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**Bond Issuance Comments Received by ADOH
Posted Pursuant to ARS 41-3954**

- Applicants should limit their volume cap requests to 55% on the 50% test. This has been done in other states with volume cap constraints and will free up an enormous amount of volume cap.
- Issuers should screen applicants to ensure they can close within 180 days of receiving a reservation for volume cap. This may include requiring proof of site control and zoning approvals, amongst other things.
- If unutilized volume cap awarded at the beginning of the year is returned after 180 days, it should be allocated to the next eligible project in the subsequent lottery. A new 180-day closing period would then begin for that project. If the 180-day period extends beyond December 31st, this should be permitted. Any volume cap remaining unused after the 180-day period should then be returned to the carryforward pool.
- To qualify for carryforward allocations, applicants should be required to provide issuers with proof of site control, zoning approvals, a financing plan, and documentation of expenditures to date, amongst other things. Issuers should prioritize projects in advanced stages of pre-development.
- A lottery should be conducted at the beginning of each calendar year and applicants with the best lottery numbers should be awarded first. If unutilized volume cap awarded at the beginning of the year is returned after 180 days, it should be allocated to the next eligible project pursuant to the initial lottery and a new 180-day closing period would then begin for that project. Lottery applications should have the opportunity to receive an award through November 15th and If the 180-day period extends beyond December 31st, this should be permitted. Any volume cap returned after November 15th of the current year should become carryforward.