

CONGRESSMAN CHRIS VAN HOLLEN

Maryland's 8th District

For Immediate Release
April 30, 2014

FACT SHEET: The Green Bank Act of 2014

Maryland Congressman Chris Van Hollen introduced the Green Bank Act of 2014 on April 30, 2014. Green Bank legislation was embraced on a bipartisan basis in both the House and Senate in 2009, and eventually included as the Clean Energy Deployment Administration in the House-passed American Clean Energy and Security Act later that year. Since that time, the Green Bank movement has moved to the states. Four states – Connecticut, New York, Vermont, and Hawaii – have now established their own state green banks, and 10 more are at various stages of exploring this forward-looking, cost-effective public policy tool. In addition to authorizing direct financing support for priority clean energy and energy efficiency projects across the United States, this legislation also recognizes and reflects the growing Green Bank movement occurring in our states by authorizing the Green Bank to partner with and provide seed funding to state clean energy financing institutions.

The Green Bank of 2014 will:

- Create a federal Green Bank as an independent, self-sustaining, not-for-profit, wholly owned corporation of the United States to serve as a catalyst for leveraging private and other non-federal sources of capital in order to take America's clean energy transformation to scale.
- Provide the federal Green Bank with an initial capitalization of \$10 billion, and a maximum capitalization of up to \$50 billion, to provide financing support for qualifying clean energy and energy efficiency projects across the United States.
- Authorize the federal Green Bank to engage in a comprehensive range of financing support, including loans, loan guarantees, debt securitization, insurance, and other forms of risk management.
- Charge the federal Green Bank with advancing vital national objectives — including achieving energy independence, abating climate change, reducing the delivered cost of clean energy to consumers, and stimulating job creation through the manufacture, construction, and operation of credit-worthy clean energy and energy efficiency projects.
- Explicitly permit the federal Green Bank to partner with, and be a source of low-cost capital for, the growing number of state clean energy financing entities being established across the United States.
- Charter the federal Green Bank for 20 years under independent governance by a Board of Directors comprised of five Cabinet Secretaries and six presidentially appointed members with relevant subject matter expertise.
- Subject the federal Green Bank to robust spending safeguards and public disclosure requirements to ensure the highest levels of efficacy, accountability, and transparency.
- Fully pay for capitalizing the federal Green Bank with scorable savings achieved by eliminating a loophole in current tax law that encourages companies to invest borrowed money abroad rather than here at home.