

**STATE OF RHODE ISLAND**

**IN GENERAL ASSEMBLY**

**JANUARY SESSION, A.D. 2005**

**A N A C T**

**RELATING TO SEPARATION OF POWERS**

Introduced By: Representatives E Coderre, Gemma, Almeida, Crowley, and Gallison

Date Introduced: April 13, 2005

Referred To: House Separation of Powers

It is enacted by the General Assembly as follows:

1           SECTION 1. Section 36-9-44 of the General Laws in Chapter 36-9 entitled "Retirement  
2   System-Membership and Service Credits" is hereby amended to read as follows:

3           **36-9-44. Narragansett Bay Water Quality Management District Commission --**  
4   **Transferred employees.** -- (a) Definitions. -- For the purposes of this section:

5           (1) "Commission" means the Narragansett Bay Water Quality Management District  
6   Commission, a public corporation ~~of the state of Rhode Island.~~ authorized, created and  
7   established pursuant to chapter 25 of title 46 of the general laws.

8           (2) "Employee contribution accumulation" means an amount equal to the total member  
9   contributions of the transferred employees which were picked up and paid by the commission to  
10   the trust maintained by the commission to receive such contributions during the interim period  
11   plus actual earnings on such contributions. The employee contribution accumulation attributable  
12   to each transferred employee shall be treated as such employee's accumulated contributions for  
13   purposes of chapters 9 and 20 of this title.

14           (3) "Employer contribution accumulation" means an amount equal to the required  
15   contributions applicable to the interim period.

16           (4) "Interim period" means the period from the transfer date to the date that the  
17   requirement of subsection (c) is satisfied.

18           (5) "Required contribution" means the amount or amounts required to be contributed to  
19   the retirement system by the commission in addition to the member contributions of the

1 transferred employees in order to fund the benefits attributable to the transferred employees  
2 earned after the transfer date in accordance with the provisions of this section. The amount of the  
3 required contribution for any relevant period following the transfer date shall be an amount  
4 determined by multiplying the rate percent established in accordance with section 36-10-2 for the  
5 period by the compensation paid by the commission to the transferred employees during such  
6 period. The commission shall make its required contribution, other than the required contribution  
7 for the interim period, in bi-weekly installments, each to be made within three (3) business days  
8 following the pay day. The required contribution applicable to the interim period shall be made in  
9 accordance with the provisions of section (c) of this chapter.

10 (6) "Transfer date" means the effective date of this section.

11 (7) "Transferred employee" means any individual who was an employee of the  
12 commission on the date immediately preceding the transfer date, was an active member of the  
13 retirement system on the date immediately preceding the transfer date and who, from and after the  
14 transfer date, is an employee of the commission who is continuously a collectively bargained  
15 employee (within the meaning of the regulations issued under section 410(b)(3)(a) of the Internal  
16 Revenue Code [26 U.S.C. section 410(b)(3)(a)].

17 (b) Subject to subsections (c), (d) and (e) of this section, the period of service of any  
18 transferred employee with the commission after the transfer date shall be treated as service as an  
19 employee of the state of Rhode Island for purposes of chapters 8, 9 and 10 of this title.

20 (c) The provisions of subsection (b) of this section shall not apply unless within ninety  
21 (90) days following the date of enactment of this section, the commission transfers, or causes to  
22 have transferred from a trustee or other custodian, to the retirement system, an amount equal to  
23 the sum of the employee contribution accumulation and the employer contribution accumulation.

24 (d) Notwithstanding the foregoing, any individual who is a transferred employee shall  
25 not be treated as an employee of the state of Rhode Island under subsection (b) for any period of  
26 employment during which he or she elects to participate in any other retirement income benefit  
27 funded by the commission under a retirement plan sponsored by the commission and intended to  
28 qualify under section 401(a) or section 408(k) [26 U.S.C. section 401(a) or section 408(k)]of the  
29 United States Internal Revenue Code.

30 (e) Provided the requirement of subsection (c) of this section is satisfied:

31 (1) Any retirement or death benefit provided to or on behalf of a transferred employee  
32 during the interim period by the commission, or a trust established and maintained by the  
33 commission shall be considered provided by the retirement system and the amount of benefit paid  
34 by the commission or the trustee, shall reduce the amount required to be transferred to the

1 retirement system under subsection (c) of this section.

2 (2) Subsection (b) shall continue to apply after the date of transfer specified in  
3 subsection (c) with respect to the period for which the commission thereafter makes its required  
4 contribution to the retirement system. In the event that the commission ceases to make its  
5 required contribution, the transferred employees shall be considered inactive members of the  
6 retirement system as of the date of such cessation.

7 (3) The member contributions of the transferred employees shall be considered picked  
8 up and paid by the commission to the retirement system after the interim period pursuant to the  
9 provisions of section 414(h)(2) [26 U.S.C. section 414(h)(2)]of the United States Internal  
10 Revenue Code. The contributions so picked up shall be treated as employer contributions in  
11 determining the tax treatment under the United States Internal Revenue Code, and shall not be  
12 included as gross income of the transferred employee until such time as they are distributed.

13 (4) All employees (whether or not employed on the transfer date) who are members of a  
14 collective bargaining unit that, on the transfer date, had members who were contributing members  
15 of the employees' retirement system shall be contributing members of the employees' retirement  
16 system if so provided by a collective bargaining agreement.

17 SECTION 2. Sections 46-25-2, 46-25-4, 46-25-6, 46-25-7, 46-25-8, 46-25-9, 46-25-14,  
18 46-25-24 and 46-25-50 of the General Laws in Chapter 46-25 entitled "Narragansett Bay  
19 Commission" are hereby amended to read as follows:

20 **46-25-2. Legislative findings.** -- It is hereby found and declared that:

21 (1) There exists in the Providence metropolitan area and Narragansett Bay severe water  
22 quality problems resulting from the discharge of pollutants, conventional, and unconventional,  
23 into Narragansett Bay.

24 (2) It is further found and declared that Narragansett Bay may be the greatest natural  
25 resource of the state of Rhode Island, and continuing discharge of these pollutants jeopardizes the  
26 environmental integrity of the entire Narragansett Bay and creates severe and detrimental  
27 ecological and economic impact upon the people of the state of Rhode Island.

28 (3) It is further found and declared that because of the scope and complexity of the work  
29 necessary to correct and minimize these pollution discharges and the scope of financing required,  
30 local municipal governments in the Providence metropolitan area have been unable alone to cope  
31 properly and immediately with the magnitude of the pollution discharges.

32 (4) It is further found and declared that economy and efficiency dictate the desirability  
33 for an overall plan for dealing with pollution discharges in the Narragansett Bay and the  
34 Providence metropolitan area.

1 (5) It is further found and declared that the most effective and efficient method to combat  
2 the discharge of pollutants in the Narragansett Bay is to create a Narragansett Bay water quality  
3 management district commission, to be charged with the acquisition, planning, construction,  
4 financing, extension, improvement, and operation and maintenance of publicly owned sewage  
5 treatment facilities in the Narragansett Bay water quality management district, ~~with appropriate~~  
6 ~~provision for a portion of the financing of the activities to be undertaken by the pledging of the~~  
7 ~~full faith and credit of the state of Rhode Island.~~

8 (6) Title 46, chapter 21 created the Blackstone Valley district commission and charged it  
9 with the planning, construction, operation, and maintenance of facilities to deal with the sewage  
10 and industrial wastes which originate in municipalities and industries located in the Blackstone  
11 and Moshassuck Valleys and are discharged into the waters of the state including the Seekonk  
12 and Blackstone rivers which flow into the Narragansett Bay without proper treatment.

13 (7) Economy, efficiency and technological advances dictate the desirability of having  
14 one entity to formulate, coordinate, and regulate an overall plan to reduce the discharge of  
15 sewerage and industrial wastes originating from the Blackstone and Moshassuck Valleys into the  
16 waters of this state and the discharge of pollutants into Narragansett Bay from the Narragansett  
17 Bay water quality management district.

18 (8) The most effective and efficient method of effectuating such an overall plan is to  
19 merge the Blackstone Valley district commission with and into the Narragansett Bay water  
20 quality management district commission.

21 (9) The most effective and efficient method of effectuating an overall plan for dealing  
22 with discharges in the watershed of the Narragansett Bay is the merger, consolidation,  
23 acquisition, operation and management of other sewage treatment facilities located in the state  
24 with or by the Narragansett Bay water quality management district commission as the  
25 commission may from time to time determine.

26 **46-25-4. Establishment of commission -- Purpose.** -- (a) There is hereby authorized,  
27 created, and established a public corporation ~~of the state~~ having a distinct legal existence from the  
28 state and not constituting a department of state government, which is a governmental agency and  
29 public instrumentality of the municipalities within the district, to be known as "The Narragansett  
30 Bay water quality management district commission", with such powers as are set forth in this  
31 chapter, for the purposes of acquiring, planning, constructing, extending, improving, and  
32 operating and maintaining publicly owned sewage treatment facilities in the district.

33 (b) There is established a regional commission encompassing, and directly effecting,  
34 the metropolitan Providence and Blackstone Valley areas including all or a portion of the

1 municipality of Providence, North Providence, Johnston, Pawtucket, Central Falls, Lincoln,  
2 Cumberland, East Providence, Cranston and Smithfield.

3 (c) It is the intent of the general assembly that the commission be regional, supported by  
4 the rate payers in the established communities. It is the declared purpose of the general assembly  
5 to provide for the continued representative of the municipalities of the service areas through the  
6 composition of the commission and the appointment of members.

7 ~~(b)~~ (d) It is the intent of the general assembly, by the passage of this chapter, to vest in  
8 the commission all powers, authority, rights, privileges, and titles which may be necessary to  
9 enable it to accomplish the purposes herein set forth, and this chapter and the powers herein  
10 granted shall be liberally construed in conformity with those purposes.

11 ~~(e)~~ (e) The commission and its corporate existence shall continue until terminated by  
12 law ~~or until it shall cease to exist under the timetable contained in section 46-25-48.~~ Upon  
13 termination of the existence of the commission, all its rights and properties shall pass to and be  
14 vested in the ~~state, and, in accordance with law, the governor may permit whatever rights and~~  
15 ~~properties he or she shall see fit to pass to municipalities located within the district, if the~~  
16 ~~municipality or municipalities accept the rights or properties~~ cities or towns in which such  
17 properties are located.

18 **46-25-6. Composition of commission -- Appointment of members.** -- (a) The  
19 commission shall consist of ~~twenty three (23)~~ nine (9) members to be appointed in the following  
20 manner: ~~ten (10) members shall be appointed by the governor from the public as herein provided.~~  
21 ~~Two~~ two (2) members shall be appointed by the mayor of the city of Providence; one member  
22 each shall be appointed by the mayor of the town of North Providence, the mayor of the town of  
23 Johnston, mayor of the city of Pawtucket, mayor of the town of Cumberland, town administrator  
24 of the town of Lincoln, mayor of the city of Central Falls, and mayor of the city of East  
25 Providence. ~~Two (2) members of the house of representatives to be appointed by the speaker, and~~  
26 ~~two (2) members of the senate to be appointed by the president of the senate.~~

27 (b) The appointments to the commission shall be made as follows:

28 ~~(1) The governor shall appoint two (2) members of the commission to serve until the first~~  
29 ~~day of April, 1981, two (2) members to serve until the first day of April, 1982, four (4) members~~  
30 ~~to serve until the first day of April, 1983, one member to serve until the first day of April 1993,~~  
31 ~~one member to serve until the first day of April 1994, and all to serve until their successors are~~  
32 ~~appointed and qualified. In the month of March in each year thereafter, the governor, with the~~  
33 ~~advice and consent of the senate, shall appoint successors to the members of the commission~~  
34 ~~whose term is expiring in that year, each member so appointed to hold office for a three (3) year~~

1 ~~period commencing on the first day of April in the year of appointment and continuing until the~~  
2 ~~first day of April in the third year after his or her appointment and until his or her successor is~~  
3 ~~appointed and qualified. Any vacancy for a public member, which may occur in the commission,~~  
4 ~~shall be filled by the governor for the remainder of the unexpired term.~~

5 ~~(2)~~(1) The mayor of the city of Providence shall appoint one member of the commission  
6 to serve until the first day of April, 1982, and one member to serve until the first day of April,  
7 1983, and all to serve until their successors are appointed and qualified. The mayor of the town of  
8 North Providence and the mayor of the town of Johnston each shall appoint a member to serve  
9 until the first day of April, 1981, each member so appointed shall serve until his or her successor  
10 is appointed and qualified. The Mayor of the city of Pawtucket shall appoint one member of the  
11 commission to serve until the first day of April, 1993, and such member so appointed shall serve  
12 until his or her successor is appointed and qualified. The town administrator of the town of  
13 Lincoln and the mayor of the city of Central Falls shall each appoint one member of the  
14 commission to serve until the first day of April, 1994, and each member so appointed shall serve  
15 until his or her successor is appointed and qualified. The mayors of the town of Cumberland and  
16 the city of East Providence shall each appoint one member of the commission to serve until the  
17 first day of April, 1995, and each member so appointed shall serve until his or her successor is  
18 appointed and qualified. In the month of March in each year thereafter, the respective mayors and  
19 town administrator shall appoint a successor to the member of the commission whose term is  
20 expiring, each member so appointed to hold office for a three (3) year period, commencing on the  
21 first day of April in the year of appointment and continuing until the first day of April in the third  
22 year after his or her appointment and until his or her successor is appointed and qualified. ~~The~~  
23 ~~legislative members so appointed by the speaker of the house of representatives and the president~~  
24 ~~of the senate shall hold office for a three (3) year period and until their successor is appointed and~~  
25 ~~qualified.~~ Any vacancy which may occur in the commission shall be filled by the appointing  
26 authority who originally appointed the member, and the appointment shall be for the remainder of  
27 the unexpired term.

28 ~~(3)~~(2) Members of the commission shall be eligible for reappointment.

29 **46-25-7. Officers of the commission -- Quorum and vote required.** ~~-- Forthwith, after~~  
30 ~~May 16, 1980, and annually in the month of April thereafter, the~~ The commission shall elect ~~one~~  
31 ~~of its~~ officers ~~members as chairperson, and one of its members as vice chairperson. Twelve (12) a~~  
32 majority of the number members of the commission shall constitute a quorum. No vacancy in the  
33 membership of the commission shall impair the right of a quorum to exercise all the rights and  
34 perform all of the duties of the commission.

1           **46-25-8. Compensation -- Personnel.** -- (a) The members of the commission are paid  
2 fifty dollars (\$50.00) for attendance at a full commission meeting, up to a maximum of three  
3 thousand dollars (\$3,000) per year as compensation, and shall be reimbursed for actual expenses  
4 incurred in carrying out their duties under this chapter, except that full time state and municipal  
5 employees shall not be paid for meetings held wholly during their normal working hours.

6           (b) Notwithstanding the provisions of any other law, no officer or employee of the state  
7 or any municipality shall be deemed to have forfeited or shall forfeit his or her office or  
8 employment by reason of his or her acceptance of membership on the commission or his or her  
9 service thereto.

10           (c) The commissioners shall employ an executive director who shall also be the secretary  
11 and who shall administer, manage, and direct the affairs and business of the commission, subject  
12 to the policies, control, and direction of the commissioners. The commissioners may employ  
13 technical experts and other officers, agents, and attorneys and fix their qualifications, duties, and  
14 compensation. Employees of the commission shall not, by reason of their employment, be  
15 employees of the state or any municipality for any purpose, any provision of the general laws to  
16 the contrary notwithstanding, including, without limiting the generality of the foregoing, chapters  
17 29, 39, and 42 of title 28 and chapters 4, 8, 9, and 10 of title 36. Those employees of the  
18 commission who were employed prior to June 30, 1999, shall continue to be covered by sections  
19 36-4-59, 36-5-7 and 36-5-8. The employees are not entitled to the provisions of sections 36-4-59,  
20 36-5-7 and 36-5-8 while employed by the commission. The employees are only entitled to the  
21 provisions of these statutes in the event that any such employee returns to employment in the  
22 classified service in a department within the executive branch. The commissioners may employ  
23 other employees, permanent and temporary. The commissioners may delegate to one or more of  
24 its agents or employees any administrative duties that they may deem proper.

25           (d) The secretary shall keep a record of the proceedings of the commission and shall be  
26 custodian of all books, documents, and papers filed with the commission and of its minute book  
27 and seal. He or she shall have authority to cause to be made copies of all minutes and other  
28 records and documents of the commission, and to give certificates under the seal of the  
29 commission to the effect that the copies are true copies and all persons dealing with the  
30 commission may rely upon the certificates.

31           (e) The department of administration may furnish the commission with suitable offices  
32 and telephone service in the state house, state office building, or some other convenient location,  
33 for the transaction of its business.

34           (f) The commissioners of the commission shall, at regular intervals conduct business

1 meetings for the purpose of carrying out its general business. The meetings shall be subject to the  
2 provisions of chapter 46 of title 42 entitled "open meetings".

3 **46-25-9. Appropriated moneys and advances from general fund.** -- (a) The  
4 commission is authorized to accept such moneys as may be appropriated from time to time by the  
5 general assembly for the carrying out of its duties hereunder including, without limitation, the  
6 payment of the ~~initial~~ expenses of administration and operation; provided, however, that any such  
7 appropriation shall be considered as a loan to the commission from the general fund of the state  
8 and shall be returned thereto ~~when the commission is self supporting or~~ at such time as may  
9 otherwise be stipulated in the act appropriating the money.

10 (b) (1) The commission is further authorized to accept advances or loans of funds from  
11 the general fund of the state:

12 (i) In anticipation of the receipt of federal funds, and

13 (ii) For the purpose of meeting debt service liabilities and providing for the construction,  
14 maintenance, or operation of the project during such periods of time as the fund may be  
15 insufficient for those purposes and, at the request of the commission, the director of the  
16 department of administration is authorized and empowered, with the approval of the governor, to  
17 make those advances.

18 (2) Provided, however, that the advances shall be returned to the general fund at such  
19 time or times as the director shall have specified, and that the total amount of the advances  
20 outstanding and unreturned at any one time shall not exceed three million dollars (\$3,000,000);  
21 and, however, for the period May 1, 1989 through June 30, 1991 the advance shall not exceed  
22 three million six hundred seventy-five thousand dollars (\$3,675,000) provided that subject to the  
23 report and order of the public utilities commission in docket No. 1968, the commission may issue  
24 revenue bonds or notes for the purpose of repaying the advances from the general fund of the  
25 state of Rhode Island provided under this chapter, in an aggregate principal amount not to exceed  
26 three million six hundred seventy-five thousand dollars (\$3,675,000) in accordance with the  
27 provisions of section 46-25-58 except that notwithstanding subsections (c) and (d) of section 46-  
28 25-58, such revenue bonds or notes, including all refundings and renewals thereof, shall be  
29 payable in such installments and at such times not exceeding three (3) years from the date of the  
30 original issue of such revenue bonds or notes. The state controller is hereby authorized and  
31 directed to draw his or her orders upon the general treasurer for the payment of the advances upon  
32 receipt by the controller of proper vouchers signed by the director of the department of  
33 administration and approved by the governor.

34 **46-25-14. Annual report.** -- In the month of January, the commission shall make an



1 annual report to the ~~governor and to the general assembly~~ mayors, the town administrator and the  
2 legislative body of each city and town within the district of its activities for the preceding fiscal  
3 year. Each report shall set forth a complete statement covering its operations during the year.

4 **46-25-24. Appropriation of revenues.** -- Except as provided in section 46-25-18, all  
5 moneys received by the commission for the use of the facilities of the project, shall be paid over  
6 to the executive director of the commission and deposited by him or her in the fund. All moneys  
7 in the fund ~~are hereby~~ may be appropriated by the commission, in addition to all other sums  
8 appropriated by the provisions of this chapter, to be expended by the commission for  
9 administration and all other expenses relating to the planning, constructing, equipping, operation,  
10 and maintenance of the project. Any unexpended balance remaining in the fund at the end of any  
11 fiscal year, shall be carried forward and made available for expenditure in the succeeding fiscal  
12 years.

13 **46-25-50. Authority to borrow in anticipation of user fees or state or federal funds.** -  
14 Pursuant to the provisions of this chapter, the commission is hereby authorized and empowered,  
15 ~~with the approval of the governor,~~ to borrow in anticipation of the receipt of user fees or state or  
16 federal funds.

17 SECTION 3. Sections 46-25-37, 46-25-38, 46-25-39, 46-25-40, 46-25-41, 46-25-42, 46-  
18 25-43, 46-25-44, 46-25-45, 46-25-46, 46-25-47 and 46-25-48 of the General Laws in Chapter 46-  
19 25 entitled "Narragansett Bay Commission" are hereby repealed.

20 ~~**46-25-37. Bonds authorized -- Maturity -- Certification and endorsement.** --- (a) The~~  
21 ~~general treasurer is hereby authorized and empowered, with the approval of the governor and in~~  
22 ~~accordance with the provisions of this chapter, to issue, from time to time, bonds in the name and~~  
23 ~~behalf of the state, and in such amounts as may be specified, from time to time, by the governor~~  
24 ~~in an aggregate principal amount not to exceed eighty seven million, seven hundred thousand~~  
25 ~~dollars (\$87,700,000) to be designated as "Narragansett Bay water quality management district~~  
26 ~~commission loan of 1980". The bonds shall be in denominations of one thousand dollars (\$1,000)~~  
27 ~~each, or multiples thereof, and shall be payable in any coin or currency of the United States,~~  
28 ~~which at the time of payment shall be legal tender for public or private debts. The bonds shall~~  
29 ~~bear such date or dates, mature at such time or times not exceeding twenty (20) years from their~~  
30 ~~respective date of issue, bear interest payable semiannually at such rate or different varying rates,~~  
31 ~~be payable at such time or times, at such place or places, be subject to such terms of recall or~~  
32 ~~redemption, with or without premium, be in such form with or without interest coupons attached~~  
33 ~~carrying such registration, conversion, reconversion, transfer, debt requirement, acceleration, and~~  
34 ~~other provisions as may be fixed by the general treasurer, with the approval of the governor, upon~~

1 ~~each issue of the bonds at the time of each issue.~~

2 ~~-(b) Whenever the governor shall approve the issuance of the bonds, he or she shall~~  
3 ~~certify the approval to the secretary of state; the general treasurer shall countersign the bonds and~~  
4 ~~affix the seal of the state. The approval of the governor shall be endorsed on each bond so~~  
5 ~~approved with a facsimile of his or her signature.~~

6 ~~**46-25-38. Proceeds: Narragansett Bay water quality management district**~~  
7 ~~**commission fund.** --- The general treasurer is hereby directed to deposit the proceeds of the sale~~  
8 ~~of the bonds, including any premium or premiums and any accrued interest which may be~~  
9 ~~received from the sale thereof, in one or more of the depositories in which the funds of the state~~  
10 ~~may be lawfully kept, in the account to be known as "Narragansett Bay water quality~~  
11 ~~management district commission fund", to be used as follows:~~

- 12 ~~-(1) For the project within the district;~~
- 13 ~~-(2) As prescribed in section 46-25-42, in the case of premiums or accrued interest,~~
- 14 ~~-(3) In the event that the amount received from the sale of the bonds exceeds the amount~~  
15 ~~necessary for the planning, construction, extension, and improvement of the project, the surplus~~  
16 ~~shall be used to the extent possible to retire the bonds as they may become due,~~
- 17 ~~-(4) Provided, however, that \$6,000,000 of the proceeds of the fund may be utilized for~~  
18 ~~the purposes of the Blackstone Valley sewer district and an additional \$9,000,000 of the proceeds~~  
19 ~~may be utilized for the purposes of the Pawtuxet River district commission.~~

20 ~~**46-25-39. Temporary notes.** --- (a) The general treasurer is hereby authorized and~~  
21 ~~empowered, with the approval of the governor, and in accordance with provisions of this chapter,~~  
22 ~~to borrow upon temporary notes issued in anticipation of the issuance of the bonds, from time to~~  
23 ~~time, in the name and behalf of the state, sums of money for the purposes set forth in section 46-~~  
24 ~~25-4.~~

25 ~~-(b) The notes shall be signed by the general treasurer and countersigned by the secretary~~  
26 ~~of state, and shall be issued at such time or times in such amounts, at such rates of interest, with~~  
27 ~~such provisions of prepayment, with or without premium, acceleration, and other terms as may be~~  
28 ~~fixed by the general treasurer, with the approval of the governor.~~

29 ~~-(c) The notes may be issued from time to time for periods not exceeding two (2) years,~~  
30 ~~and may be refunded or renewed from time to time, by the issue of other notes for periods not~~  
31 ~~exceeding two (2) years, but the notes, including all refundings and renewals thereof, shall bear~~  
32 ~~maturity dates not later than five (5) years from the date of each original issue. The total sum of~~  
33 ~~the terms of the notes plus the term of the bonds, which the issuance of the notes anticipate, shall~~  
34 ~~not exceed twenty five (25) years in duration.~~

1 ~~(d) The proceeds of the sale of the notes, inclusive of any premiums and any accrued~~  
2 ~~interest which may be received from the sale thereof, shall be applied to the purposes for which~~  
3 ~~the notes are issued, and shall be deposited by the general treasurer in the account described in~~  
4 ~~section 46-25-38.~~

5 **46-25-40. Advances from general fund in anticipation of the issue of notes or bonds.**

6 ~~—The general treasurer is authorized, from time to time, with the approval of the governor, in the~~  
7 ~~anticipation of the issue of notes or bonds under the authority of this chapter, to advance to the~~  
8 ~~fund, to be used for the purposes specified in section 46-25-38, any funds of the state not~~  
9 ~~specifically held for any purpose; provided, however, that all the advances shall be returned to the~~  
10 ~~general fund forthwith upon the receipt by the fund of proceeds from the issue of notes or bonds.~~

11 **46-25-41. Bonds and notes tax exempt general obligations of state.**— All bonds and

12 ~~notes issued under the authority of this chapter shall be exempt from taxation in the state and~~  
13 ~~shall be general obligations of the state, and the full faith and credit of the state are hereby~~  
14 ~~pledged for the due payment of the principal and the interest on each of the bonds and notes as~~  
15 ~~the bonds and notes shall become due.~~

16 **46-25-42. Terms and conditions of sales — Applications of premiums and accrued**  
17 **interest — Validity not affected by change in office.**— (a) Any bond or note issued under the

18 ~~authority of this chapter shall be sold from time to time at not less than the principal amount~~  
19 ~~thereof, on such terms and conditions as the general treasurer, with the approval of the governor,~~  
20 ~~shall be deemed to be for the best interest of the state. The purchaser of any of the bonds or notes~~  
21 ~~shall pay accrued interest to the date of delivery of the bonds or notes.~~

22 ~~(b) Any premiums or accrued interest, which may be received as the result of the sale of~~  
23 ~~bonds or notes, shall be applied to the payment of debt service costs.~~

24 ~~(c) Any bonds or notes issued under the provisions of this chapter and any coupons on~~  
25 ~~any bonds, if properly executed by the manual or facsimile signature, as the case may be, of~~  
26 ~~officers of the state in office on the date of execution, shall be valid and binding according to~~  
27 ~~their tenor, notwithstanding that, before the delivery thereof and payment therefor, any or all of~~  
28 ~~the officers shall for any reason have ceased to hold office.~~

29 **46-25-43. Investment of receipt pending expenditures.**— All moneys in the fund, not

30 ~~immediately required for payment pursuant to the provisions of this chapter, may be invested by~~  
31 ~~the state investment commission, as established by chapter 10 of title 35, pursuant to the~~  
32 ~~provisions of that chapter; provided, however, that the securities in which the fund is invested~~  
33 ~~shall remain a part of the funds, as shall other securities for which the funds may from time to~~  
34 ~~time, pursuant to that chapter, be exchanged, and provided, further, that the income from the~~

1 ~~investment shall become part of the fund, and shall be used to the extent possible to pay debt~~  
2 ~~service costs.~~

3 ~~**46-25-44. Payment of bond issue expenses, interest, and principal.** -- For the purpose~~  
4 ~~of paying any expenses incurred by the general treasurer in the issuance of the bonds or notes~~  
5 ~~under the authority of this chapter, and any interest and any principal becoming payable, from~~  
6 ~~time to time on the bonds or notes issued under the authority of this chapter and then outstanding,~~  
7 ~~the state controller is hereby authorized and directed to draw his or her orders upon the general~~  
8 ~~treasurer for the payment of the expenses, interest, and principal out of the fund. In the event that~~  
9 ~~the amount available in the fund is not sufficient for this purpose, a sum sufficient is hereby~~  
10 ~~annually appropriated out of any money in the treasury not otherwise appropriated for the~~  
11 ~~payment of the expenses, interest, and principal.~~

12 ~~**46-25-45. Appropriation.** -- For the purpose of paying initial expenses of administration~~  
13 ~~and operation of the commission, there is hereby appropriated, out of any money in the treasury~~  
14 ~~not otherwise appropriated, the sum of two hundred thousand dollars (\$200,000), and the state~~  
15 ~~controller is hereby authorized and directed to draw his or her orders upon the general treasurer~~  
16 ~~for the payment of that sum, or so much thereof as may be required, from time to time, upon~~  
17 ~~receipt by the controller of proper vouchers signed by the director of the department of~~  
18 ~~administration and approved by the governor.~~

19 ~~**46-25-46. Referendum.** -- At the next general state election, to be held on the Tuesday~~  
20 ~~next after the first Monday in November 1980, there shall be submitted to the people of the State~~  
21 ~~of Rhode Island for their approval or rejection the following proposition: "Shall the Act passed by~~  
22 ~~the General Assembly at the January 1980 Session entitled "An Act Creating the Narragansett~~  
23 ~~Bay Water Quality Management District Commission and Authorizing the State of Rhode Island~~  
24 ~~to Issue General Obligation Bonds and Notes in an Amount not to Exceed Eighty seven Million~~  
25 ~~Seven Hundred Thousand Dollars (\$87,700,000) for the Purpose of Providing Financial Aid to~~  
26 ~~the District Commission for the Acquisition, Planning, Construction, Financing, Extension and~~  
27 ~~Improvement of Sewerage Treatment Facilities' be approved?"~~

28 ~~**46-25-47. Applicability of election laws.** -- All laws relating to elections, as set forth in~~  
29 ~~title 17 as amended, shall as far as consistent herewith, apply to the election authorized hereunder.~~

30 ~~**46-25-48. Termination of existence of commission.** -- If the people shall reject the~~  
31 ~~proposition submitted to referendum under the provisions of section 46-25-46, the existence of~~  
32 ~~the commission shall terminate on June 30, 1981, unless its existence is extended by the general~~  
33 ~~assembly, and all its rights and properties shall pass as provided in section 46-25-4.~~

34 SECTION 4. All rules, regulations and orders of the commission in force as of the

1 effective date of this act, to the extent they are consistent with the provisions of this act, shall  
2 remain in force and effect until amended or repealed. All officers of the commission who are  
3 holding office on the effective date of this act shall continue to serve in their respective offices.  
4 All contracts and obligations entered into by the commission prior to the effective date of this act  
5 shall continue in full force and effect. No action or proceeding pending at the time when this act  
6 shall take effect, brought by or against the commission or any officer thereof, shall be affected or  
7 abated by the passage of this act.

1 SECTION 5. This act shall take effect on June 30, 2005.

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LC03009/SUB A/2  
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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO SEPARATION OF POWERS

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1           This act would clarify the Narragansett Bay Commission status as a regional sewer  
2 district.

3           This act would take effect June 30, 2005.

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LC03009/SUB A/  
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