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1 under applicable statutes and subject to at least quarterly review and approval of such management  
2 by the trustees. For purposes of this section, the terms “bank,” “brokerage firm,” “portfolio  
3 management department,” and “investment advisor” shall have the definitions set forth in RSA  
4 31:38-a.

5 II. The governing body may authorize the trustees of trust funds to charge any expenses  
6 incurred pursuant to paragraph I against the capital reserve funds involved, and such authority  
7 shall remain in effect until rescinded by the governing body. No vote by the governing body to  
8 rescind such authority shall occur within 5 years of the original adoption of such article. Any  
9 professional banking and brokerage fees incurred shall be reported in the annual report of the  
10 trustees of trust funds as expenditures out of capital reserve funds.

11 32:5 New Section; Professional Banking or Brokerage Assistance. Amend RSA 35 by inserting  
12 after section 9 the following new section:

13 35:9-a Professional Banking or Brokerage Assistance.

14 I. Any trustee or trustees of trust funds having custody of capital reserve funds authorized  
15 by this chapter may contract with the trust department or departments of a bank, a brokerage firm,  
16 a portfolio management department, or investment advisor in the same manner and for the same  
17 purposes as described in RSA 31:38-a, III. They may also place securities in the nominee name of a  
18 trust department of a bank, or departments, a brokerage firm, a portfolio management department,  
19 or investment advisor, to facilitate transfers for such securities. Capital reserve fund records  
20 maintained by any bank, brokerage firm, portfolio management department, or investment advisor  
21 shall be available at all times for examination by local auditors, by independent accountants or  
22 auditors retained by a municipality, or by the auditors of the department of revenue administration;  
23 and such records shall be municipal records and property. In employing such trust departments of  
24 banks, brokerage firms, portfolio management departments, or investment advisor, the trustees may  
25 enter into contracts or agreements delegating the management of such capital reserve funds to those  
26 departments or brokerage firms subject to investment guidelines adopted by the trustees under  
27 applicable statutes and subject to at least quarterly review and approval of such management by the  
28 trustees. For purposes of this section, the terms “bank,” “brokerage firm,” “portfolio management  
29 department” and “investment advisor” shall have the definitions set forth in RSA 31:38-a.

30 II. The town meeting may adopt an article authorizing the trustees of trust funds, without  
31 further action of the town meeting, to charge any expenses incurred pursuant to paragraph I against  
32 the capital reserve funds involved. Such authority shall remain in effect until rescinded by a vote of  
33 the town meeting. No vote by the town to rescind such authority shall occur within 5 years of the  
34 original adoption of such article. In a town that has a town council, such authority may be granted  
35 by the town council and shall remain in effect until rescinded by the town council. No vote by the  
36 town council to rescind such authority shall occur within 5 years of the original adoption of such

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1 article. Any professional banking and brokerage fees incurred shall be reported in the annual report  
2 of the trustees of trust funds as expenditures out of capital reserve funds.

3 32:6 Library Trustees; Exceptions. Amend RSA 202-A:23 to read as follows:

4 202-A:23 Exceptions. Nothing in this chapter shall preclude the library trustees from accepting,  
5 receiving, investing, and administering directly any trust funds and donations when so specified by  
6 the donor. Library trustees administering and investing such special funds shall be governed by the  
7 provisions of RSA 31:25, ***RSA 31:25-d***, and RSA 41:6.

8 32:7 Effective Date. This act shall take effect 60 days after its passage.

9 Approved: May 27, 2014

10 Effective Date: July 26, 2014