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May 1, 2014

Mr. David Camp, Chairman
Ways and Means Committee Office
1102 Longworth House Office Building
Washington, D.C. 20515

Mr. Chairman,

We respectfully request your urgent action regarding the extension and expansion of Section 179D of the Internal Revenue Code, enacted as a part of the 2005 Energy Policy Act, which has proven to be an important resource for federal and state government entity investments in energy efficient buildings.

179D provides a rare opportunity for non-tax paying government entities to benefit from an IRS tax incentive. While government entities do not pay taxes, they may allocate the benefit to a tax paying 'Designer' of the project and receive savings in return for that allocation. These savings can spur reinvestment and leverage recent improvements retroactively to add jobs, expand project scope, defray cost to the taxpayer, and provide a further private economic benefit to the project designers.

The potential for savings is only starting to be realized among government entities. Over \$60 Million in allocations to government clients have been realized in the past 18 months through the efforts of one firm, Efficiency Energy, LLC by successfully connecting legal, accounting, engineering, and public finance resources with government client needs. There are many more untapped opportunities for government entities if 179D is extended and expanded.

The 179D incentive should continue to be an important resource in our nation's economic recovery by stimulating public and private investment in energy efficiency. The extension and expansion of the 179D is supported by a large coalition of manufacturers, states, municipalities, public colleges and universities, public school districts, housing authorities, ports, airports, and other public entities to promote energy conservation and support real energy reduction outcomes. As a potential for job creation, the American Council for Energy-Efficient Economy reports that on average, \$1 million spent in the U.S. economy supports approximately 17 direct and indirect jobs. An investment in energy efficiency will first create opportunity in industries which would support approximately 20 jobs per \$1 million invested.

The government monetization of the 179D allocation provides the opportunity to stretch taxpayer dollars invested in building efficiency further. Thank for your time and consideration of the issue.

Sincerely,



David Walrath
Murdoch, Walrath & Holmes
Coordinator, Californians for School Facilities