By December 31 of the year prior to the year any Applicant intends to apply for CDLAC allocation
- Every 5 years after the date of CDLAC's approval of the Bond Issuance and Post-Issuance Compliance Policies
- Within 30 days of any changes being made to the Bond Issuance and Post-Issuance Compliance Policies

Guidelines

Bond Issuance and Post Issuance Compliance Policies guide Issuers on the process of issuing private activity bonds and ensuring post-issuance compliance.

Bond Issuance Policies should include, at a minimum:

- Approved fee schedule, including all ancillary fees affiliated with conduit bond issuances and compliance
- Application approval process for inducement
- Threshold eligibility criteria for applicants and projects
- Procedures and requirements for private placement purchases and public sales of bonds
- Bond Counsel selection criteria and procedures
- TEFRA process

- Review procedures and requirements for financing structure, financing documents and tax exempt status
- Long term regulatory requirements (if any)

Post-Issuance Compliance Policies should include, at minimum:

- Identifying the department that will handle compliance for the qualified project period
- Identifying any parties responsible for compliance verification and reporting
- Describing compliance verification, reporting and auditing procedures
- Frequency of compliance verification, reporting and audits
- Document retention procedures and time limits
- Procedures for reporting compliance/non-compliance to regulatory agencies and other external entities (*i.e.*: CDLAC, CTCAC, etc.)
- Criteria and procedures for seeking revised resolutions and/or regulatory agreements
- Non-compliance correction procedures and penalties