



HOUSE BILL 220: State Infrastructure Bank Revisions.

**This Bill Analysis
reflects the
contents of the bill
as it was presented
in committee.**

2017-2018 General Assembly

Committee:	House Transportation. If favorable, re-refer to Finance	Date:	April 19, 2017
Introduced by:	Rep. Torbett	Prepared by:	Wendy Ray
Analysis of:	PCS to First Edition H220-CSSU-14		Staff Attorney

OVERVIEW: *The Proposed Committee Substitute for House Bill 220 would repeal the current authorization for a transportation infrastructure banking program under the powers of the Department of Transportation and enact a new Article establishing the State Infrastructure Bank to provide financial assistance for transportation projects. The PCS would also establish a State Infrastructure Bank Oversight Board responsible for reviewing and approving loans or other financial assistance provided by the Bank.*

CURRENT LAW: Under G.S. 136-18(12a), the Department of Transportation has the authority to establish, and receive federal funds for, a transportation infrastructure banking program under the Intermodal Surface Transportation Efficiency Act of 1991 and the National Highway System Designation Act of 1995. The infrastructure banking program established by the Department may utilize federal and State funds for the purpose of providing loans or other financial assistance to governmental units to finance the costs of transportation projects authorized by the two federal acts.

BILL ANALYSIS: The PCS for House Bill 220 would repeal the current authorization for a transportation infrastructure banking program under G.S. 136-18 and reauthorize the Department to establish a State Infrastructure Bank under a new Article 21 in Chapter 136. The requirements set out are almost identical to the current authorization, except:

- The PCS would allow the program to provide financial assistance for any type of transportation project, whereas the current authorization limits the program to providing financial assistance for transportation projects authorized by the two referenced federal aid acts.
- The PCS would require that all proposed loans and other financial assistance to applicants be reviewed and approved by a State Infrastructure Bank Oversight Board, which would also be established in the PCS.

The PCS would establish the State Infrastructure Oversight Board to develop and publish guidelines for reviewing and approving loans and other financial assistance, to be responsible for reviewing and approving loans and other financial assistance provided under the program, and to report on its activities quarterly to the Joint Legislative Commission on Governmental Operations and the Joint Legislative Transportation Oversight Committee. The Board would be made up of the following five voting members: the Secretary of the Department of Transportation, the Secretary of the Department of Commerce, the State Treasurer, the State Auditor, and the State Budget Officer.

EFFECTIVE DATE: The act would be effective July 1, 2017, and would apply to loans and other financial assistance applied for on or after that date.

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BACKGROUND: This bill is a recommendation of the House Select Committee on Strategic Transportation Planning and Long Term Funding Solutions. The Committee recommended that the General Assembly consider enactment of legislation to expand the purposes for which funds from the State infrastructure bank may be used, and to create an oversight board for the State infrastructure bank.