

HB 248 - AS INTRODUCED

2019 SESSION

19-0306

06/10

HOUSE BILL                **248**

AN ACT                    relative to the authority to establish turnpike toll rates and charges.

SPONSORS:            Rep. True, Rock. 4; Rep. Torosian, Rock. 14; Rep. Edwards, Rock. 4; Rep. Piemonte, Rock. 4

COMMITTEE:          Public Works and Highways

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ANALYSIS

      This bill provides that turnpike toll rates and charges may only be changed by the general court.

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                             Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Nineteen*

AN ACT relative to the authority to establish turnpike toll rates and charges.

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

1 1 Turnpike System; Tolls. Amend RSA 237:40 to read as follows:

2 237:9 Tolls. The ~~[commissioner of transportation, with the approval of the governor and~~  
3 ~~council,]~~ **general court** shall establish toll rates and other charges for use of the New Hampshire  
4 turnpike system or any part of the right-of-way and other property acquired in connection  
5 therewith. ~~[The governor and council shall approve or reject the commissioner's proposed toll rates~~  
6 ~~and other charges within 90 days of receiving them.]~~ The tolls collected shall be deposited with the  
7 state treasurer who shall keep the same in a separate account to be used exclusively for purposes of  
8 the New Hampshire turnpike system including, without limitation, the operating expenses,  
9 construction, reconstruction, and maintenance of the New Hampshire turnpike system. All  
10 operating expenses and maintenance costs shall be paid from said account. From the balance  
11 remaining after the payment of operating expenses and maintenance costs, there shall be paid the  
12 interest and principal on the bonds issued to finance the system. No part of such revenues shall, by  
13 transfer of funds or otherwise, be diverted to any other purpose whatsoever. Fourteen days  
14 previous to the time any interest or principal is payable, on any general obligation bonds issued to  
15 finance the system, the state treasurer shall examine the existing balance and, except as otherwise  
16 provided in RSA 237:10, if such balance is insufficient to make the payment, then he **or she** shall  
17 notify the governor who shall immediately draw ~~[his]~~ **a** warrant on the highway fund to cover any  
18 deficit and if the funds in both of the above accounts are insufficient, the governor shall draw ~~[his]~~ **a**  
19 warrant upon the state's general fund to the amount necessary to meet the payments. Any funds  
20 paid out from the state's highway fund or general fund for the above purposes shall be reimbursed  
21 from the collection of tolls as soon as such funds are available. Any funds that have been or may be  
22 expended for any portion of the system by the department of transportation shall be repaid to said  
23 department when, in the opinion of the governor and council, sufficient funds are available. Any  
24 excess income may be used for further system extensions in accordance with RSA 237:5, II(m). No  
25 provision of this chapter shall constitute a covenant with bondholders with respect to the charging,  
26 collection or disposition of tolls.

27 2 Eastern New Hampshire Turnpike; Authority to Set Toll Rates. Amend RSA 237:24, I to read  
28 as follows:

29 I. The ~~[commissioner of transportation, with the approval of the governor and council,]~~  
30 **general court** shall establish toll rates and other charges for use of the eastern New Hampshire  
31 turnpike or any part of the right-of-way and other property acquired in connection therewith. ~~[The~~

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~~governor and council shall approve or reject the commissioner's proposed toll rates and other charges within 90 days of receiving them.]~~ The tolls collected shall be deposited with the state treasurer who shall keep the same in a separate account, and the operating expenses and maintenance of the turnpike shall be paid from said account. From the balance remaining after payment of operation and maintenance, the governor, with the approval of the council, shall pay the interest and principal on the bonds issued hereunder. Fourteen days previous to the time said interest and principal are payable, the state treasurer shall examine the existing balance and if such balance is insufficient to make the payment, then he *or she* shall notify the governor who shall immediately draw [his] *a* warrant on the highway fund to cover any deficit, and, if the funds in both of the above accounts are insufficient, the governor shall draw [his] *a* warrant upon the state's general fund to the amount necessary to meet the payments. The full faith and credit of the state is pledged to the payment of the principal of and the interest on the bonds as they become due and payable. Any funds paid out from the state's general fund for the above purposes shall be reimbursed from the collection of tolls as soon as such funds are available. Any funds that have been or may be expended for the completion of the turnpike by the department of transportation shall be repaid to said department when, in the opinion of the governor and council, sufficient funds are available. Any excess income may be used for further toll road extensions in accordance with RSA 237:17, XIII. During the construction of the turnpike the governor may, if necessary, draw [his] *a* warrant upon the highway fund to pay interest due on any bonds that have been issued in accordance with the provisions of this subdivision; such payment is to be repaid to the highway fund from the collection of tolls.

3 Eastern Turnpike Bridge; Tolls. Amend RSA 237:40 to read as follows:

237:40 Tolls. The ~~[commissioner of transportation, with the approval of the governor and council,]~~ *general court* shall establish toll rates and other charges for use of the central New Hampshire turnpike or any part of the right-of-way and other property acquired in connection therewith. ~~[The governor and council shall approve or reject the commissioner's proposed toll rates and other charges within 90 days of receiving them.]~~ The tolls collected shall be deposited with the state treasurer who shall keep the same in a separate account, and the operating expenses and maintenance of the turnpike shall be paid from said account. From the balance remaining after payment of operation and maintenance, the governor, with the approval of the council, shall pay the interest and principal on the bonds hereunder. Fourteen days previous to the time said interest and principal are payable, the state treasurer shall examine the existing balance and if such balance is insufficient to make the payment, then he *or she* shall notify the governor who shall immediately draw [his] *a* warrant on the highway fund to cover any deficit, and, if the funds in both of the above accounts are insufficient, the governor shall draw [his] *a* warrant upon the state's general fund to the amount necessary to meet the payments. The full faith and credit of the state is pledged to the payment of the principal of and the interest on the bonds as they become due and payable. Any funds paid out from the state's general fund for the above purposes shall be

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1 reimbursed from the collection of tolls as soon as such funds are available. Any funds that have  
2 been or may be expended for the completion of the turnpike by the department of transportation  
3 shall be repaid to said department when, in the opinion of the governor and council, sufficient funds  
4 are available. Any excess income may be used for further turnpike extensions in accordance with  
5 RSA 237:34, XIII. During the construction of the turnpike the governor may, if necessary, draw his  
6 warrant upon the highway fund to pay interest due on any bonds that have been issued in  
7 accordance with the provisions of this subdivision; such payment is to be repaid to the highway fund  
8 from the collection of tolls.

9 4 Turnpike System Revenue Bonds; Trust or Security Agreement or Resolution. Amend RSA  
10 237-A:3 to read as follows:

11 237-A:3 Trust or Security Agreement or Resolution. Any bonds issued under this chapter may  
12 be secured by a resolution or by a trust or security agreement between the state and a corporate  
13 trustee, which may be any trust company or bank having the powers of a trust company within or  
14 without the state, or by a trust or security agreement directly between the state and the purchasers  
15 of the bonds, and such resolution or trust or security agreement shall be in such form and executed  
16 in such manner as may be determined by the treasurer, with the approval of the governor and  
17 council. Such trust or security agreement or resolution may pledge or assign, in whole or in part,  
18 the revenues held or to be received by the state from or on account of the turnpike system and any  
19 contract or other rights to receive the same, whether then existing or thereafter coming into  
20 existence and whether then held or thereafter acquired by the state, and any proceeds thereof.  
21 Such trust or security agreement or resolution may contain such provisions for protecting and  
22 enforcing the rights, security, and remedies of the bondholders as may, in the discretion of the  
23 treasurer, be reasonable and proper and not in violation of law. Without limiting the generality of  
24 the foregoing, such agreement or resolution may include provisions defining defaults and providing  
25 for remedies in the event thereof (which may include the acceleration of maturities), and covenants  
26 setting forth the duties of, and limitations on, the state in relation to the custody, safeguarding,  
27 investment, and application of moneys, the issue of additional or refunding bonds, the fixing,  
28 revision, and collection of tolls, charges, and other revenues, the use of any surplus bond proceeds,  
29 the establishment of reserves, the construction and operation of any turnpike, any contracts  
30 relating thereto and subsequent amendments of such provisions and contracts. In accordance with  
31 such trust or security agreement or resolution, ~~[the commissioner of transportation, with the~~  
32 ~~approval of the governor and council,]~~ **general court** shall establish toll rates and other charges for  
33 use of the turnpike system or any part of the right-of-way and any other property acquired in  
34 connection therewith. It shall be lawful for any bank or trust company to act as a depository or  
35 trustee of the proceeds of bonds, revenues or other moneys under a trust or security agreement or  
36 resolution and to furnish such indemnification or to pledge such securities and issue such letters or  
37 lines of credit or other credit facilities as may be required by the state acting under this chapter.  
38 Any such trust or security agreement or resolution may set forth the rights and remedies of

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- 1 bondholders and of the trustee and may restrict the individual right of action by bondholders.
- 2 5 Effective Date. This act shall take effect 60 days after its passage.