

SB 56 - AS AMENDED BY THE HOUSE

01/07/2026 2992s
7May2026... 1494h

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.

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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 1 Purpose and Findings. The general court finds that:

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

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

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

12 2 Merger of the New Hampshire Health and Education Facilities Authority and the New
13 Hampshire Business Finance Authority; Transfer of Powers and Duties.

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

28 (b) All duly existing contracts, leases, trusts, or obligations of HEFA that are in force
29 immediately before the effective date of the merger of HEFA with and into the BFA shall be deemed

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1 to be the contracts, leases, trusts, or obligations of the BFA. No existing right or remedy under any
2 such contract, lease, trust, or obligation shall be lost, impaired or affected by this act. The BFA shall
3 have authority on or after such date to exercise all rights and enjoy all interests conferred upon
4 HEFA by all such contracts, leases, trusts, or obligations.

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

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

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

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

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

31 II. Notwithstanding any general or special law to the contrary, the term the 'New
32 Hampshire health and educational facilities authority' or 'HEFA', wherever either appears in a
33 general or special law, except as they appear in this act, shall mean the 'New Hampshire business
34 finance authority', including, but not limited to RSA 195-D and 195-E; provided, however, that such
35 change of reference shall not restrict or limit in any manner the exercise by the BFA of its rights,
36 powers, duties or purposes, or to its ownership and holding of properties and assets under RSA 162-
37 A, RSA 162-I, RSA 162-S, RSA 162-T or any other provision of law applicable to the BFA, including

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1 without limitation the power of the BFA to issue bonds under said chapters RSA 162-A, RSA 162-I,
2 RSA 162-S, RSA 162-T or under any such other provision.

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

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

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

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

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

22 3 New Paragraphs; Public Safety and Welfare; Business Finance Authority; Definitions. Amend
23 RSA 162-A:2 by inserting after paragraph XVII the following new paragraphs:

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

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

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

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

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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

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1 facility. If less than an entire eligible facility is to be financed under this chapter, the portion of the
2 facility which is to be financed may also be called an eligible facility. ~~[An eligible facility shall also~~
3 ~~include any intangible property, such as patents or licenses, reasonably necessary for the operation~~
4 ~~of the facility.]~~

5 8 Public Safety and Welfare; Business Finance Authority Revenue Bonds; Definitions. Amend
6 RSA 162-I:2, VIII to read as follows:

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

13 9 Public Safety and Welfare; Business Finance Authority Revenue Bonds; Definitions. Amend
14 RSA 162-I:2, IX(g) and (h) to read as follows:

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

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

20 10 Public Safety and Welfare; Business Finance Authority Revenue Bonds; Security Documents.
21 Amend RSA 162-I:7, II to read as follows:

22 II. ~~[Any assignment, pledge, mortgage or other encumbrance of all or part of the authority's~~
23 ~~right to receive payments with respect to an eligible facility contained in a security document shall~~
24 ~~be fully effective and perfected from the time when the security document is executed with or~~
25 ~~without any subsequent physical delivery or segregation of the money and without any filing or~~
26 ~~recording under RSA 382-A or otherwise]~~ ***A pledge of property, revenues, or other collateral by***
27 ***the authority to secure the payment of principal or redemption price of, or interest on, any***
28 ***bonds, or any reimbursement or similar agreement with any provider of credit***
29 ***enhancement for bonds, or any swap or other agreement entered into in connection with***
30 ***bonds, is binding on the parties and on any successors. The collateral shall immediately be***
31 ***subject to the pledge, and the pledge shall constitute a lien and security interest which***
32 ***shall attach immediately to the collateral and be effective, binding, and enforceable***
33 ***against the pledgor, its successors, purchasers of the collateral, creditors, and all others, to***
34 ***the extent set forth, and in accordance with, the pledge document, irrespective of whether***
35 ***those parties have notice of the pledge and without the need for any physical delivery,***
36 ***recordation, filing or further act.***

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

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:

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.

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

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

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

3 195-D:1 Declaration of Policy. It is declared to be the policy of the state that for the benefit of
4 the people of the state, the increase of their commerce, welfare, and prosperity and the improvement
5 of their health and living conditions, it is essential that this and future generations of youths be
6 given the fullest opportunity to learn and develop their intellectual and mental capacities; that it is
7 essential that participating educational institutions within the state be provided with appropriate
8 additional means to assist such youths in achieving the required levels of learning and development
9 of their intellectual and mental capacities; that it is essential that participating health care
10 institutions within the state be provided with appropriate additional means to expand, enlarge and
11 establish health care and other related facilities; that it is essential that participating health care
12 institutions and participating educational institutions within the state be encouraged and assisted in
13 reducing the costs of providing health care or education; that it is essential that powers be conferred
14 on the New Hampshire ~~[health and education facilities]~~ **business finance** authority as will assure
15 the successful completion of projects to be initiated by the corporation or the refinancing of existing
16 indebtedness as provided in this chapter so as to accomplish the purposes of this chapter all to the
17 public benefit and good. It is further declared that the exercise by the corporation of the powers
18 conferred on the corporation under this chapter will constitute the performance of an essential
19 governmental function.

20 15 Education; New Hampshire Health and Education Financing; Citation. Amend RSA 195-D:2
21 to read as follows:

22 195-D:2 Citation. This chapter as amended may be referred to as and cited as the "New
23 Hampshire ~~[Health and Education Facilities Authority]~~ **Health and Education Financing** Act".

24 16 Reference Change to Business Finance Authority. Amend RSA 195-D:3, I to read as follows:

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

30 17 Loan Corporations; Definition of Authority; Reference Change to Business Finance
31 Authority. Amend RSA 195-E:2, I to read as follows:

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

34 18 Term Change; New Hampshire Business Finance Authority. Amend the following RSAs by
35 replacing references made to "health and education facilities authority" with "business finance
36 authority": RSA 195-D:23; 195-E:1; and 541-A:21, I(v).

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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.

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

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

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

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

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

21 162-V:3 Compensation. Transfer of property under this chapter shall be for such price and
22 subject to said further terms and conditions as in the opinion of the commissioner, are reasonable
23 and appropriate to effectuate the purposes of this chapter, provided, however, that:

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

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

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

33 162-V:4 Uses of Property So Acquired.

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

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

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

10 23 Administration of Transportation Laws; Commissioner, Deputy and Assistant
11 Commissioners; Disposal of Highway or Turnpike Funded Real Estate. Amend RSA 228:31-b, VIII
12 to read as follows:

13 VIII. ~~[A]~~ ***Subject to the specific processes set forth more fully in RSA 4:39-c, RSA***
14 ***4:40, RSA 162-V, and RSA 204-D, all*** requests for disposal of surplus property owned by the
15 department of transportation shall be reviewed and approved by the long range capital planning and
16 utilization committee prior to submission to the governor and council for approval.

17 24 Prospective Repeal. RSA 162-V:2, relative to the transfer of property under the surplus land
18 revitalization program, is repealed.

19 25 Effective Date.

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

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