



HOUSE BILL 572: State Infrastructure Bank Study.

2023-2024 General Assembly

Committee:	House State Government. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	April 27, 2023
Introduced by:	Reps. Harris, Howard	Prepared by:	Brad Krehely
Analysis of:	PCS to First Edition H572-CSR-N-17		Committee Co-Counsel

OVERVIEW: *The Proposed Committee Substitute (PCS) for House Bill 572 would create a Joint Legislative Study Commission to study the feasibility of establishing a State Infrastructure Bank. The PCS clarifies when the committee terminates and makes other technical and clarifying changes.*

BILL ANALYSIS: The PCS for House Bill 572 would create a Joint Legislative Study Commission (the Commission) to study the feasibility of establishing a State Infrastructure Bank. The Commission would study how the creation of a State Infrastructure Bank could strengthen economic and community development, provide financial resources for infrastructure projects, and leverage State, federal, and private resources to address the need for access to sustainable financial assistance for projects that will contribute to the economic growth, job creation, and support of local communities in North Carolina.

The Commission would have 17 members:

- 3 members of the Senate, appointed by the President Pro Tempore of the Senate.
- 3 members of the House, appointed by the Speaker of the House or Representatives.
- 3 members appointed by the Governor, one of whom must be a nationally recognized expert in public finance with expertise in state-owned banking institutions, and one of whom must have a background in environmental infrastructure.
- The State Treasurer, or the Treasurer's designee.
- The State Controller, or the Controller's designee.
- A representative from the Office of State Budget and Management, designated by the State Budget Director.
- The Secretary of Transportation, or the Secretary's designee.
- 1 member of the private banking community, appointed by the President Pro Tempore.
- 1 member with a background in energy infrastructure, appointed by the President Pro Tempore.
- 1 member with public health experience, appointed by the Speaker.
- 1 member with workforce development experience, appointed by the Speaker.

Any vacancies would be filled by the appointing authority and the Commission would be chaired by a senator and a representative, designated by the respective appointing authority. The Commission would

Jeffrey Hudson
Director



* H 5 7 2 - S M R N - 5 0 C S R N - 1 7 - V - 3 *

Legislative Analysis
Division
919-733-2578

House 572 PCS

Page 2

meet at the call of the chairs and would be required to have at least 5 public meetings in distinct geographic regions of the State.

The Commission would be required to study issues related to the establishment of a State Infrastructure Bank including, the following:

- Supporting the economic development of North Carolina by increasing access to capital.
- Providing financing for infrastructure related to housing development, public works infrastructure, educational infrastructure, student loans, and community quality of life projects.
- Providing capital for continued expansion of the State's transportation, environmental, energy, and telecommunications infrastructure.
- Undertake a general assessment of the State's current network of public and private financial resources.
- How a State Infrastructure Bank could be designed to generate earnings beyond those necessary for the bank's operation.
- Examine various administrative and operational structures for organizing a State Infrastructure Bank.
- Consider options for integrating a State Infrastructure Bank model into the existing State financial resource network.
- The way a State Infrastructure Bank should be regulated.
- The extent to which a State Infrastructure Bank should be allowed to compete with banking establishments in North Carolina.
- The oversight of the State Infrastructure Bank.
- An outline of transition actions necessary for establishing the State Infrastructure Bank.

The Commission would be authorized to make an interim report, and would be required to make a final report, including any legislative recommendations, by the end of the 2024 Regular Session. The Commission would terminate on December 31, 2024, or upon the filing of its final report, whichever occurs first.

EFFECTIVE DATE: The act would be effective when it becomes law.

*Amy Darden, Staff Attorney, contributed substantially to this summary.