

2018 -- S 2912

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2018

A N A C T

AUTHORIZING THE TOWN OF JAMESTOWN TO FINANCE LIBRARY RENOVATIONS,
REPAIRS AND/OR EXPANSION AND RELATED EQUIPMENT BY THE ISSUANCE OF
NOT MORE THAN \$1,000,000 BONDS AND NOTES THEREFOR

Introduced By: Senator Dawn M. Euer

Date Introduced: May 17, 2018

Referred To: Senate Housing & Municipal Government

It is enacted by the General Assembly as follows:

1 SECTION 1. The town of Jamestown is hereby empowered, in addition to authority
2 previously granted, to issue bonds to an amount not exceeding one million dollars (\$1,000,000)
3 from time to time under its corporate name and seal or a facsimile of such seal. The bonds of each
4 issue may be issued in the form of serial bonds or term bonds or a combination thereof and shall
5 be payable either by maturity of principal in the case of serial bonds or by mandatory serial
6 redemption in the case of term bonds, in annual installments of principal, the first installment to
7 be not later than five (5) years and the last installment not later than thirty (30) years after the date
8 of the bonds. For each issue the amounts payable annually for principal and interest combined
9 either shall be as nearly equal from year to year as is practicable in the opinion of the officers
10 authorized to issue the bonds, or shall be arranged in accordance with a schedule providing for a
11 more rapid amortization of principal.

12 SECTION 2. The bonds shall be signed by the manual or facsimile signatures of the
13 finance director of the town and the president of the town council and shall be issued and sold in
14 such amounts as the town council may authorize by resolution. The manner of sale,
15 denominations, maturities, interest rates and other terms, conditions and details of any bonds or
16 notes issued under this act may be fixed by the resolution of the town council authorizing the
17 issue or by separate resolution of the town council or, to the extent provisions for these matters
18 are not so made, they may be fixed by the officers authorized to sign the bonds or notes. The

1 proceeds derived from the sale of the bonds shall be delivered to the finance director, and such
2 proceeds exclusive of premiums and accrued interest shall be expended for: (1) The renovation,
3 repair and/or expansion of the Jamestown Philomenian Library included related equipment
4 therefor; (2) In payment of the principal of or interest on temporary notes issued under section 3
5 of this act; or (3) In repayment of advances under section 4 of this act. No purchaser of any bonds
6 or notes under this act shall be in any way responsible for the proper application of the proceeds
7 derived from the sale thereof. The project shall be carried out and all contracts made therefor on
8 behalf of the town by the town council, or as may be heretofore or hereafter otherwise directed by
9 the town council. The proceeds of bonds or notes issued under this act, any applicable federal or
10 state assistance and the other monies referred to in section 6 of this act shall be deemed
11 appropriated for the purposes of this act without further action than that required by this act. The
12 bond issue authorized by this act may be consolidated for the purposes of issuance and sale with
13 any other bond issue of the town heretofore or hereafter authorized, provided that,
14 notwithstanding any such consolidation, the proceeds from the sale of the bonds authorized by
15 this act shall be expended for the purposes set forth above.

16 SECTION 3. The town council may by resolution authorize the issue from time to time of
17 interest bearing or discounted notes in anticipation of the authorization or issue of bonds or in
18 anticipation of the receipt of federal or state aid for the purposes of this act. The amount of
19 original notes issued in anticipation of bonds may not exceed the amount of bonds which may be
20 issued under this act and the amount of original notes issued in anticipation of federal or state aid
21 may not exceed the amount of available federal or state aid as estimated by the finance director.
22 Temporary notes issued hereunder shall be signed by the finance director and by the president of
23 the town council and shall be payable within five (5) years from their respective dates, but the
24 principal of and interest on notes issued for a shorter period may be renewed or paid from time to
25 time by the issue of other notes hereunder, provided the period from the date of an original note
26 to the maturity of any note issued to renew or pay the same debt or the interest thereon shall not
27 exceed five (5) years.

28 SECTION 4. Pending any authorization or issue of bonds hereunder or pending or in lieu
29 of any authorization or issue of notes hereunder, the finance director, with the approval of the
30 town council, may, to the extent that bonds or notes may be issued hereunder, apply funds in the
31 treasury of the town to the purposes specified in section 2, such advances to be repaid without
32 interest from the proceeds of bonds or notes subsequently issued or from the proceeds of
33 applicable federal or state assistance or from other available funds.

34 SECTION 5. Any proceeds of bonds or notes issued hereunder or of any applicable

1 federal or state assistance, pending their expenditure may be deposited or invested by the finance
2 director, in demand deposits, time deposits or savings deposits in banks which are members of the
3 Federal Deposit Insurance Corporation or in obligations issued or guaranteed by the United States
4 of America or by any agency or instrumentality thereof or as may be provided in any other
5 applicable law of the State of Rhode Island.

6 SECTION 6. Any accrued interest received upon the sale of bonds or notes hereunder
7 shall be applied to the payment of the first interest due thereon. Any premiums arising from the
8 sale of bonds or notes hereunder and any earnings or net profit realized from the deposit or
9 investment of funds hereunder shall, in the discretion of the finance director, be applied to the
10 cost of preparing, issuing and marketing bonds or notes hereunder to the extent not otherwise
11 provided, to the payment of the cost of the projects or to the cost of additional improvements
12 coming within the description of the projects in section 2 of this act, to the payment of the
13 principal of or interest on bonds or notes issued hereunder or to any one or more of the foregoing.
14 The cost of preparing, issuing and marketing bonds or notes hereunder may also, in the discretion
15 of the finance director, be met from bond or note proceeds exclusive of accrued interest or from
16 other monies available therefor. Any balance of bond or note proceeds remaining after payment
17 of the cost of the projects and said additional improvements and the cost of preparing, issuing and
18 marketing bonds or notes hereunder shall be applied to the payment of the principal of or interest
19 on bonds or notes issued hereunder. In exercising any discretion under this section, the finance
20 director shall be governed by any instructions adopted by resolution of the town council. The
21 finance director is authorized to take any action deemed necessary to ensure that interest on the
22 bonds or notes issued hereunder remains excludable from gross income of the recipients thereof
23 for federal income tax purposes, including, without limitation, paying to the federal government
24 any rebate of earnings derived from the deposit or investment of the proceeds of such bonds or
25 notes that may be required therefor; and to comply with the requirements of federal law,
26 including without being limited to regulations and other requirements of the Securities and
27 Exchange Commission and the Municipal Securities Rulemaking Board, imposed directly on the
28 town or on the underwriters of such bonds and notes.

29 SECTION 7. All bonds or notes issued under this act and the debts evidenced thereby
30 shall be obligatory on the town in the same manner and to the same extent as other debts lawfully
31 contracted by it and shall be excepted from the operation of § 45-12-2 of the general laws. No
32 such obligation shall at any time be included in the debt of the town for the purpose of
33 ascertaining its borrowing capacity. The town shall annually appropriate a sum sufficient to pay
34 the principal and interest coming due within the year on bonds and notes issued hereunder to the

1 extent that moneys therefor are not otherwise provided. If such sum is not appropriated, it shall
2 nevertheless be added to the annual tax levy. In order to provide such sum in each year and
3 notwithstanding any provision of law to the contrary, all taxable property in the town shall be
4 subject to ad valorem taxation by the town without limitation as to rate or amount.

5 SECTION 8. Any bonds or notes issued under the provisions of this act, if properly
6 executed by officers of the town in office on the date of execution, shall be valid and binding
7 according to their terms notwithstanding that before the delivery thereof and payment therefor
8 any or all of such officers shall for any reason have ceased to hold office.

9 SECTION 9. The town, acting by resolution of its town council is authorized to apply for,
10 contract for and expend any federal or state advances or other grants or assistance which may be
11 available for the purposes of this act, and any such expenditures may be in addition to other
12 moneys provided in this act. To the extent of any inconsistency between any law of this state and
13 any applicable federal law or regulation, the latter shall prevail. Federal and state advances, with
14 interest where applicable, whether contracted for prior to or after the effective date of this act,
15 may be repaid as project costs under section 2.

16 SECTION 10. Bonds and notes may be issued under this act without obtaining the
17 approval of any governmental agency or the taking of any proceedings or the happening of any
18 conditions except as specifically required by this act for such issue. Without limiting the
19 generality of the foregoing, bonds and notes may be issued under this act without any action at
20 the financial town meeting. In carrying out any project financed in whole or in part under this act,
21 including where applicable the condemnation of any land or interest in land, and in the levy and
22 collection of assessments or other charges permitted by law on account of any such project, all
23 action shall be taken which is necessary to meet constitutional requirements whether or not such
24 action is otherwise required by statute; but the validity of bonds and notes issued hereunder shall
25 in no way depend upon the validity or occurrence of such action. To the extent of any
26 inconsistency between this act and the town charter, this act shall prevail.

27 SECTION 11. The question of the approval of this act shall be submitted to the electors
28 of the town at the election on November 6, 2018. The question shall be submitted in substantially
29 the following form: "Shall an act, passed at the 2018 session of the General Assembly, entitled
30 'AN ACT AUTHORIZING THE TOWN OF JAMESTOWN TO FINANCE LIBRARY
31 RENOVATIONS, REPAIRS AND/OR EXPANSION AND RELATED EQUIPMENT BY THE
32 ISSUANCE OF NOT MORE THAN \$1,000,000 BONDS AND NOTES THEREFOR' be
33 approved?" and the warning for the election shall contain the question to be submitted. The town
34 board of canvassers may combine any two (2) or more voting districts for the election and when

1 so combined shall be treated as a voting district. If so combined, the town board of canvassers
2 shall advertise the combination of districts in a newspaper of general circulation in the town.
3 From the time the election is warned and until it is held, it shall be the duty of the town clerk to
4 keep a copy of the act available at the clerk's office for public inspection, but the validity of the
5 election shall not be affected by this requirement.

6 SECTION 12. This section and section 11 shall take effect upon passage. The remainder
7 of this act shall take effect upon the approval of this act by a majority of those voting on the
8 question at the election prescribed by section 11.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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- 1 This act authorizes the town of Jamestown to issue not more than \$1,000,000 bonds and
2 notes to finance various improvements at the town of Jamestown's library and related equipment.
3 Sections 11 and 12 would take effect upon the passage. The remainder of this act would
4 take effect upon the approval by the electors of the town of the question provided in section 11.

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