



September 29, 2009

Honorable Mike Thompson
United States Congress
231 Cannon Office Building
Washington, DC 20515

RE: Solar Project Private Activity Bonds, H.R. 3525

Dear Congressman Thompson:

On behalf of the Solar Energy Industries Association (SEIA), and its more than 1000 members, I want to thank you for your leadership in making solar energy more readily available throughout our economy.

I also write to strongly support your efforts to quickly enact H.R. 3525 to extend tax-exempt bond financing to help deploy clean energy technology, particularly solar. Allowing the use of private activity bonds as a financing mechanism presents an opportunity to break through one of the toughest barriers to clean energy deployment by providing longer-term and lower-cost financing for clean energy projects.

Your proposed legislation would amend the Internal Revenue Code to add additional categories of tax-exempt private activity bonds for renewable energy, energy efficiency, demand side management, energy storage, electric transmission, smart grid, water conservation, zero-emission vehicle projects, and manufacturing facilities. Additionally, the legislation would allow private companies to use both tax-exempt bonds and federal tax credits for the new categories.

Tax-exempt bond financing is a low-cost method of financing a project or manufacturing facility with interest costs typically running a few percent less than commercial loans. Lower-cost financing can encourage rapid deployment and help make desirable projects feasible. This legislation would stimulate new investment in solar projects, thereby creating new jobs and helping our economy.

Once again, thank you for all of your solar leadership and we look forward to working with you to quickly enact HR 3525.

Sincerely yours,

A handwritten signature in blue ink that reads "Rhone A. Resch". The signature is fluid and cursive, written in a professional style.

Rhone A. Resch
President & CEO