

## *Barrier-Free Clean Capital Markets for No-or-Low Pollution Free Enterprise*

**Clean Asset Bonds** are federally tax-exempt corporate and mortgage-backed bonds for high-impact, clean assets. We propose a six-year federal pilot program with an annual step-down for Clean Asset Bond percent of total financing, from 80% of project funding in year one to 40% in year five and six. Federal revenues steadily increase.

### **Clean Asset Bonds build a big clean capital market — very fast and cost effective**

- ▶ Magnifies classic leverage effects: cheaper capital, faster growth, higher return on equity (ROE)
- ▶ Builds a broad-based market & federal revenue by incenting, not just debt, but taxable equity investment, via higher ROE
- ▶ Pilot program will study results to optimize positive tax revenue & impact; a few projects will produce positive returns in the first few years, many more will have positive returns and pay taxes in the medium term (e.g. years 3-6)

### **Clean Asset Bonds create jobs and economic growth — like a broad tax cut**

- ▶ Cheaper cost of capital means cheaper clean energy & products for everyone
- ▶ Cheaper clean energy boosts profits and tax revenue for any business that uses energy, with ripple effects across all economic sectors, like a broad tax cut
- ▶ Creates multiple incentives for all debt & equity investors; makes green investment easy and profitable for the public
- ▶ Spurs participation, investment, jobs and growth — increases GDP

### **Clean Asset Bonds offer a tax cut proposal — with bipartisan appeal**