

2024 -- S 2496

LC004996

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY
JANUARY SESSION, A.D. 2024

A N A C T

RELATING TO THE CAPITAL DEVELOPMENT PROGRAM

Introduced By: Senators DiPalma, Valverde, Burke, Miller, Felag, Bissailon, Pearson,
Lawson, Murray, and Acosta

Date Introduced: February 21, 2024

Referred To: Senate 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 2024, there shall be submitted to the people
3 ("People") of the State of Rhode Island ("State"), for their approval or rejection, the following
4 proposition:

5 "Shall the action of the general assembly, by an act passed at the January 2024 session,
6 authorizing the issuance of bonds, refunding bonds, and temporary notes of the State of Rhode
7 Island for the capital projects and in the amount with respect to each such project listed below be
8 approved, and the issuance of bonds, refunding bonds, and temporary notes authorized in
9 accordance with the provisions of said act?"

10 Project

11 (1) Green Economy Bonds \$66,000,000

12 Approval of this question will allow the State of Rhode Island to issue general obligation
13 bonds, refunding bonds, and/or temporary notes in an amount not to exceed sixty-six million dollars
14 (\$66,000,000) for environmental and recreational purposes, to be allocated as follows:

15 (a) Port of Davisville Infrastructure at Quonset \$20,000,000

16 Provides twenty million dollars (\$20,000,000) for infrastructure projects that will support
17 the continued growth and modernization at the Port of Davisville. This investment will finance the
18 Port master plan. The work will include new port access roads, laydown area improvements, and
19 security upgrades to support the new Terminal Five Pier. These projects will upgrade World War

1 II-era infrastructure and position Davisville to accommodate offshore wind project cargo and
2 logistics staging while continuing to support the Port's existing businesses.

3 (b) Climate Resiliency and Public Access Projects \$2,000,000

4 Provides two million dollars (\$2,000,000) for up to seventy-five percent (75%) matching
5 grants to public and nonprofit entities for restoring and/or improving resiliency of vulnerable
6 coastal habitats and restoring rivers and stream floodplains. These funds are expected to leverage
7 significant matching funds to support local programs to improve community resiliency and public
8 safety in the face of increased flooding, major storm events, and environmental degradation.

9 (c) Brownfields Remediation and Economic Development \$5,000,000

10 Provides five million dollars (\$5,000,000) for up to eighty percent (80%) matching grants
11 to public, private, and/or nonprofit entities for brownfield remediation projects.

12 (d) Local Recreation Projects \$5,000,000

13 Provides five million dollars (\$5,000,000) for up to eighty percent (80%) matching grants
14 for municipalities to acquire, develop, or rehabilitate local recreational facilities to meet the
15 growing needs for active outdoor recreational facilities.

16 (e) Municipal Resiliency \$10,000,000

17 Provides ten million dollars (\$10,000,000) to provide financial assistance to municipalities
18 for restoring and/or improving resiliency of infrastructure, vulnerable coastal habitats, and restoring
19 rivers and stream floodplains. These funds will be prioritized to leverage significant matching funds
20 to support local programs to improve community resiliency and public safety in the face of
21 increased flooding, major storm events, and environmental degradation.

22 (f) Newport Cliff Walk \$8,000,000

23 Provides eight million dollars (\$8,000,000) for restoring and improving the resiliency of
24 the historic statewide tourism infrastructure of the public access walkway known as the Newport
25 Cliff Walk located in Newport, Rhode Island.

26 (g) Agriculture Land Preservation Committee \$5,000,000

27 Provides five million dollars (\$5,000,000) to the agricultural land preservation committee
28 for farmland protection.

29 (h) Open Space Program \$5,000,000

30 Provides five million dollars (\$5,000,000) to the department of environmental management
31 to bring state open space program amounts back to historic levels.

32 (i) Local Open Space Program \$3,000,000

33 Provides three million dollars (\$3,000,000) to support local open space program.

34 (j) Forests and Habitat Management \$3,000,000

1 Provides three million dollars (\$3,000,000) to the department of environmental
2 management, division of agriculture and forest environment, to fund forests and habitat
3 management on state property.

4 SECTION 2. Ballot labels and applicability of general election laws. -- The Secretary of
5 State shall prepare and deliver to the State Board of Elections ballot labels for each of the projects
6 provided for in Section 1 hereof with the designations "approve" or "reject" provided next to the
7 description of each such project to enable voters to approve or reject each such proposition. The
8 general election laws, so far as consistent herewith, shall apply to this proposition.

9 SECTION 3. Approval of projects by the people. -- If a majority of the People voting on
10 the proposition in Section 1 hereof shall vote to approve any project stated therein, said project
11 shall be deemed to be approved by the People. The authority to issue bonds, refunding bonds and/or
12 temporary notes of the State shall be limited to the aggregate amount for all such projects as set
13 forth in the proposition, which has been approved by the People.

14 SECTION 4. Bonds for the capital development program. -- The General Treasurer is
15 hereby authorized and empowered, with the approval of the Governor, and in accordance with the
16 provisions of this Act to issue capital development bonds in serial form, in the name of and on
17 behalf of the State of Rhode Island, in amounts as may be specified by the Governor in an aggregate
18 principal amount not to exceed the total amount for all projects approved by the People and
19 designated as "capital development loan of 2024 bonds." Provided, however, that the aggregate
20 principal amount of such capital development bonds and of any temporary notes outstanding at any
21 one time issued in anticipation thereof pursuant to Section 7 hereof shall not exceed the total amount
22 for all such projects approved by the People. All provisions in this Act relating to "bonds" shall
23 also be deemed to apply to "refunding bonds."

24 Capital development bonds issued under this Act shall be in denominations of one thousand
25 dollars (\$1,000) each, or multiples thereof, and shall be payable in any coin or currency of the
26 United States which at the time of payment shall be legal tender for public and private debts. These
27 capital development bonds shall bear such date or dates, mature at specified time or times, but not
28 mature beyond the end of the twentieth State fiscal year following the fiscal year in which they are
29 issued; bear interest payable semi-annually at a specified rate or different or varying rates: be
30 payable at designated time or times at specified place or places; be subject to express terms of
31 redemption or recall, with or without premium; be in a form, with or without interest coupons
32 attached; carry such registration, conversion, reconversion, transfer, debt retirement, acceleration
33 and other provisions as may be fixed by the General Treasurer, with the approval by the Governor,
34 upon each issue of such capital development bonds at the time of each issue. Whenever the

1 Governor shall approve the issuance of such capital development bonds, the Governor's approval
2 shall be certified to the Secretary of State; the bonds shall be signed by the General Treasurer and
3 countersigned by Secretary of State and shall bear the seal of the State. The signature approval of
4 the Governor shall be endorsed on each bond.

5 SECTION 5. Refunding bonds for the 2024 capital development program. -- The General
6 Treasurer is hereby authorized and empowered, with the approval of the Governor, and in
7 accordance with the provisions of this Act, to issue bonds to refund the 2024 capital development
8 program bonds, in the name of and on behalf of the State, in amounts as may be specified by the
9 Governor in an aggregate principal amount not to exceed the total amount approved by the People,
10 to be designated as "capital development program loan of 2024 refunding bonds" (hereinafter
11 "Refunding Bonds").

12 The General Treasurer with the approval of the Governor shall fix the terms and form of
13 any Refunding Bonds issued under this Act in the same manner as the capital development bonds
14 issued under this Act, except that the Refunding Bonds may not mature more than twenty (20) years
15 from the date of original issue of the capital development bonds being refunded.

16 The proceeds of the Refunding Bonds, exclusive of any premium and accrual interest and
17 net the underwriters' cost, and cost of bond issuance, shall, upon their receipt, be paid by the
18 General Treasurer immediately to the paying agent for the capital development bonds which are to
19 be called and prepaid. The paying agent shall hold the Refunding Bond proceeds in trust until they
20 are applied to prepay the capital development bonds. While such proceeds are held in trust, the
21 proceeds may be invested for the benefit of the State in obligations of the United States of America
22 or the State of Rhode Island.

23 If the General Treasurer shall deposit with the paying agent for the capital development
24 bonds the proceeds of the Refunding Bonds, or proceeds from other sources, amounts that, when
25 invested in obligations of the United States or the State of Rhode Island, are sufficient to pay all
26 principal, interest, and premium, if any, on the capital development bonds until these bonds are
27 called for prepayment, then such capital development bonds shall not be considered debts of the
28 State of Rhode Island for any purpose starting from the date of deposit of such monies with the
29 paying agent. The Refunding Bonds shall continue to be a debt of the State until paid.

30 The term "bond" shall include "note," and the term "refunding bonds" shall include
31 "refunding notes" when used in this Act.

32 SECTION 6. Proceeds of the capital development program. -- The General Treasurer is
33 directed to deposit the proceeds from the sale of capital development bonds issued under this Act,
34 exclusive of premiums and accrued interest and net the underwriters' cost, and cost of bond

1 issuance, in one or more of the depositories in which the funds of the State may be lawfully kept in
2 special accounts (hereinafter cumulatively referred to as "such capital development bond fund")
3 appropriately designated for each of the projects set forth in Section 1 hereof which shall have been
4 approved by the People to be used for the purpose of paying the cost of all such projects so
5 approved.

6 All monies in the capital development bond fund shall be expended for the purposes
7 specified in the proposition provided for in Section 1 hereof under the direction and supervision of
8 the Director of Administration (hereinafter referred to as "Director"). The Director, or designee
9 shall be vested with all power and authority necessary or incidental to the purposes of this Act
10 including, but not limited to, the following authority:

11 (1) To acquire land or other real property or any interest, estate or right therein as may be
12 necessary or advantageous to accomplish the purposes of this Act;

13 (2) To direct payment for the preparation of any reports, plans and specifications, and
14 relocation expenses and other costs such as for furnishings, equipment designing, inspecting and
15 engineering, required in connection with the implementation of any projects set forth in Section 1
16 hereof;

17 (3) To direct payment for the costs of construction, rehabilitation, enlargement, provision
18 of service utilities, and razing of facilities, and other improvements to land in connection with the
19 implementation of any projects set forth in Section 1 hereof; and

20 (4) To direct payment for the cost of equipment, supplies, devices, materials and labor for
21 repair, renovation or conversion of systems and structures as necessary for the 2024 capital
22 development program bonds or notes hereunder from the proceeds thereof. No funds shall be
23 expended in excess of the amount of the capital development bond fund designated for each project
24 authorized in Section 1 hereof. With respect to the bonds and temporary notes described in Section
25 1, the proceeds shall be used for the following purposes:

26 Question 1, relating to bonds in the amount of sixty-six million dollars (\$66,000,000) for
27 environmental and recreational purposes, to be allocated as follows:

28 (1) Port of Davisville Infrastructure at Quonset \$20,000,000
29 Provides twenty million dollars (\$20,000,000) for infrastructure projects that will support
30 the continued growth and modernization at the Port of Davisville. This investment will finance the
31 Port master plan. The work will include new port access roads, laydown area improvements, and
32 security upgrades to support the new Terminal Five Pier. These projects will upgrade World War
33 II-era infrastructure and position Davisville to accommodate offshore wind project cargo and
34 logistics staging while continuing to support the Port's existing businesses.

- 1 (2) Climate Resiliency and Public Access Projects \$2,000,000
- 2 Provides two million dollars (\$2,000,000) for up to seventy-five percent (75%) matching
- 3 grants to public and nonprofit entities for restoring and/or improving resiliency of vulnerable
- 4 coastal habitats and restoring rivers and stream floodplains. These funds are expected to leverage
- 5 significant matching funds to support local programs to improve community resiliency and public
- 6 safety in the face of increased flooding, major storm events, and environmental degradation.
- 7 (3) Brownfields Remediation and Economic Development \$5,000,000
- 8 Provides five million dollars (\$5,000,000) for up to eighty percent (80%) matching grants
- 9 to public, private, and/or nonprofit entities for brownfield remediation projects.
- 10 (4) Local Recreation Projects \$5,000,000
- 11 Provides five million dollars (\$5,000,000) for up to eighty percent (80%) matching grants
- 12 for municipalities to acquire, develop, or rehabilitate local recreational facilities to meet the
- 13 growing needs for active outdoor recreational facilities.
- 14 (5) Municipal Resiliency \$10,000,000
- 15 Provides ten million dollars (\$10,000,000) to provide financial assistance to municipalities
- 16 for restoring and/or improving resiliency of infrastructure, vulnerable coastal habitats, and restoring
- 17 rivers and stream floodplains. These funds will be prioritized to leverage significant matching funds
- 18 to support local programs to improve community resiliency and public safety in the face of
- 19 increased flooding, major storm events, and environmental degradation.
- 20 (6) Newport Cliff Walk \$8,000,000
- 21 Provides eight million dollars (\$8,000,000) for restoring and improving the resiliency of
- 22 the historic statewide tourism infrastructure of the public access walkway known as the Newport
- 23 Cliff Walk located in Newport, Rhode Island.
- 24 (7) Agriculture Land Preservation Committee \$5,000,000
- 25 Provides five million dollars (\$5,000,000) to the agricultural land preservation committee
- 26 for farmland protection.
- 27 (8) Open Space Program \$5,000,000
- 28 Provides five million dollars (\$5,000,000) to the department of environmental management
- 29 to bring state open space program amounts back to historic levels.
- 30 (9) Local Open Space Program \$3,000,000
- 31 Provides three million dollars (\$3,000,000) to support local open space program.
- 32 (10) Forests and Habitat Management \$3,000,000
- 33 Provides three million dollars (\$3,000,000) to the department of environmental
- 34 management, division of agriculture and forest environment, to fund forests and habitat

1 management on state property.

2 SECTION 7. Sale of bonds and notes. -- Any bonds or notes issued under the authority of
3 this Act shall be sold at not less than the principal amount thereof, in such mode and on such terms
4 and conditions as the General Treasurer, with the approval of the Governor, shall deem to be in the
5 best interests of the State.

6 Any premiums and accrued interest, net of the cost of bond issuance and underwriter's
7 discount, which may be received on the sale of the capital development bonds or notes shall become
8 part of the Rhode Island Capital Plan Fund of the State, unless directed by federal law or regulation
9 to be used for some other purpose.

10 In the event that the amount received from the sale of the capital development bonds or
11 notes exceeds the amount necessary for the purposes stated in Section 6 hereof, the surplus may be
12 used to the extent possible to retire the bonds as the same may become due, to redeem them in
13 accordance with the terms thereof or otherwise to purchase them as the General Treasurer, with the
14 approval of the Governor, shall deem to be in the best interests of the state.

15 Any bonds or notes issued under the provisions of this Act and coupons on any capital
16 development bonds, if properly executed by the manual or electronic signatures of officers of the
17 State in office on the date of execution, shall be valid and binding according to their tenor,
18 notwithstanding that before the delivery thereof and payment therefor, any or all such officers shall
19 for any reason have ceased to hold office.

20 SECTION 8. Bonds and notes to be tax exempt and general obligations of the State. -- All
21 bonds and notes issued under the authority of this Act shall be exempt from taxation in the State
22 and shall be general obligations of the State, and the full faith and credit of the State is hereby
23 pledged for the due payment of the principal and interest on each of such bonds and notes as the
24 same shall become due.

25 SECTION 9. Investment of monies in fund. -- All monies in the capital development fund
26 not immediately required for payment pursuant to the provisions of this act may be invested by the
27 investment commission, as established by chapter 10 of title 35, entitled "State Investment
28 Commission," pursuant to the provisions of such chapter; provided, however, that the securities in
29 which the capital development fund is invested shall remain a part of the capital development fund
30 until exchanged for other securities; and provided, further, that the income from investments of the
31 capital development fund shall become a part of the general fund of the State and shall be applied
32 to the payment of debt service charges of the State, unless directed by federal law or regulation to
33 be used for some other purpose, or to the extent necessary, to rebate to the United States treasury
34 any income from investments (including gains from the disposition of investments) of proceeds of

1 bonds or notes to the extent deemed necessary to exempt (in whole or in part) the interest paid on
2 such bonds or notes from federal income taxation.

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

7 SECTION 11. Advances from general fund. -- The General Treasurer is authorized, with
8 the approval of the Director and the Governor, in anticipation of the issue of notes or bonds under
9 the authority of this Act, to advance to the capital development bond fund for the purposes specified
10 in Section 6 hereof, any funds of the State not specifically held for any particular purpose; provided,
11 however, that all advances made to the capital development bond fund shall be returned to the
12 general fund from the capital development bond fund forthwith upon the receipt by the capital
13 development fund of proceeds resulting from the issue of notes or bonds to the extent of such
14 advances.

15 SECTION 12. Federal assistance and private funds. -- In carrying out this Act, the Director,
16 or designee, is authorized on behalf of the State, with the approval of the Governor, to apply for
17 and accept any federal assistance which may become available for the purpose of this Act, whether
18 in the form of loan or grant or otherwise, to accept the provision of any federal legislation therefor,
19 to enter into, act and carry out contracts in connection therewith, to act as agent for the federal
20 government in connection therewith, or to designate a subordinate so to act. Where federal
21 assistance is made available, the project shall be carried out in accordance with applicable federal
22 law, the rules and regulations thereunder and the contract or contracts providing for federal
23 assistance, notwithstanding any contrary provisions of State law. Subject to the foregoing, any
24 federal funds received for the purposes of this Act shall be deposited in the capital development
25 bond fund and expended as a part thereof. The Director, or designee may also utilize any private
26 funds that may be made available for the purposes of this Act.

27 SECTION 13. Effective Date. -- Sections 1, 2, 3, 11, 12 and Section 13 of this act shall
28 take effect upon passage. The remaining sections of this act shall take effect when and if the State
29 Board of Elections shall certify to the Secretary of State that a majority of the qualified electors
30 voting on the proposition contained in Section 1 hereof have indicated their approval of all or any
31 projects thereunder.

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

1 This act would authorize the submission of proposals for several bonds to the people of the
2 state at the general election to be held in November, 2024. These bonds relate to capital
3 development and the "green economy."

4 Sections 1, 2, 3, 11, 12 and Section 13 of this act would take effect upon passage. The
5 remaining sections of this act would take effect when and if the State Board of Elections shall
6 certify to the Secretary of State that a majority of the qualified electors voting on the proposition
7 contained in Section 1 hereof have indicated their approval of all or any projects thereunder.

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