CHAPTER 290 SB 372-FN-LOCAL – FINAL VERSION

30Apr2014... 1534h 05/15/14 1854EBA

2014 SESSION

 $\begin{array}{c} 14\text{-}2670 \\ 08/05 \end{array}$

SENATE BILL 372-FN-LOCAL

AN ACT relative to a state infrastructure bank.

SPONSORS: Sen. Carson, Dist 14; Sen. Morse, Dist 22; Sen. Rausch, Dist 19; Sen. Fuller Clark, Dist 21; Sen. D'Allesandro, Dist 20; Rep. Ford, Graf 3; Rep. Leishman, Hills 24; Rep. Umberger, Carr 2

COMMITTEE: Transportation

ANALYSIS

This bill establishes a state infrastructure bank.

Explanation:Matter added to current law appears in **bold italics.**
Matter removed from current law appears [in brackets and struckthrough.]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Fourteen

AN ACT relative to a state infrastructure bank.

Be it Enacted by the Senate and House of Representatives in General Court convened:

290:1 New Subdivision; State Infrastructure Bank. Amend RSA 21-L by inserting after section
 18 the following new subdivision:

3

State Infrastructure Bank

4 21-L:19 State Infrastructure Bank; Purpose. The general court recognizes the importance of a 5 sound transportation infrastructure system for public safety and the state's economic vitality. It is 6 hereby declared to be in the public interest to promote the surface transportation infrastructure 7 system by providing a financial vehicle to enable state and local transportation projects to proceed.

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21-L:20 State Infrastructure Bank.

9 I. There is hereby established a state infrastructure bank (SIB), in accordance with 23 10 U.S.C. section 610, to advance the surface transportation system by serving as a revolving loan 11 program to finance eligible surface transportation projects within the state of New Hampshire, in 12order to advance projects at an accelerated rate with favorable repayment terms. The loan 13repayments shall create a stream of revenue that the SIB will use to support new projects geared 14towards surface transportation infrastructure that leverages economic development opportunities. 15The purpose of the SIB is to leverage state and federal funds, accelerate priority projects, and 16advance economic development and local transportation needs.

II. The SIB shall be used to encourage completion of public or private surface transportation projects that contribute to multi-modal and intermodal transportation with loans and other financial assistance for all or part of the cost of an eligible project relating to surface transportation.

20 III. The SIB shall be used to encourage private and local participation in financing toward 21 eligible surface transportation projects.

22 21-L:21 State Infrastructure Bank Fund Established. There is hereby established the state 23 infrastructure bank fund. The fund shall consist of federal and state funds, issuance of bonds for 24 revenue, or other revenue received for the purposes of this subdivision. The fund shall be managed 25 by the state treasurer, shall be nonlapsing, and shall be continually appropriated for the purposes of 26 this subdivision.

27 21-L:22 Administration.

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I. The SIB shall be administered by the department of transportation. The department is

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1 authorized to contract with a third party for administration of the SIB fund.

II. The commissioner of the department of transportation shall adopt rules establishing guidelines for the SIB to exercise its authority under this subdivision, including rules for eligibility, application, evaluation, and selection of projects to receive financial assistance, and such rules shall be exempt from the rulemaking process pursuant to RSA 541-A:21.

6 21-L:23 Authorization.

I. The SIB is authorized to make loans or provide other financial assistance to private or
public entities towards all or part of the cost of an eligible project relating to surface transportation.

9 II. The SIB is authorized to provide bond or debt financing instrument security, other forms 10 of debt financing, and methods of leveraging funds.

11 III. Any federal money specifically designated to capitalize the SIB shall be approved by the 12fiscal committee of the general court. The SIB is otherwise authorized to use the following to 13capitalize the revolving fund: state funds, other federal funds, funds from public or private entities, 14proceeds from the issuance of bonds, and other lawful sources provided each capitalization, regardless of amount or source, is approved by a majority vote of both the house of representatives 1516and the senate. Such funds, as part of a revolving fund, shall remain available until expended and 17continually appropriated to the SIB. Eligibility of projects shall be determined under the provisions 18 of the statewide transportation improvement program in RSA 228:99 and state 10-year 19transportation improvement plan in RSA 240.

IV. The SIB is authorized to establish accounts as required by federal or state programs, or as it deems necessary.

22 23 V. The SIB is authorized to take all action necessary or useful to perform its functions, including but not limited to:

(a) Adopting, amending, and repealing bylaws necessary for the administration of theSIB's affairs.

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(b) Filing suit and being sued in the name of the SIB.

(c) Making loans or providing financial assistance to qualified borrowers for eligiblesurface transportation projects.

(d) Entering into contracts or agreements with qualified borrowers and others that are
 necessary to process, service, or finalize financing agreements.

(e) Entering into contracts with federal or state government agencies in order to fulfill
 its purpose of providing financial assistance to eligible projects.

(f) Establishing policies and procedures for administering loans or financial assistance,
 accounting procedures for proper accounting, and reporting as required.

(g) Establishing interest rates, repayment terms, loan origination fees, and service fees
 in keeping with any agreement with bond holders and in compliance with federal requirements.

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1	(h) Leveraging funds through issuance of bonds and other indebtedness.
2	(i) Expending funds for administration and other costs related to the SIB, including but
3	not limited to staff, accounting, legal, consulting, or other professional services.
4	(j) Establishing advisory committees, as appropriate.
5	(k) Collecting fees and other charges related to loans and financial assistance.
6	(l) Applying for and accepting any legal source of money, grants, aid, property, or service
7	to effectuate the purpose of the SIB.
8	(m) Investing funds on behalf of the SIB.
9	(n) All things necessary or reasonable to implement the purpose of the SIB.
10	VI. The SIB shall not be a bank under the jurisdiction of the New Hampshire banking
11	commission or the Treasury Department of the United States or subject to the provisions of any
12	federal or state securities law.
13	VII. The department of transportation shall submit an annual report to the governor, state
14	treasurer, senate president, speaker of the house of representatives, chair of the senate finance
15	committee, chair of senate transportation committee, chair of house of representatives finance
16	committee, chair of house of representatives public works and highways committee, and chair of the
17	fiscal committee of the general court.
18	290:2 New Subparagraph; Rulemaking; Exceptions. Amend RSA 541-A:21, I by inserting after
19	subparagraph (gg) the following new subparagraph:
20	(hh) Rules relative to the state infrastructure bank established in RSA 21-L:19 through
21	RSA 21-L:23 for transportation purposes.
22	290:3 New Subparagraph; State Infrastructure Bank Fund. Amend RSA 6:12, I(b) by inserting
23	after subparagraph (316) the following new subparagraph:
24	(317) Moneys deposited in the state infrastructure bank fund established in RSA 21-
25	L:21.
26	290:4 Applicability; Availability of Funds. Sections 1-3 of this act shall take effect on the date
27	that the commissioner of the department of transportation certifies to the secretary of state, the state
28	treasurer, and the director of the office of legislative services that funds sufficient to implement this
29	act are available.
30	290:5 Effective Date.
31	I. Sections 1-3 of this act shall take effect as provided in section 4 of this act.
32	II. The remainder of this act shall take effect 30 days after passage.
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34	Approved: July 28, 2014
35	Effective Date: I. Sections 1-3 shall take effect as provided in section 4

36 II. Remainder shall take effect August 27, 2014