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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: Senators Archambault, Quezada, McCaffrey, DiPalma, and Seveney

Date Introduced: January 22, 2020

Referred To: Senate Judiciary

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

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

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

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

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

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

10 **42-64-7.1. Subsidiaries.**

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

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

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

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

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

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

16 (b) As used in this section, "subsidiary public corporation" means a corporation created
17 pursuant to the provisions of this section. The person or persons directed by the resolution
18 referred to in subsection (a) shall prepare articles of incorporation setting forth: (1) the name of
19 the subsidiary public corporation; (2) the period of duration, which may be perpetual; (3) the
20 purpose or purposes for which the subsidiary public corporation is organized which shall not be
21 more extensive than the purposes of the corporation set forth in § 42-64-5; (4) the number of
22 directors (which may, but need not be, more than one) constituting the initial board of directors
23 and their names and business or residence addresses; (5) the name and business or residence
24 address of the person preparing the articles of incorporation; (6) the date when corporate
25 existence shall begin (which shall not be earlier than the filing of the articles of incorporation
26 with the secretary of state as provided in this subsection); (7) any provision, not inconsistent with
27 law, which the board of directors elect to set forth in the articles of incorporation for the
28 regulation of the internal affairs of the subsidiary public corporation; and (8) a reference to the
29 form of authorization and approval by the general assembly and to the resolution of the board of
30 directors authorizing the preparation of the articles of incorporation. Duplicate originals of the
31 articles of incorporation shall be delivered to the secretary of state. If the secretary of state finds
32 that the articles of incorporation conform to the provisions of this subsection, the secretary shall
33 endorse on each of the duplicate originals the word "Filed," and the month, day and year of the
34 filing; file one of the duplicate originals in his or her office; and a certificate of incorporation to

1 which the secretary shall affix the other duplicate original. No filing fees shall be payable upon
2 the filing of articles of incorporation. Upon the issuance of the certificate of incorporation or upon
3 a later date specified in the articles of incorporation, the corporate existence shall begin and the
4 certificate of incorporation shall be conclusive evidence that all conditions precedent required to
5 be performed have been complied with and that the subsidiary public corporation has been duly
6 and validly incorporated under the provisions hereof. The parent corporation may transfer to any
7 subsidiary public corporation any moneys, real, personal, or mixed property or any project in
8 order to carry out the purposes of this chapter. Each subsidiary public corporation shall have all
9 the powers, privileges, rights, immunities, tax exemptions, and other exemptions of the parent
10 corporation except to the extent that the articles of incorporation of the subsidiary public
11 corporation shall contain an express limitation and except that the subsidiary public corporation
12 shall not have the condemnation power contained in § 42-64-9, nor shall it have the powers
13 contained in, or otherwise be subject to, the provisions of § 42-64-12 and § 42-64-13(a), nor shall
14 it have the power to create, empower or otherwise establish any corporation, subsidiary
15 corporation, corporate body, any form of partnership, or any other separate entity, without the
16 express approval and authorization of the general assembly.

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

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

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

33 (f) The parent corporation is hereby authorized and empowered to create a subsidiary
34 corporation for the expressed purpose to issue bonds and notes of the type and for those projects

1 and purposes specified in the Joint Resolution and Act of the general assembly adopted by the
2 Rhode Island house of representatives and the Rhode Island senate.

3 (g) The I-195 redevelopment district shall be a subsidiary of the Rhode Island commerce
4 corporation for the purposes of exercising such powers of the corporation as the board of
5 directors shall determine, and notwithstanding the requirements of subsection (b), the chapter
6 creating the district shall be deemed fully satisfactory for the purposes of this section regarding
7 the establishment of subsidiary public corporations, and the express approval and authorization of
8 the general assembly shall be deemed to have been given for all legal purposes for the creation
9 and lawful management of a subsidiary corporation created for the purposes of implementing the
10 purposes of the district.

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

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

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

21 One director shall be appointed by the governor with advice and consent of the senate
22 from a recommended list of three (3) candidates provided by the Rhode Island Pilots Association
23 (RIPA) for a term of four (4) years; and one director shall be appointed by the governor with
24 advice and consent of the senate from a recommended list of three (3) candidates provided by the
25 Rhode Island General Aviation Business Owners Association (RIGABOA) for a term of four (4)
26 years. Appointments made thereafter from the RIPA and RIGABOA shall be for four (4) year
27 terms.

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

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

33 All members of the board of directors of the Rhode Island airport corporation shall serve
34 without compensation.

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

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

8 This act would take effect upon passage.

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