

**HB 595-FN - AS INTRODUCED**

2023 SESSION

23-0498

04/05

HOUSE BILL            ***595-FN***

AN ACT                relative to the oversight of the public deposit investment pool.

SPONSORS:            Rep. Hunt, Ches. 14; Rep. Lascelles, Hills. 14; Sen. Rosenwald, Dist 13

COMMITTEE:          Commerce and Consumer Affairs

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ANALYSIS

This bill changes the oversight of the public deposit investment pool from the banking department to the state treasurer.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty Three*

AN ACT relative to the oversight of the public deposit investment pool.

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

1 1 New Subdivision; Public Deposit Investment Pool. Amend RSA 6 by inserting after section 44  
2 the following new subdivision:

3 Public Deposit Investment Pool

4 6:45 Public Deposit Investment Pool.

5 I. The state treasurer shall, with the assistance of the advisory committee created under  
6 RSA 6:47, establish and operate a public deposit investment pool, for the purpose of investing funds  
7 of the state, and funds under the custody of governmental units, pooled risk management programs  
8 established pursuant to RSA 5-B, agencies, authorities, commissions, boards, political subdivisions  
9 and all other public units within or instrumentalities of the state.

10 II. The public deposit investment pool shall be operated under contract with a private  
11 investment advisor, approved by the state treasurer and advisory committee. The state treasurer  
12 and advisory committee shall choose an investment advisor by requesting proposals from advisors  
13 and reviewing such proposals based on criteria adopted by rule under RSA 6:46.

14 III. The state treasurer shall make available to prospective depositors detailed information  
15 on the public deposit investment pool, similar to that information generally contained in a securities  
16 prospectus. The state treasurer shall also ensure that periodic statements of accounts and reports  
17 on holdings are provided to pool participants relative to their proportionate share of the pool.

18 IV. The state treasurer shall cause an independent audit of the pool to be conducted on an  
19 annual basis. The auditor shall be selected by the advisory committee.

20 V. The state treasurer shall charge the public deposit investment pool any actual costs  
21 incurred by the department for the operation of the pool as well as any expenses of department  
22 personnel assisting in the operation of the pool. The cost for personnel assisting in the operation of  
23 the pool shall be determined in accordance with the per diem examination charge established in RSA  
24 383:11, I, provided that the requirement that no entity shall be charged or pay less than one full day  
25 shall not apply. The private investment advisor retained under paragraph II shall be responsible for  
26 processing any invoice submitted for the actual costs incurred by the department and the expenses of  
27 department personnel under this paragraph.

28 6:46 Rulemaking. The state treasurer shall, with the approval of the advisory committee, adopt  
29 rules, pursuant to RSA 541-A, relative to:

30 I. Formulation of a disclosure policy and materials to be included in a prospectus and in  
31 periodic reports to participants, including:

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- 1 (a) A written statement of policy and pool objectives;
- 2 (b) Investment objectives designed to meet the pool objectives;
- 3 (c) A description of eligible investment instruments;
- 4 (d) The credit standard of investment;
- 5 (e) Allowable maturity range of investments;
- 6 (f) The limits of portfolio concentration permitted for each type of security;
- 7 (g) Safekeeping practices;
- 8 (h) Definition of pool participant eligibility;
- 9 (i) Disclosure of size of accounts, size of transactions and administrative costs; and
- 10 (j) Instructions for establishing and utilizing accounts.

11 II. Investment and administrative policies, practices, and restrictions, including the  
12 frequency and method used for calculating valuation, yields, and earnings.

13 III. Requests for proposals from investment managers and criteria for reviewing such  
14 proposals.

15 6:47 Public Deposit Investment Pool Advisory Committee.

16 I. There is established an advisory committee on the public deposit investment pool,  
17 consisting of the following members:

- 18 (a) The state treasurer.
- 19 (b) The commissioner of the department of revenue administration or designee.
- 20 (c) Two members appointed by the New Hampshire Government Finance Officers  
21 Association.
- 22 (d) Two members appointed by the New Hampshire Bankers Association.
- 23 (e) One county finance officer appointed by the New Hampshire Association of Counties.
- 24 (f) One city finance officer, appointed by the New Hampshire Municipal Association.
- 25 (g) One school district finance officer, appointed by the New Hampshire School Boards  
26 Association.

27 II. The advisory committee shall assist and advise the commissioner on the establishment  
28 and operation of the investment pool, including:

- 29 (a) Formulating the disclosure policy.
- 30 (b) Determining eligible investment vehicles.
- 31 (c) Establishing performance standards.
- 32 (d) Monitoring the outflow of funds from financial institutions.
- 33 (e) Determining compliance with written investment policies.
- 34 (f) Conducting periodic reviews of the public deposit investment pool.

35 2 Public Deposit Investment Pool; Cross References Amended. Amend the following RSA  
36 sections by replacing RSA 383:22 with RSA 6:45: RSA 6:8; the introductory paragraph in RSA 29:1,  
37 I; RSA 29:1, IV; RSA 29:3; RSA 31:25; RSA 31:27; RSA 34:5; RSA 35:9; the introductory paragraph in

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1 RSA 41:29, II; RSA 41:29, IV; the introductory paragraph in RSA 48:16, I; RSA 48:16, III; the  
2 introductory paragraph in RSA 197:23-a, I; and RSA 197:23-a, IV.

3 3 Repeal. The following are repealed:

4 I. RSA 383:22, relative to the public deposit investment pool.

5 II. RSA 383:23, relative to rulemaking for the public deposit investment pool.

6 III. RSA 383:24, relative to the advisory committee for the public deposit investment pool.

7 4 Effective Date. This act shall take effect 60 days after its passage.

LBA  
23-0498  
1/10/23

**HB 595-FN- FISCAL NOTE  
AS INTRODUCED**

AN ACT relative to the oversight of the public deposit investment pool.

**FISCAL IMPACT:**

The Legislative Budget Assistant has determined that this legislation, as introduced, has a total fiscal impact of less than \$10,000 in each of the fiscal years 2023 through 2026.

**AGENCIES CONTACTED:**

Banking Department and State Treasury

**CONSENT CALENDAR**

**March 14, 2023**

**HOUSE OF REPRESENTATIVES**

**REPORT OF COMMITTEE**

**The Committee on Commerce and Consumer Affairs to  
which was referred HB 595-FN,**

**AN ACT relative to the oversight of the public deposit  
investment pool. Having considered the same, report  
the same with the following amendment, and the  
recommendation that the bill OUGHT TO PASS WITH  
AMENDMENT.**

**Rep. Chris McAleer**

**FOR THE COMMITTEE**

## COMMITTEE REPORT

Committee:	<b>Commerce and Consumer Affairs</b>
Bill Number:	<b>HB 595-FN</b>
Title:	<b>relative to the oversight of the public deposit investment pool.</b>
Date:	<b>March 14, 2023</b>
Consent Calendar:	<b>CONSENT</b>
Recommendation:	<b>OUGHT TO PASS WITH AMENDMENT 2023-0808h</b>

## STATEMENT OF INTENT

The Committee voted Ought to Pass on this bill to put the oversight of the Public Deposit Investment Pool under the jurisdiction of the State Treasury as opposed to the Banking Department where it currently exists. These funds consist of State funds as well as custodial funds held by other agencies and jurisdictions within the State. These funds will be managed by a private investment advisor as approved by the State Treasurer and an underlying Advisory Committee.

Vote 19-0.

Rep. Chris McAleer  
FOR THE COMMITTEE

Original: House Clerk  
Cc: Committee Bill File

## CONSENT CALENDAR

Commerce and Consumer Affairs

**HB 595-FN**, relative to the oversight of the public deposit investment pool. **OUGHT TO PASS WITH AMENDMENT.**

Rep. Chris McAleer for Commerce and Consumer Affairs.

The committee recommends Ought to Pass on this bill to put the oversight of the Public Deposit Investment Pool under the jurisdiction of the State Treasury as opposed to the Banking Department where it currently exists. These funds consist of state funds as well as custodial funds held by other agencies and jurisdictions within the state. These funds will be managed by a private investment advisor as approved by the State Treasurer and an underlying Advisory Committee. **Vote 19-0.**

Original: House Clerk

Cc: Committee Bill File





**HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS**

**PUBLIC HEARING ON HB 595-FN**

**BILL TITLE:** relative to the oversight of the public deposit investment pool.

**DATE:** February 7, 2023

**LOB ROOM:** 302-304                      **Time Public Hearing Called to Order:** 10:50 a.m.

**Time Adjourned:** 11:00 a.m.

**Committee Members:** Reps. Hunt, Ammon, Beaulieu, Potucek, Terry, Cole, L. Walsh, Burroughs, Herbert, McAleer, Calabro, Filiault, Gibbs, Spier and J. Sullivan

**Bill Sponsors:**

**Rep. Hunt**

**Rep. Lascelles**

**Sen. Rosenwald**

**TESTIMONY**

\* Use asterisk if written testimony and/or amendments are submitted.

Emelia Goldieri - NH Banking Department Bank Commissioner

- Results - Study committee report produced changes
- No Position
- The State Treasurer shall charge the public deposit investment pool any actual costs incurred by the department for the operation of the pool

Monica Mezzapelle - State Treasurer - No position

- They will administer the pool
- Eliminate line 22 - The cost ends on line 25 shall not apply

Respectfully Submitted,

Rep Jane Beaulieu, Clerk

# House Remote Testify

Commerce and Consumer Affairs Committee Testify List for **Bill HB595** on 2023-02-07

**Support: 2** **Oppose: 0** **Neutral: 0** Total to Testify: 0

[Export to Excel](#)

<u>Name</u>	<u>City, State</u> <u>Email Address</u>	<u>Title</u>	<u>Representing</u>	<u>Position</u>	<u>Testifying</u>	<u>Non-Germane</u>	<u>Signed Up</u>
Rosenwald, Cindy	Nashua, NH cindy.rosenwald@leg.state.nh.us	An Elected Official	SD 13	Support	No	No	2/2/2023 12:28 PM
Richardson, Daniel	Nashua, NH daniel6_22@comcast.net	A Member of the Public	Myself	Support	No	No	2/6/2023 11:37 AM

**HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS**

**EXECUTIVE SESSION on HB 595-FN**

**BILL TITLE:** relative to the oversight of the public deposit investment pool.

**DATE:** March 8, 2023

**LOB ROOM:** 302-304

**MOTIONS: OUGHT TO PASS WITH AMENDMENT**

Moved by Rep. McAleer                                  Seconded by Rep. Ammon                                  AM Vote: 19-0  
Amendment # 2023-0808h

Moved by Rep. McAleer                                  Seconded by Rep. Calabro                                  Vote: 19-0

**CONSENT CALENDAR: YES**

**Statement of Intent:**                                  Refer to Committee Report

Respectfully submitted,

Rep Jane Beaulieu, Clerk



2023 SESSION

Commerce and Consumer Affairs

Bill #: 595 Motion: OTP/A AM #: \_\_\_\_\_ Exec Session Date: \_\_\_\_\_

<u>Members</u>	<u>YEAS</u>	<u>Nays</u>	<u>NV</u>
Hunt, John B. Chairman	✓		
Ammon, Keith Michael Vice Chairman	✓		
Osborne, Jason M.	✓		
Potucek, John M.	✓		
Terry, Paul A	✓		
Post, Lisa C.M.	✓		
Cole, Brian D	✓		
Porcelli, Susan M	✓		
Thackston, Dick H	✓		
Walsh, Lilli M	✓		
Burroughs, Anita D.	✓		
Herbert, Christopher J.	✓		
Beaulieu, Jane E. Clerk	✓		
McAleer, Chris R.	✓		
Vincent, Kenneth S.	✓		
Calabro, Karen E	✓		
Filiault, Shaun M	✓		
Gibbs, Merryl	✓		
Spier, Carry	✓		
Sullivan, Jared	✓		
<b>TOTAL VOTE:</b>	<b>19</b>	<b>0</b>	



STATE OF NEW HAMPSHIRE  
OFFICE OF THE HOUSE CLERK

1/5/2023 1:24:24 PM  
Roll Call Committee Registers  
Report

2023 SESSION

Commerce and Consumer Affairs

Bill #: 595 Motion: OTP AM #: 0808 Exec Session Date: \_\_\_\_\_

<u>Members</u>	<u>YEAS</u>	<u>Nays</u>	<u>NV</u>
Hunt, John B. Chairman	✓		
Ammon, Keith Michael Vice Chairman	✓		
Osborne, Jason M.	✓		
Potucek, John M.	✓		
Terry, Paul A	✓		
Post, Lisa C.M.	✓		
Cole, Brian D	✓		
Porcelli, Susan M	✓		
Thackston, Dick H	✓		
Walsh, Lilli M	✓		
Burroughs, Anita D.	✓		
Herbert, Christopher J.	✓		
Beaulieu, Jane E. Clerk	✓		
McAleer, Chris R.	✓		
Vincent, Kenneth S.			
Calabro, Karen E	✓		
Filiault, Shaun M	✓		
Gibbs, Merryl	✓		
Spier, Carry	✓		
Sullivan, Jared	✓		
<b>TOTAL VOTE:</b>	<b>19</b>	<b>0</b>	