

2014 -- H 8225

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2014

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A N A C T

RELATING TO CAPITAL DEVELOPMENT PROGRAM

Introduced By: Representatives Slater, and Diaz

Date Introduced: May 22, 2014

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Proposition to be submitted to the people. At the general election to be held
2 on the Tuesday next after the first Monday in November 2014, there shall be submitted to the
3 people for their approval or rejection the following proposition:

4 "Shall the action of the general assembly, by an act passed at the January 2014 session,
5 authorizing the issuance of bonds, refunding bonds, and temporary notes of the state in the
6 aggregate amount of eighteen million dollars (\$18,000,000); for capital projects relating to Roger
7 Williams Park and Zoo, to be allocated in the amounts of; fifteen million dollars (\$15,000,000)
8 for the Roger Williams Park Zoo to renovate and convert the existing education center into a
9 world class reptile facility; and three million dollars (\$3,000,000) for Roger Williams Park for
10 construction and reconstruction of roads, bridges, sidewalks and walkways, be approved, and the
11 issuance of bonds, refunding bonds, and temporary notes authorized in accordance with the
12 provisions of said act?

13 Project: (1) Roger Williams Park and Zoo \$18,000,000

14 Approval of this question will allow for the state of Rhode Island to issue general
15 obligation bonds, refunding bonds, and temporary notes in an amount not to exceed eighteen
16 million dollars (\$18,000,000) for improvements and renovations to the Roger Williams Park Zoo
17 and the Roger Williams Park, to be allotted as follows:

18 (a) Roger Williams Park Zoo \$15,000,000

19 Provides funds to construct a new education center to meet the increased demand for

1 education programs; to renovate and convert the existing education center into a world class
2 reptile facility; for demolition of existing facilities and construction of a new tropical rainforest
3 building to house rare and endangered animals and event space; or for other improvements to the
4 Roger Williams Park Zoo.

5 (b) Roger Williams Park \$3,000,000

6 Provides funds for construction and reconstruction of roads, bridges, sidewalks and
7 walkways within Roger Williams Park.”

8 SECTION 2. Ballot labels and applicability of general election laws. The secretary of
9 state shall prepare and deliver to the state board of elections ballot labels for the projects provided
10 for in section 1 hereof with the designations "approve" or "reject" provided next to the description
11 of such project to enable voters to approve or reject such proposition. The general election laws,
12 so far as consistent herewith, shall apply to this proposition.

13 SECTION 3. Approval of projects by the people. If a majority of the people voting on the
14 proposition provided for in section 1 hereof shall vote to approve the proposition as to any project
15 provided for in section 1 hereof, said project shall be deemed to be approved by the people. The
16 authority to issue bonds, refunding bonds and temporary notes of the state shall be limited to the
17 aggregate amount for all such projects as set forth in the proposition provided for in section 1
18 hereof which has been approved by the people.

19 SECTION 4. Bonds for capital development program. The general treasurer is hereby
20 authorized and empowered with the approval of the governor and in accordance with the
21 provisions of this act, to issue from time to time capital development bonds in serial form in the
22 name and on behalf of the state in amounts as may be specified from time to time by the governor
23 in an aggregate principal amount not to exceed the total amount for all projects approved by the
24 people and designated as "capital development loan of 2014 bonds;" provided, however, that the
25 aggregate principal amount of such capital development bonds and of any temporary notes
26 outstanding at any one time issued in anticipation thereof pursuant to section 7 hereof shall not
27 exceed the total amount for all such projects as have been approved by the people. All provisions
28 in this act relating to "bonds" shall also be deemed to apply to "refunding bonds".

29 Capital development bonds issued under this act shall be in denominations of one
30 thousand dollars (\$1,000) each, or multiples thereof, and shall be payable in any coin or currency
31 of the United States which at the time of payment shall be legal tender for public and private
32 debts. These capital development bonds shall bear such date or dates, mature at a specified time
33 or times, but not beyond the end of the twentieth (20th) state fiscal year following the state fiscal
34 year in which they are issued, bear interest payable semi-annually at a specified rate or different

1 or varying rates, be payable at a designated time or times at a specified place or places, be subject
2 to expressed terms of redemption or recall, with or without premium, be in a form, with or
3 without interest coupons attached, carry such registration, conversion, reconversion, transfer, debt
4 retirement, acceleration and other provisions as may be fixed by the general treasurer, with the
5 approval of the governor, upon each issue of such capital development bonds at the time of each
6 issue. Whenever the governor shall approve the issuance of such capital development bonds, he
7 or she shall certify approval to the secretary of state; the bonds shall be signed by the general
8 treasurer and countersigned by the manual or facsimile signature of the secretary of state and
9 shall bear the seal of the state or a facsimile thereof. The approval of the governor shall be
10 endorsed on each bond so approved with a facsimile of his or her signature.

11 SECTION 5. Refunding bonds for 2014 capital development program. The general
12 treasurer is hereby authorized and empowered, with the approval of the governor and in
13 accordance with the provisions of this act, to issue from time to time bonds to refund the 2014
14 capital development program bonds in the name and on behalf of the state, in amounts as may be
15 specified from time to time by the governor in an aggregate principal amount not to exceed the
16 total amount approved by the people, to be designated as "capital development program loan of
17 2014 refunding bonds" (hereinafter "refunding bonds").

18 The general treasurer, with the approval of the governor, shall fix the terms and form of
19 any refunding bonds issued under this act in the same manner as the capital development bonds
20 issued under this act, except that the refunding bonds may not mature more than twenty (20)
21 years from the date of original issue of the capital development bonds being refunded. The
22 proceeds of the refunding bonds, exclusive of any premium and accrual interest and net the
23 underwriters' cost, and cost of bond insurance, shall, upon their receipt, be paid by the general
24 treasurer immediately to the paying agent for the capital development bonds which are to be
25 called and prepaid. The paying agent shall hold the refunding bond proceeds in trust until they are
26 applied to prepay the capital development bonds. While such proceeds are held in trust, they may
27 be invested for the benefit of the state in obligations of the United States of America or the state
28 of Rhode Island.

29 If the general treasurer shall deposit with the paying agent for the capital development
30 bonds the proceeds of the refunding bonds or proceeds from other sources amounts that, when
31 invested in obligations of the United States or the state of Rhode Island, are sufficient to pay all
32 principal, interest, and premium, if any, on the capital development bonds until these bonds are
33 called for prepayment, then such capital development bonds shall not be considered debts of the
34 state of Rhode Island for any purpose from the date of deposit of such monies with the paying

1 agent. The refunding bonds shall continue to be a debt of the state until paid.

2 The term "bond" shall include "note", and the term "refunding bonds" shall include
3 "refunding notes" when used in this act.

4 SECTION 6. Proceeds of capital development program. The general treasurer is directed
5 to deposit the proceeds from the sale of capital development bonds issued under this act,
6 exclusive of premiums and accrued interest and net the underwriters' cost, and cost of bond
7 insurance, in one or more of the depositories in which the funds of the state may be lawfully kept
8 in special accounts (hereinafter cumulatively referred to as "such capital development bond
9 fund") appropriately designated for each of the portions of the project set forth in section 1 hereof
10 which shall have been approved by the people to be used for the purpose of paying the cost of all
11 such portions of the project so approved.

12 All monies in the capital development bond fund shall be expended for the purposes
13 specified in the proposition provided for in section 1 hereof under the direction and supervision of
14 the director of administration (hereinafter referred to as "director"). The director or his or her
15 designee shall be vested with all power and authority necessary or incidental to the purposes of
16 this act, including but not limited to, the following authority: (1) To acquire land or other real
17 property or any interest, estate or right therein as may be necessary or advantageous to
18 accomplish the purposes of this act; (2) To direct payment for the preparation of any reports,
19 plans and specifications, and relocation expenses and other costs such as for furnishings,
20 equipment designing, inspecting and engineering, required in connection with the implementation
21 of any projects set forth in section 1 hereof; (3) To direct payment for the costs of construction,
22 rehabilitation, enlargement, provision of service utilities, and razing of facilities, and other
23 improvements to land in connection with the implementation of any projects set forth in section 1
24 hereof; and (4) To direct payment for the cost of equipment, supplies, devices, materials and labor
25 for repair, renovation or conversion of systems and structures as necessary for 2014 capital
26 development program bonds or notes hereunder from the proceeds thereof. No funds shall be
27 expended in excess of the amount of the capital development bond fund designated for each
28 project authorized in section 1 hereof. With respect to the bonds and temporary notes described in
29 section 1, the proceeds shall be utilized for the following purposes:

30 Question 1 relating to bonds in the amount of eighteen million dollars (\$18,000,000) to
31 be provided to the department of environmental management to make grants to the city of
32 Providence for improvements and renovations to the Roger Williams Park and the Roger
33 Williams Park Zoo to be used with other federal, state, municipal and private funds to be
34 allocated as follows:

1 (a) Roger Williams Park Zoo \$15,000,000

2 Provides funds to construct a new education center to meet the increased demand for
3 education programs; to renovate and convert the existing education center into a world class
4 reptile facility; for demolition of existing facilities and construction of a new tropical rainforest
5 building to house rare and endangered animals and event space; or for other improvements to the
6 Roger Williams Park Zoo.

7 (b) Roger Williams Park \$3,000,000

8 Provides funds for construction and reconstruction of roads, bridges, sidewalks and
9 walkways within Roger Williams Park.

10 SECTION 7. Sale of bonds and notes. Any bonds or notes issued under the authority of
11 this act shall be sold from time to time at not less than the principal amount thereof, in such mode
12 and on such terms and conditions as the general treasurer, with the approval of the governor, shall
13 deem to be for the best interests of the state.

14 Any premiums and accrued interest, net of the cost of bond insurance and underwriter's
15 discount, which may be received on the sale of the capital development bonds or notes shall
16 become part of the Rhode Island Capital Plan Fund of the state, unless directed by federal law or
17 regulation to be used for some other purpose.

18 In the event that the amount received from the sale of the capital development bonds or
19 notes exceeds the amount necessary for the purposes stated in section 6 hereof, the surplus may
20 be used to the extent possible to retire the bonds as the same may become due, to redeem them in
21 accordance with the terms thereof or otherwise to purchase them as the general treasurer, with the
22 approval of the governor, shall deem to be for the best interests of the state.

23 Any bonds or notes issued under the provisions of this act and coupons on any capital
24 development bonds, if properly executed by the manual or facsimile signatures of officers of the
25 state in office on the date of execution shall be valid and binding according to their tenor,
26 notwithstanding that before the delivery thereof and payment therefor, any or all such officers
27 shall for any reason have ceased to hold office.

28 SECTION 8. Bonds and notes to be tax exempt and general obligations of the state. All
29 bonds and notes issued under the authority of this act shall be exempt from taxation in the state
30 and shall be general obligations of the state, and the full faith and credit of the state is hereby
31 pledged for the due payment of the principal and interest on each of such bonds and notes as the
32 same shall become due.

33 SECTION 9. Investment of monies in fund. All monies in the capital development fund
34 not immediately required for payment pursuant to the provisions of this act may be invested by

1 the investment commission, as established by chapter 10 of title 35, pursuant to the provisions of
2 such chapter; provided, however, that the securities in which the capital development fund is
3 invested shall remain a part of the capital development fund until exchanged for other securities;
4 and provided further, that the income from investments of the capital development fund shall
5 become a part of the general fund of the state and shall be applied to the payment of debt service
6 charges of the state, unless directed by federal law or regulation to be used for some other
7 purpose, or to the extent necessary, to rebate to the United States Treasury any income from
8 investments (including gains from the disposition of investments) of proceeds of bonds or notes
9 to the extent deemed necessary to exempt (in whole or in part) the interest paid on such bonds or
10 notes from federal income taxation.

11 SECTION 10. Appropriation. To the extent the debt service on these bonds is not
12 otherwise provided, a sum sufficient to pay the interest and principal due each year on bonds and
13 notes hereunder is hereby annually appropriated out of any money in the treasury not otherwise
14 appropriated.

15 SECTION 11. Advances from general fund. The general treasurer is authorized from time
16 to time with the approval of the director and the governor, in anticipation of the issue of notes or
17 bonds under the authority of this act, to advance to the capital development bond fund for the
18 purposes specified in section 6 hereof, any funds of the state not specifically held for any
19 particular purpose; provided, however, that all advances made to the capital development bond
20 fund shall be returned to the general fund from the capital development bond fund forthwith upon
21 the receipt by the capital development fund of proceeds resulting from the issue of notes or bonds
22 to the extent of such advances.

23 SECTION 12. Federal assistance and private funds. In carrying out this act, the director,
24 or his or her designee, is authorized on behalf of the state, with the approval of the governor, to
25 apply for and accept any federal assistance which may become available for the purpose of this
26 act, whether in the form of loan or grant or otherwise, to accept the provision of any federal
27 legislation therefor, to enter into, act and carry out contracts in connection therewith, to act as
28 agent for the federal government in connection therewith, or to designate a subordinate so to act.
29 Where federal assistance is made available, the project shall be carried out in accordance with
30 applicable federal law, the rules and regulations thereunder and the contract or contracts
31 providing for federal assistance, notwithstanding any contrary provisions of state law.

32 Subject to the foregoing, any federal funds received for the purposes of this act shall be
33 deposited in the capital development bond fund and expended as a part thereof. The director, or
34 his or her designee may also utilize any private funds that may be made available for the purposes

1 of this act.

2 SECTION 13. Effective Date. Sections 1, 2, 3, and 13 of this act shall take effect upon
3 passage. The remaining sections of this act shall take effect when and if the state board of
4 elections shall certify to the secretary of state that a majority of the qualified electors voting on
5 the propositions contained in section 1 hereof have indicated their approval of all or any projects
6 thereunder.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO CAPITAL DEVELOPMENT PROGRAM

1 This act shall provide for a bond referendum which would authorize the issuance of
2 bonds refunding bonds, and temporary notes of the state in the aggregate amount of eighteen
3 million dollars (\$18,000,000) for improvements and renovations to the Roger Williams Park and
4 Zoo, at the election to be held in November, 2013.

5 Sections 1, 2, 3, and 13 of this act shall take effect upon passage. The remaining sections
6 of this act shall take effect when and if, the state board of elections shall certify to the secretary of
7 state that a majority of the qualified electors voting on the proposition contained in section 1
8 hereof have indicated their approval of the project thereunder.

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