SB 56 - VERSION ADOPTED BY BOTH BODIES

01/07/2026 2992s
7May2026... 1494h
06/04/2026 2197EBA

2025 SESSION

25-0975
07/08

SENATE BILL ***56***

AN ACT relative to consolidating the New Hampshire health and education facilities authority within the business finance authority and establishing a surplus land revitalization program.

SPONSORS: Sen. Innis, Dist 7

COMMITTEE: Executive Departments and Administration

AMENDED ANALYSIS

This bill:

I. Provides for the consolidation of the New Hampshire health and education facilities authority with and into the New Hampshire business finance authority, including the transfer of all assets, assumption of all debts and obligations, transfer of all employees, and the establishment of the New Hampshire Business finance authority as the successor in interest for all rights and obligations of the New Hampshire health and education facilities authority.

II. Makes changes to provisions of statute governing the business finance authority's issuance of bonds.

III. Establishes a surplus land revitalization program.

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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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 Twenty Five

AN ACT relative to consolidating the New Hampshire health and education facilities authority within the business finance authority and establishing a surplus land revitalization program.

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

1 Purpose and Findings. The general court finds that:

I. The New Hampshire health and education facilities authority and the New Hampshire business finance authority perform similar and compatible financing and other functions that benefit New Hampshire citizens and communities, and the New Hampshire economy.

II. The combination of the functions of the New Hampshire health and education facilities authority with and into the New Hampshire business finance authority will achieve the continued delivery of effective government services supporting New Hampshire's economy and communities and will further realize significant efficiencies and opportunities for increased public impacts.

III. The board of directors of each organization have expressed their support for the combination of operations and staff into a single, unified enterprise focused on the continued growth and development of the New Hampshire economy.

2 Merger of the New Hampshire Health and Education Facilities Authority and the New Hampshire Business Finance Authority; Transfer of Powers and Duties.

I.(a) Effective on and after July 1, 2026, the New Hampshire health and education facilities authority ("HEFA"), as created by RSA 195-D:4, shall be merged with and into the New Hampshire business finance authority ("BFA"), without any further action, and the rights, powers and duties, and properties of the HEFA shall on and after such date be exercised, performed, owned and held by the BFA as created by RSA 162-A:3. All real estate, property rights, personal property, funds, moneys, revenues, receipts, contract rights, trust agreements, any rights or interests of HEFA in any trusts or trust property, or other intangible assets, equipment or other ownership, possessory, or security interests or mortgages of any kind whatsoever, or any portion thereof held by HEFA, including, without limitation, funds previously appropriated by the state for HEFA, shall be deemed for record notice and otherwise, as applicable, to belong to the BFA on the same basis and with the same interest as previously held by HEFA, as applicable. Any and all rights, obligations, and liabilities of HEFA shall become rights, obligations, and liabilities of the BFA. Any resolution taken by or commitment made by HEFA with respect to any financing, including loans, bond issuances, guarantees and insurance and any other action made by HEFA shall become resolutions of the BFA.

(b) All duly existing contracts, leases, trusts, or obligations of HEFA that are in force immediately before the effective date of the merger of HEFA with and into the BFA shall be deemed to be the contracts, leases, trusts, or obligations of the BFA. No existing right or remedy under any such contract, lease, trust, or obligation shall be lost, impaired or affected by this act. The BFA shall have authority on or after such date to exercise all rights and enjoy all interests conferred upon HEFA by all such contracts, leases, trusts, or obligations.

(c) The transfer of the assets, liabilities, obligations and debts of HEFA to the BFA under this act shall be effective upon merger of HEFA with and into the BFA and shall bind all persons with or without notice and without any further action or documentation. Without derogating from the foregoing, the BFA may, from time to time, execute and record and file for registration with any registry of deeds or with the secretary of state, as appropriate, a certificate confirming the BFA's ownership of any interest in real or personal property formerly held by HEFA and transferred pursuant to the provisions of this act and establishing and confirming the rights and limits of property so transferred.

(d) This act shall not limit or impair the rights, remedies, or defenses of the state, the BFA, or HEFA in or to any action or proceeding. Actions and proceedings against or on behalf of HEFA shall continue unabated and, from and after the date of dissolution of HEFA, may be completed against or by the BFA.

(e) Notwithstanding the foregoing, no existing rights of the holders of the bonds and notes issued by HEFA shall be impaired, and the BFA as successor in interest to HEFA shall comply with the covenants of the trust indentures and loan agreements and other applicable documentation pertaining to such bonds and notes so long as such bonds and notes shall remain outstanding, except to the extent the BFA may modify, amend, or waive such covenants with such consents and agreements of other parties as are required by the terms thereof.

(f) All orders, rules and regulations duly made and all approvals duly granted by HEFA, which are in force immediately before the effective date of this act, shall continue in force and the provisions thereof shall thereafter be enforced, until superseded, revised, rescinded or canceled, in accordance with law, by the BFA.

(g) All books, papers, records, documents, equipment, buildings, facilities, cash and other property and assets, both personal and real, whether or not electronic, including all such property and assets held in trust, which on July 1, 2026, are in the custody of HEFA shall be transferred to the BFA.

II. Notwithstanding any general or special law to the contrary, the term the 'New Hampshire health and educational facilities authority' or 'HEFA', wherever either appears in a general or special law, except as they appear in this act, shall mean the 'New Hampshire business finance authority', including, but not limited to RSA 195-D and 195-E; provided, however, that such change of reference shall not restrict or limit in any manner the exercise by the BFA of its rights, powers, duties or purposes, or to its ownership and holding of properties and assets under RSA 162-A, RSA 162-I, RSA 162-S, RSA 162-T or any other provision of law applicable to the BFA, including without limitation the power of the BFA to issue bonds under said chapters RSA 162-A, RSA 162-I, RSA 162-S, RSA 162-T or under any such other provision.

III.(a) Notwithstanding any general or special law to the contrary, this section shall facilitate the orderly transfer of the employees, proceedings, rules and regulations, property and legal obligations of the following functions of state government from HEFA to the BFA.

(b) The employees of HEFA are hereby transferred to the BFA, without interruption of service, salary or compensation, or benefits, if any, notwithstanding any change in title or duties resulting from such reorganization, and without loss of accrued rights to holidays, sick leave, vacation and benefits. Nothing in this section shall be construed to confer upon an employee a right not held immediately before the date of said transfer, or to prohibit a reduction of salary grade, transfer, reassignment, suspension, discharge, layoff or abolition of position not prohibited before July 1, 2026.

(c) All petitions, requests, investigations and other proceedings appropriately and duly brought before HEFA or duly begun by HEFA and pending before it before the effective date of this act, shall continue unabated and remain in force, but shall be assumed and completed by the BFA.

(d) All orders, rules and regulations duly made and all approvals duly granted by HEFA, including approvals for the issuance of bonds and granting of direct loans duly made by HEFA, which are in force immediately before the effective date of this act, shall continue in force and shall thereafter be enforced, until superseded, revised, rescinded or canceled, in accordance with law, by the BFA.

(e) All transfers under this section shall be completed by July 1, 2026.

3 New Paragraphs; Public Safety and Welfare; Business Finance Authority; Definitions. Amend RSA 162-A:2 by inserting after paragraph XVII the following new paragraphs:

XVIII. “Non-profit representative” means an individual (a) who is an officer, director, trustee, member, employee, or representative of, or (b) who has significant experience providing professional or financial services to, an organization that is exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

XIX. “Institution for education” means an educational institution which by virtue of law or charter is a public or other nonprofit educational institution empowered to provide a program of education; or an affiliate of any of the foregoing.

XX. “Education official” means an individual (a) who works for an institution for education, or (b) who has significant experience providing professional or financial services to an institution for education.

XXI. "Health care institution" means a hospital; nursing home; health maintenance organization; home health care provider; an institution providing a health care program; ambulatory care clinic; or an affiliate of any of the foregoing.

XXII. "Health care official" means an individual (a) who is an officer, director, trustee, member, employee, or representative of a health care institution, or (b) who has significant experience providing professional or financial services to a health care institution.

4 Public Safety and Welfare; Business Finance Authority; Management. Amend RSA 162-A:4, I to read as follows:

I. The management of the authority shall be vested in a board of [~~14~~] ***16*** directors, who shall serve without compensation. The governor, with the consent of the council, shall appoint [~~9~~] ***11*** members of the board, who shall include [~~an executive director of a regional planning commission and one elected or appointed local official~~] ***a member who is an education official, a member who is a health care official, and a member who is a non-profit representative***. The governor shall designate one of the board members as chairperson. Each board member appointed by the governor shall hold office for 3 years, or until a successor has been appointed. The state treasurer shall serve as a voting ex officio member of the board. Two members of the house of representatives, who shall be appointed by the speaker of the house of representatives, and 2 members of the senate, who shall be appointed by the president of the senate, shall serve as nonvoting members of the board. A director serving as a member of the house of representatives or as a member of the senate shall serve for a term ending when the general court dissolves.

5 Public Safety and Welfare; Business Finance Authority Revenue Bonds; Definitions. Amend RSA 162-I:2, III to read as follows:

III. "Bond" means [~~an evidence of indebtedness issued by the authority under this chapter to finance a project in whole or in part or to refund indebtedness incurred for that purpose~~] ***any bond, note, or other obligation evidencing indebtedness issued or entered into or acquired or incurred by the authority under this chapter, including any certificate of participation or lease or lease-purchase, installment sale, or other financing agreement, and any refunding bond or other indebtedness with respect to a bond or any other evidence of indebtedness issued by the authority or another party***.

6 Public Safety and Welfare; Business Finance Authority Revenue Bonds; Definitions. Amend RSA 162-I:2, III-a to read as follows:

III-a. "Commercial facility" shall be an eligible facility and means any facility***, whether tangible or intangible,*** which is to be used in a trade or business whether or not such business is operated for profit.

7 Public Safety and Welfare; Business Finance Authority Revenue Bonds; Definitions. Amend RSA 162-I:2, V to read as follows:

V. "Eligible facility" means a facility which consists of real property, personal property [~~or both~~] ***or other assets, or any combination thereof, whether tangible or intangible***. An eligible facility may include appurtenances and structures such as pumping machinery, storage accommodations, transportation facilities or utility lines which are incidental to the operation of the facility. If less than an entire eligible facility is to be financed under this chapter, the portion of the facility which is to be financed may also be called an eligible facility. [~~An eligible facility shall also include any intangible property, such as patents or licenses, reasonably necessary for the operation of the facility.~~]

8 Public Safety and Welfare; Business Finance Authority Revenue Bonds; Definitions. Amend RSA 162-I:2, VIII to read as follows:

VIII. "Project" means ***any capital improvement, purchase of receivables, property, assets, commodities, bonds, or other revenue streams or related assets, working capital program or liability or other insurance program. The term "project" shall include*** the creation, establishment, acquisition, construction, expansion, remodeling or replacement of an eligible facility, or of one or more structural or operational components of an eligible facility, financed by the issue of bonds under this chapter.

9 Public Safety and Welfare; Business Finance Authority Revenue Bonds; Definitions. Amend RSA 162-I:2, IX(g) and (h) to read as follows:

(g) Interest prior to and during construction and***,*** [~~until one year after the completion of a project~~] ***if determined advisable by the authority, for a period after completion of such construction the cost of financing the project, including interest on bonds and notes issued by the authority to finance a project***;

(h) Working capital***, whether or not*** related to a project***, or to an eligible facility***; and

10 Public Safety and Welfare; Business Finance Authority Revenue Bonds; Security Documents. Amend RSA 162-I:7, II to read as follows:

II. [~~Any assignment, pledge, mortgage or other encumbrance of all or part of the authority's right to receive payments with respect to an eligible facility contained in a security document shall be fully effective and perfected from the time when the security document is executed with or without any subsequent physical delivery or segregation of the money and without any filing or recording under RSA 382-A or otherwise~~] ***A pledge of property, revenues, or other collateral by the authority to secure the payment of principal or redemption price of, or interest on, any bonds, or any reimbursement or similar agreement with any provider of credit enhancement for bonds, or any swap or other agreement entered into in connection with bonds, is binding on the parties and on any successors. The collateral shall immediately be subject to the pledge, and the pledge shall constitute a lien and security interest which shall attach immediately to the collateral and be effective, binding, and enforceable against the pledgor, its successors, purchasers of the collateral, creditors, and all others, to***

the extent set forth, and in accordance with, the pledge document, irrespective of whether those parties have notice of the pledge and without the need for any physical delivery, recordation, filing or further act.

11 Public Safety and Welfare; Business Finance Authority; Bonds. Amend RSA 162-I:8, II to read as follows:

II. [~~Every bond shall be signed on behalf of the authority by 2 persons designated by the board. Any person so designated shall be a member of the board, or the executive director, senior credit officer, or the chief financial officer of the authority. Each such signature may be manual or facsimile but at least one signature on every bond shall be manual, unless the bond bears a manual authentication or certification by a bank, trust company or other financial institution described in RSA 162-I:12, in which case each signature on behalf of the authority may be facsimile. Interest coupons, if any, shall bear the facsimile signature of one of the persons signing the bond on behalf of the authority. Bonds shall also bear the seal of the authority or a facsimile of the seal. Bonds executed as provided in this paragraph shall be valid notwithstanding that any or all of the persons whose signatures appear on the bond shall have ceased to hold office before delivery of and payment for the bond.~~] ***Bonds shall be executed in the manner provided in the resolution therefor and may be executed by one person designated by the board, provided that such execution may be by facsimile so long as the bond is signed by an authentication agent appointed by the authority. Any person so designated to execute a bond shall be a member of the board, or the executive director, senior credit officer, non-profit bonding and lending officer, or the chief financial officer of the authority.***

12 Public Safety and Welfare; Business Finance Authority; Approval of Governor and Council. RSA 162-I:9 is repealed and reenacted to read as follows:

162-I:9 Approval of Governor and Council.

I. The authority shall not acquire any interest in a project or an eligible facility or execute any financing or security document or issue any bonds with respect to the project or facility, unless the governor and council have found after a hearing that the proposed financing, operation and use of the project or facility will serve a public use and provide a public benefit and have determined that the authority's financing of the project will be within the policy of, and the authority conferred by, this chapter.

II. Nothing in this section shall prevent the authority from giving preliminary official approval of a proposed project or eligible facility and the financing of the proposed project or eligible facility. The finding and determination by the governor and council may be made upon the written recommendation of the authority supported by any documentation and information which the governor and council may request.

13 Education; New Hampshire Health and Education Financing. Amend the chapter heading of RSA 195-D to read as follows:

CHAPTER 195-D

NEW HAMPSHIRE HEALTH AND EDUCATION [~~FACILITIES AUTHORITY~~] ***FINANCING***

14 Education; New Hampshire Health and Education Financing. Amend RSA 195-D:1 to read as follows:

195-D:1 Declaration of Policy. It is declared to be the policy of the state that for the benefit of the people of the state, the increase of their commerce, welfare, and prosperity and the improvement of their health and living conditions, it is essential that this and future generations of youths be given the fullest opportunity to learn and develop their intellectual and mental capacities; that it is essential that participating educational institutions within the state be provided with appropriate additional means to assist such youths in achieving the required levels of learning and development of their intellectual and mental capacities; that it is essential that participating health care institutions within the state be provided with appropriate additional means to expand, enlarge and establish health care and other related facilities; that it is essential that participating health care institutions and participating educational institutions within the state be encouraged and assisted in reducing the costs of providing health care or education; that it is essential that powers be conferred on the New Hampshire [~~health and education facilities~~] ***business finance*** authority as will assure the successful completion of projects to be initiated by the corporation or the refinancing of existing indebtedness as provided in this chapter so as to accomplish the purposes of this chapter all to the public benefit and good. It is further declared that the exercise by the corporation of the powers conferred on the corporation under this chapter will constitute the performance of an essential governmental function.

15 Education; New Hampshire Health and Education Financing; Citation. Amend RSA 195-D:2 to read as follows:

195-D:2 Citation. This chapter as amended may be referred to as and cited as the "New Hampshire [~~Health and Education Facilities Authority~~] ***Health and Education Financing*** Act".

16 Reference Change to Business Finance Authority. Amend RSA 195-D:3, I to read as follows:

I. "Corporation" means the New Hampshire [~~health and education facilities~~] ***business finance*** authority created and established as a corporation and constituted and established as a public body corporate and agency of the state under RSA [~~195-D:4~~] ***162-A:3***, or any board, body, commission, department, or officer succeeding to the principal functions thereof or to whom the powers conferred upon the corporation by this chapter shall be given by law.

17 Loan Corporations; Definition of Authority; Reference Change to Business Finance Authority. Amend RSA 195-E:2, I to read as follows:

I. "Authority" means the New Hampshire [~~health and education facilities~~] ***business finance*** authority, established under RSA [~~195-D:4~~] ***162-A:3***.

18 Term Change; New Hampshire Business Finance Authority. Amend the following RSAs by replacing references made to "health and education facilities authority" with "business finance authority": RSA 195-D:23; 195-E:1; and 541-A:21, I(v).

19 Repeal. RSA 195-D:4, relative to the establishment of the New Hampshire health and education facilities authority, is repealed.

20 Powers Of The Governor And Council In Certain Cases; Acquisition And Disposal Of Real Estate; Disposal of Highway, Federal, or Turnpike Funded Real Estate. Amend the introductory paragraph of RSA 4:39-c to read as follows:

[~~Disposal~~] ***Except as provided in RSA 204-D, RSA 162-V, and RSA 228:31-b, disposal*** of real estate purchased with state or federal highway funds, or both, or with turnpike funds shall occur as follows:

21 Powers Of The Governor And Council In Certain Cases; Acquisition And Disposal Of Real Estate; Disposal of Real Estate. Amend RSA 4:40, I to read as follows:

I. Except as provided in RSA 4:39-c, ***RSA 162-V,*** RSA 228:31-b, and RSA 204-D, upon recommendation of the head of any state department having jurisdiction over the same, all requests for the disposal or leasing of state-owned properties shall be reviewed and approved by the long range capital planning and utilization committee, with advice from the council on resources and development, prior to submission to the governor and council for approval. Upon determination that the property is no longer needed by the state, the governor and council shall first offer it to the town, city, or county in which the property is located. If the town, city, or county refuses the offer, the governor and council may sell, convey, transfer, or lease the real property.

22 New Chapter; Surplus Land Revitalization Program. Amend RSA by inserting after chapter 162-U the following new chapter:

CHAPTER 162-V

SURPLUS LAND REVITALIZATION PROGRAM

162-V:1 Definitions. As used in this chapter:

I. “Authority” means the business finance authority established under RSA 162-A.

II. “Department” means the department of transportation established under 21-L:2.

III. “Commissioner” means the commissioner of the department of transportation.

IV. “Committee” means the long range capital planning and utilization committee established under RSA 17-M.

V. “State owned property” means real property held by the department of transportation.

162-V:2 Transfer of Property. The provisions of RSA 4:40 and 4:39-c notwithstanding, the governor and council may transfer surplus state owned property to the authority for certain uses consistent with the authority’s purpose under the following procedure:

I. The authority shall petition the department to acquire property the authority determines to be suitable for purposes authorized by RSA 162-A:6, V, VI, VII, VIII, XIV, and XXIII, and such petition shall include a certification of the authority's intention to use the property for such authorized purposes. The petition shall also state whether the authority desires to lease or purchase the property from the department.

II. The department shall, in response to such petition, notify the authority in writing whether the department considers the property surplus and whether it agrees with the authority's determination that the property is suitable for use or uses authorized by RSA 162-A:6, V, VI, VII, VIII, XIV, and XXIII. This determination shall be at the department's sole discretion.

III. If the department considers the property surplus and suitable for the authority's intended use or uses, the department may decide to lease or sell the property to the authority. Upon making such determination, the department shall include in its written notice any terms and conditions of such transfer, including the price as provided for by RSA 162-V:3.

IV. If the department and the authority reach an agreement on the transfer of the property, the department may submit the proposed transfer to the committee for review of whether the property is no longer needed by the state.

V. If the committee has already determined that the property is surplus under the processes set forth in RSA 4:39-c or RSA 4:40, then the committee's review shall be limited to whether any circumstances have changed that would affect its original determination. If the committee determines the property is surplus, it shall notify the authority and the department. The department may then request that the governor and council approve the agreement to transfer, and the same shall be effective upon approval.

VI. The department may, at any time prior to approval of the governor and council, rescind any agreement with the authority. Nothing herein shall require the department to transfer property to the authority.

162-V:3 Compensation. Transfer of property under this chapter shall be for such price and subject to said further terms and conditions as in the opinion of the commissioner, are reasonable and appropriate to effectuate the purposes of this chapter, provided, however, that:

I. All proceeds from sales of surplus property owned by the department shall be deposited in the fund from which they originated.

II. Surplus property held by the department which was acquired, in whole or in part, with highway funds shall be transferred to the authority for not less than the minimum compensation required to replenish the highway fund in the amount for which the property was originally acquired.

III. Surplus property held by the department which was acquired, in whole or in part, with federal or turnpike funds shall be transferred to the authority for no less than the minimum compensation required by federal law or controlling turnpike revenue bond resolution.

162-V:4 Uses of Property So Acquired.

I. After acquiring state owned property through the procedure set forth in this chapter, the authority may develop such land and take any actions it deems necessary to further use or uses authorized by RSA 162-A:6, V, VI, VII, VIII, XIV, and XXIII.

II. The authority may lease, sell, or otherwise transfer property it acquires under this chapter if the tenant, purchaser, or transferee enters into a written agreement with the authority that the property will be used in a manner authorized by RSA 162-A:6, V, VI, VII, VIII, XIV, and XXIII. If any property so leased, sold, or transferred ceases to be used in such a manner, ownership and/or control of the property shall revert to the authority.

III. If the authority seeks to transfer the property to any third party for use or uses not authorized by RSA 162-A:6, V, VI, VII, VIII, XIV, and XXIII, the authority shall first offer to sell the property to the State of New Hampshire for an amount of compensation equal to that which the authority paid to acquire the property under RSA 162-V:3.

23 Administration of Transportation Laws; Commissioner, Deputy and Assistant Commissioners; Disposal of Highway or Turnpike Funded Real Estate. Amend RSA 228:31-b, VIII to read as follows:

VIII. [~~All~~] ***Subject to the specific processes set forth more fully in RSA 4:39-c, RSA 4:40, RSA 162-V, and RSA 204-D, all*** requests for disposal of surplus property owned by the department of transportation shall be reviewed and approved by the long range capital planning and utilization committee prior to submission to the governor and council for approval.

24 Prospective Repeal. RSA 162-V:2, relative to the transfer of property under the surplus land revitalization program, is repealed.

25 Contingent Renumbering. The following references to RSA 162-V in this act shall be renumbered as RSA 162-W, 162-X, or 162-Y, as appropriate, to avoid a numbering conflict based on the passage of 2026, 95; HB 1433 (2026); and HB 1588 (2026):

I. RSA 162-V, as inserted by section 22 of this act, including all cross-references within the chapter.

II. RSA 4:39-c, as amended by section 20 of this act.

III. RSA 4:40, I as amended by section 21 of this act.

IV. RSA 228:31-b, VIII, as amended by section 23 of this act.

V. RSA 162-V:2, as referenced in section 24 of this act.

26 Effective Date.

I. Section 24 of this act shall take effect July 1, 2031.

II. The remainder of this act shall take effect July 1, 2026.