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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2020

A N A C T

RELATING TO AERONAUTICS -- AIRPORTS AND LANDING FIELDS

Introduced By: Representatives Carson, and Shekarchi

Date Introduced: March 04, 2020

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 1-2-7 of the General Laws in Chapter 1-2 entitled "Airports and
2 Landing Fields" is hereby amended to read as follows:

3 **1-2-7. Leases, concessions, and licenses.**

4 (a) The department of transportation may lease any portion of any airport or landing field
5 owned or operated by the state or any of the buildings or structures erected on any airport or landing
6 field and grant concessions upon portions of any airport or landing field owned or operated by the
7 state for a period not exceeding five (5) years, with or without renewal options for a like period, in
8 the manner prescribed by § 37-7-9. Where a substantial building, renovation, improvement, or
9 addition to an existing building is to be constructed for any airport or aeronautical service, activity,
10 purpose, or function or any allied service, activity, purpose, or function, the department may lease
11 in the manner provided in § 37-7-9 any portion of any airport or landing field owned or operated
12 by the state for a period not exceeding ~~thirty (30)~~ fifty (50) years.

13 (b) In all department leases, concessions, licenses, and in all landing fee schedules imposed
14 by the department, provisions shall be included requiring a graduated scale of payments designed
15 to encourage take-offs and landings between the hours of 6:30 a.m. and midnight (12:00 a.m.). Any
16 landings occurring after midnight (12:00 a.m.) and before 6:30 a.m. because of conditions beyond
17 the control of the airlines and/or aircraft operator are not subject to any additional landing fees.

18 (c) The department shall include a provision in all leases, licenses, and concessions
19 requiring aircraft landing at Theodore Francis Green State Airport:

1 (1) To be equipped with noise and emission abatement devices as required by federal law
2 or regulation in effect on July 1, 1985; and

3 (2) By January 1, 1989, to be equipped with noise and emission abatement devices as
4 contained in federal aviation regulation, part 36, noise standards: aircraft type and airworthiness
5 certification scheduled to take effect on January 1, 1989.

6 SECTION 2. Section 42-64-7.1 of the General Laws in Chapter 42-64 entitled "Rhode
7 Island Commerce Corporation" is hereby amended to read as follows:

8 **42-64-7.1. Subsidiaries.**

9 (a)(1) The parent corporation shall have the right to exercise and perform its powers and
10 functions, or any of them, through one or more subsidiary corporations whose creation shall be
11 approved and authorized by the general assembly.

12 (2)(i) Express approval and authorization of the general assembly shall be deemed to have
13 been given for all legal purposes on July 1, 1995 for the creation and lawful management of a
14 subsidiary corporation created for the management of the Quonset Point/Davisville Industrial Park,
15 that subsidiary corporation being managed by a board of directors, the members of which shall be
16 constituted as follows: (A) two (2) members who shall be appointed by the town council of the
17 town of North Kingstown; (B) two (2) members who shall be residents of the town of North
18 Kingstown appointed by the governor; (C) four (4) members who shall be appointed by the
19 governor; (D) the chairperson, who shall be: (i) the executive director of the Rhode Island economic
20 development corporation until such time that the secretary of commerce is appointed; (ii) Upon the
21 appointment of a secretary of commerce, the chief executive officer of the Rhode Island commerce
22 corporation, who also shall be the secretary of the Rhode Island executive office of commerce; and
23 (E) non-voting members, who shall include the members of the general assembly whose districts
24 are comprised in any part by areas located within the town of North Kingstown and one non-voting
25 member who shall be a resident of the town of Jamestown, appointed by the town council of the
26 town of Jamestown. Upon receipt of approval and authorization from the general assembly, the
27 parent corporation by resolution of the board of directors may direct any of its directors, officers,
28 or employees to create subsidiary corporations pursuant to chapter 1.2 or 6 of title 7 or in the manner
29 described in subsection (b); provided, that the parent corporation shall not have any power or
30 authority to create, empower or otherwise establish any corporation, subsidiary corporation,
31 corporate body or any form of partnership or any other separate entity, without the express approval
32 and authorization of the general assembly.

33 (ii) The approval and authorization provided herein shall terminate upon the establishment
34 of the Quonset Development Corporation as provided for in chapter 64.10 of this title.

1 (iii) The Quonset Development Corporation shall be deemed a subsidiary of the Rhode
2 Island commerce corporation:

3 (A) As set forth in § 42-64.10-6(c); and

4 (B) Insofar as it exercises any powers and duties delegated to it by the corporation pursuant
5 to this chapter for any project other than on real and personal property owned, leased or under the
6 control of the corporation located in the town of North Kingstown, and the corporation shall be
7 deemed to have authority to delegate any of its powers, with the exception of the power to issue
8 any form of negotiable bonds or notes and the power of eminent domain, in order to accomplish
9 the purposes of chapter 64.10 of this title; provided, however, that the corporation may, as provided
10 for in this chapter, issue bonds or exercise the power of eminent domain on behalf of the Quonset
11 Development Corporation or to undertake a project of the Quonset Development Corporation.

12 (b) As used in this section, "subsidiary public corporation" means a corporation created
13 pursuant to the provisions of this section. The person or persons directed by the resolution referred
14 to in subsection (a) shall prepare articles of incorporation setting forth: (1) the name of the
15 subsidiary public corporation; (2) the period of duration, which may be perpetual; (3) the purpose
16 or purposes for which the subsidiary public corporation is organized which shall not be more
17 extensive than the purposes of the corporation set forth in § 42-64-5; (4) the number of directors
18 (which may, but need not be, more than one) constituting the initial board of directors and their
19 names and business or residence addresses; (5) the name and business or residence address of the
20 person preparing the articles of incorporation; (6) the date when corporate existence shall begin
21 (which shall not be earlier than the filing of the articles of incorporation with the secretary of state
22 as provided in this subsection); (7) any provision, not inconsistent with law, which the board of
23 directors elect to set forth in the articles of incorporation for the regulation of the internal affairs of
24 the subsidiary public corporation; and (8) a reference to the form of authorization and approval by
25 the general assembly and to the resolution of the board of directors authorizing the preparation of
26 the articles of incorporation. Duplicate originals of the articles of incorporation shall be delivered
27 to the secretary of state. If the secretary of state finds that the articles of incorporation conform to
28 the provisions of this subsection, the secretary shall endorse on each of the duplicate originals the
29 word "Filed," and the month, day and year of the filing; file one of the duplicate originals in his or
30 her office; and a certificate of incorporation to which the secretary shall affix the other duplicate
31 original. No filing fees shall be payable upon the filing of articles of incorporation. Upon the
32 issuance of the certificate of incorporation or upon a later date specified in the articles of
33 incorporation, the corporate existence shall begin and the certificate of incorporation shall be
34 conclusive evidence that all conditions precedent required to be performed have been complied

1 with and that the subsidiary public corporation has been duly and validly incorporated under the
2 provisions hereof. The parent corporation may transfer to any subsidiary public corporation any
3 moneys, real, personal, or mixed property or any project in order to carry out the purposes of this
4 chapter. Each subsidiary public corporation shall have all the powers, privileges, rights, immunities,
5 tax exemptions, and other exemptions of the parent corporation except to the extent that the articles
6 of incorporation of the subsidiary public corporation shall contain an express limitation and except
7 that the subsidiary public corporation shall not have the condemnation power contained in § 42-64-
8 9, nor shall it have the powers contained in, or otherwise be subject to, the provisions of § 42-64-
9 12 and § 42-64-13(a), nor shall it have the power to create, empower or otherwise establish any
10 corporation, subsidiary corporation, corporate body, any form of partnership, or any other separate
11 entity, without the express approval and authorization of the general assembly.

12 (c) Any subsidiary corporation shall not be subject to the provisions of § 42-64-8(a), (c),
13 and (d), except as otherwise provided in the articles of incorporation of the subsidiary corporation.

14 (d) The Rhode Island commerce corporation, as the parent corporation of the Rhode Island
15 Airport Corporation, shall not be liable for the debts or obligations or for any actions or inactions
16 of the Rhode Island Airport Corporation, unless the Rhode Island commerce corporation expressly
17 agrees otherwise in writing.

18 (e) The East Providence Waterfront District shall, with the approval of its commission and
19 the board of directors of the corporation, be a subsidiary of the Rhode Island commerce corporation
20 for the purposes of exercising such powers of the corporation as the board of directors shall
21 determine, and notwithstanding the requirements of subsection (b), the act creating the District shall
22 be deemed fully satisfactory for the purposes of this section regarding the establishment of
23 subsidiary public corporations, and the express approval and authorization of the general assembly
24 shall be deemed to have been given for all legal purposes for the creation and lawful management
25 of a subsidiary corporation created for the purposes of implementing the purposes of the District.

26 (f) The parent corporation is hereby authorized and empowered to create a subsidiary
27 corporation for the expressed purpose to issue bonds and notes of the type and for those projects
28 and purposes specified in the Joint Resolution and Act of the general assembly adopted by the
29 Rhode Island house of representatives and the Rhode Island senate.

30 (g) The I-195 redevelopment district shall be a subsidiary of the Rhode Island commerce
31 corporation for the purposes of exercising such powers of the corporation as the board of directors
32 shall determine, and notwithstanding the requirements of subsection (b), the chapter creating the
33 district shall be deemed fully satisfactory for the purposes of this section regarding the
34 establishment of subsidiary public corporations, and the express approval and authorization of the

1 general assembly shall be deemed to have been given for all legal purposes for the creation and
2 lawful management of a subsidiary corporation created for the purposes of implementing the
3 purposes of the district.

4 (h) The Rhode Island airport corporation -- appointment of directors:

5 The board of directors of the Rhode Island airport corporation shall consist of ~~seven (7)~~
6 nine (9) members: The board of directors shall have extensive experience in the fields of finance,
7 business, construction and/or organized labor.

8 The governor of the State of Rhode Island shall appoint, with the advice and consent of the
9 senate when nominated to serve, the ~~seven (7)~~ nine (9) members of the board of directors. One
10 director shall be appointed for a term of one year; two (2) directors shall be appointed for a term of
11 two (2) years; three (3) directors shall be appointed for a term of three (3) years; and one director
12 shall be appointed for a term of four (4) years. Appointments made thereafter by the governor shall
13 be for four (4) year terms.

14 One director shall be appointed by the governor with advice and consent of the senate from
15 a recommended list of three (3) candidates provided by the Rhode Island Pilots Association (RIPA)
16 for a term of four (4) years; and one director shall be appointed by the governor with advice and
17 consent of the senate from a recommended list of three (3) candidates provided by the Rhode Island
18 General Aviation Business Owners Association (RIGABOA) for a term of four (4) years.
19 Appointments made thereafter from the RIPA and RIGABOA shall be for four (4) year terms.

20 Any vacancy occurring in the board of directors shall be filled by the governor of the State
21 of Rhode Island in the same manner prescribed for the original appointments.

22 A director appointed to fill a vacancy of a director appointed by the governor of the State
23 of Rhode Island shall be appointed for the unexpired portion of the term of office of the director
24 whose vacancy is to be filled.

25 All members of the board of directors of the Rhode Island airport corporation shall serve
26 without compensation.

27 SECTION 3. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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RELATING TO AERONAUTICS -- AIRPORTS AND LANDING FIELDS

1 This act would increase the number of years that the department of transportation may lease
2 airport property where a substantial improvement/building is constructed from a period of up to
3 thirty (30) years to a period up to fifty (50) years. Additionally, this act would increase the number
4 of directors on the Rhode Island airport corporation from seven (7) to nine (9) with one appointment
5 from a list of three (3) candidates from the Rhode Island Pilots Association (RIPA) and one
6 appointment from a list of three (3) candidates from the Rhode Island General Aviation Business
7 Owners Association (RIGABOA).

8 This act would take effect upon passage.

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