



## State of Tennessee

*Secretary of State Tre Hargett  
State Comptroller Justin P. Wilson  
State Treasurer David H. Lillard, Jr.*

For Immediate Release: May 24, 2010

### **Tennessee State School Bond Authority to Provide \$126.7 Million in Loans for School Construction and Renovation Projects Statewide**

Communities across Tennessee will have an opportunity to apply for low-interest loans for school construction and renovation projects through the state's Qualified School Construction Bond (QSCB) program.

City and county government officials can attend an informational meeting about the application process on May 27, 2010 at 1:30 p.m. in Room 29 of the Legislative Plaza in Nashville.

A video stream of the meeting may be accessible via the Internet, if the Tennessee General Assembly is not in session. If video streaming is not available, the meeting will not be recorded for viewing at a later date.

The Tennessee State School Bond Authority (TSSBA) is empowered to issue approximately \$212.4 million of QSCBs during calendar year 2010. A portion of the allocation, \$85.7 million, has been directly allocated by the federal government for loans to support projects in the Knox County School System, Memphis City Schools and Metro Nashville Public Schools.

The remaining allocation of \$126.7 million is available for other communities throughout the state. The TSSBA expects to make loans ranging from \$2 million to \$20 million for projects that qualify for funding.

Proceeds from the QSCBs can only be used for new construction and rehabilitation or repair of public school facilities; land acquisition for qualified school construction projects; or equipment used in connection with qualified projects.

Local school systems must jointly apply with their city or county governments in order to participate in the program.

The application deadline is June 16, 2010 at 4:30 p.m. The TSSBA is scheduled to consider approval of the loan requests on July 7, 2010 with the QSCB sale tentatively scheduled for the week of Sept. 13, 2010.

Questions about the program should be directed to Mary-Margaret Collier, director of the state Comptroller's Office of State and Local Finance, at (615) 747-5370 or by e-mail at [mary.margaret.collier@tn.gov](mailto:mary.margaret.collier@tn.gov).

"I am pleased that we are able to make additional loan funds available this year through the QSCB program," said Comptroller Justin P. Wilson, who serves as secretary of the TSSBA. "This program makes low-cost financing available to support worthy school improvement projects throughout our state."

"In these challenging economic times, our local governments can use these low-interest loans as a tool to move forward with projects they might otherwise find difficult to finance," added Treasurer David H. Lillard Jr., who also serves on the TSSBA.

"In the last year, I have visited a number of the communities that have received loans through the QSCB program – and I can tell you those loans are making a substantial difference in those communities," said Secretary of State Tre Hargett, another TSSBA member.

Last year, the TSSBA provided \$177 million of QSCB loans to 13 local governments across the state. Those loans must be repaid at a rate of 1.515 percent over the next 17 years.

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Media contact: Blake Fontenay, Communications Director, (615) 253-2668 or [blake.fontenay@tn.gov](mailto:blake.fontenay@tn.gov)