

SB 5033-S.E - DIGEST

(AS OF SENATE 2ND READING 3/23/17)

Improves access and reliability to low-cost financing for local government infrastructure projects by authorizing public works bonds when local governments can demonstrate:

- (1) The importance of the project;
- (2) Their difficulties accessing existing private credit markets for borrowings at reasonable interest rates; and
- (3) The ability to reliably repay their share of the state's total cost of retiring the public works bonds.

Makes changes to the existing public works program and creates the public works financing assistance program.

Authorizes the housing finance commission to develop and implement a program to provide financing to local governments for infrastructure projects.

Authorizes a local government to enter into a financing agreement containing the terms and conditions of a loan from the housing finance commission and evidencing the obligation of the municipal corporation to repay that loan under the terms and conditions set forth in the financing agreement.

Creates the public works financing assistance account and the public works financing assistance bond repayment account.

Takes effect if the proposed amendment to Article VIII, section 1 of the state Constitution, contained in Senate Joint Resolution No. . . . (S-0298/17), is approved by voters at the next general election.