

2013 -- H 6212

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LC02745
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2013

A N A C T

AUTHORIZING THE STONE BRIDGE FIRE DISTRICT TO ISSUE GENERAL
OBLIGATION BONDS AND/OR NOTES IN AN AMOUNT NOT TO EXCEED ONE
MILLION FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000) TO FINANCE CAPITAL
IMPROVEMENTS TO ITS WATER SYSTEM

Introduced By: Representatives Canario, and Edwards

Date Introduced: June 06, 2013

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 [SECTION 1.](#) The Stone Bridge Fire District is hereby empowered, in addition to
2 authority previously granted, to issue bonds to an amount not exceeding one million five hundred
3 thousand dollars (\$1,500,000) from time to time under its corporate name and seal or a facsimile
4 of such seal. The bonds of each issue shall mature in annual installments of principal, the first
5 installment to be not later than five (5) years and the last installment not later than forty (40) years
6 after the date of the bonds.

7 [SECTION 2.](#) The bonds shall be signed by the district treasurer and by the manual or
8 facsimile signature of the moderator and shall be issued and sold at not less than par and accrued
9 interest in such amounts as the administrative board may authorize. The manner of sale,
10 denominations, maturities, annual installments of principal, interest rates and other terms,
11 conditions and details of any bonds or notes issued under this act may be fixed by the proceedings
12 of the administrative board authorizing the issue or by separate resolution of the administrative
13 board or, to the extent provisions for these matters are not so made, they may be fixed by the
14 officers authorized to sign the bonds or notes. The provisions of this act shall govern to the extent
15 of any inconsistency between this act and any law or charter provision to the contrary. The
16 proceeds derived from the sale of the bonds shall be delivered to the district treasurer, and such
17 proceeds exclusive of premiums and accrued interest shall be expended: (a) For making capital

1 improvements to the water system; or (b) For payment of principal of or interest on temporary
2 notes issued under section three; or (c) In repayment of advances under section four. No
3 purchaser of any bonds or notes under this act shall be in any way responsible for the proper
4 application of the proceeds derived from the sale thereof. The proceeds of bonds or notes issued
5 under this act and any applicable federal or state assistance and the other moneys referred to in
6 section six shall be deemed appropriated for the purposes of this act without further action than
7 that required by this act.

8 [SECTION 3.](#) The administrative board may by resolution authorize the issue from time to
9 time of interest bearing or discounted notes in anticipation of the issue of bonds under section two
10 or in anticipation of the receipt of federal or state aid for the purposes of this act. The amount of
11 original notes issued in anticipation of bonds may not exceed the amount of bonds which may be
12 issued under this act and the amount of original notes issued in anticipation of federal or state aid
13 may not exceed the amount of available federal or state aid as estimated by the district treasurer.
14 Temporary notes issued hereunder shall be signed by the district treasurer and by the moderator
15 and shall be payable within five (5) years from their respective dates, but the principal of and
16 interest on notes issued for a shorter period may be renewed or paid from time to time by the
17 issue of other notes hereunder, provided the period from the date of an original note to the
18 maturity of any note issued to renew or pay the same debt or the interest thereon shall not exceed
19 five (5) years.

20 [SECTION 4.](#) Pending any authorization or issue of bonds hereunder or pending or in lieu
21 of any authorization or issue of notes hereunder, the district treasurer, with the approval of the
22 administrative board, may, to the extent that bonds or notes may be issued hereunder, apply funds
23 in the treasury of the district to the purposes specified in section two, such advances to be repaid
24 without interest from the proceeds of bonds or notes subsequently issued or from the proceeds of
25 applicable federal or state assistance or from other available funds.

26 [SECTION 5.](#) Any proceeds of bonds or notes issued hereunder or of any applicable
27 federal or state assistance, pending their expenditure may be deposited or invested by the district
28 treasurer in demand deposits, time deposits or savings deposits in banks which are members of
29 the Federal Deposit Insurance Corporation or in obligations issued or guaranteed by the United
30 States of America or by any agency or instrumentality thereof or as may be provided in any other
31 applicable law of the state of Rhode Island.

32 [SECTION 6.](#) Any accrued interest received upon the sale of bonds or notes hereunder
33 shall be applied to the payment of the first interest due thereon. Any premiums arising from the
34 sale of bonds or notes hereunder shall, in the discretion of the district treasurer, be applied to the

1 cost of preparing, issuing and marketing bonds or notes hereunder to the extent not otherwise
2 provided, to the payment of the cost of the project, to the payment of the principal of or interest
3 on bonds or notes issued hereunder or to any one or more of the foregoing. The cost of preparing,
4 issuing and marketing bonds or notes hereunder may also, in the discretion of the district
5 treasurer, be met from bond or note proceeds exclusive of premium and accrued interest or from
6 other moneys available therefor. Any balance of bonds or note proceeds remaining after payment
7 of the cost of the project and the cost of preparing, issuing and marketing bonds or notes
8 hereunder, shall be applied to the payment of the principal of or interest on bonds or notes issued
9 hereunder. Any earnings or net profit realized from the deposit or investment of funds hereunder
10 shall, upon receipt, be added to and dealt with as part of the revenues of the district from property
11 taxes or, in the discretion of the district treasurer, shall upon receipt be added to and dealt with as
12 part of the revenues of the district from water rates. In exercising any discretion under this
13 section, the district treasurer shall be governed by any instructions adopted by resolution of the
14 administrative board.

15 [SECTION 7](#). All bonds and notes issued under this act and the debts evidenced thereby
16 shall be obligatory on the district in the same manner and to the same extent as other debts
17 lawfully contracted by it and shall be excepted from the operation of Chapter 974 of the Public
18 Laws of 1940 to the extent of any inconsistency therein. The district shall annually appropriate a
19 sum sufficient to pay the principal and interest coming due within the year on bonds and notes
20 issued hereunder to the extent that moneys therefor are not otherwise provided. If such sum is not
21 appropriated, it shall nevertheless be added to the annual tax levy and shall not be subject to the
22 five mills limitation set forth in section seven of Chapter 974 of the Public Laws of 1940. In order
23 to provide such sum in each year and notwithstanding any provision of law to the contrary, all
24 taxable property in the district shall be subject to ad valorem taxation by the district without
25 limitation as to rate or amount.

26 [SECTION 8](#). Any bonds or notes issued under the provisions of this act, if properly
27 executed by officers of the district in office on the date of execution, shall be valid and binding
28 according to their terms notwithstanding that before the delivery thereof and payment therefor
29 any or all of such officers shall for any reason have ceased to hold office.

30 [SECTION 9](#). The district, acting by resolution of its administrative board, is authorized to
31 apply for, contract for and expend any federal or state advances or other grants or assistance
32 which may be available for the purposes of this act, and any such expenditures may be in addition
33 to other moneys provided in this act. To the extent of any inconsistency between any law of this
34 state and any applicable federal law or regulation, the latter shall prevail. Federal and state

1 advances, with interest where applicable, whether contracted for prior to or after the effective date
2 of this act, may be repaid as project costs under section two.

3 [SECTION 10](#). Bonds and notes may be issued under this act without obtaining the
4 approval of any governmental agency or the taking of any proceedings or the happening of any
5 conditions except as specifically required by this act for such issue. In carrying out any project
6 financed in whole or in part under this act, including where applicable the condemnation of any
7 land or interest in land, and in the levy and collection of assessments or other charges permitted
8 by law on account of any such project, all action shall be taken which is necessary to meet
9 constitutional requirements whether or not such action is otherwise required by statute; but the
10 validity of bonds and notes issued hereunder shall in no way depend upon the validity or
11 occurrence of such action.

12 [SECTION 11](#). Notwithstanding the foregoing provisions of this act, no bonds shall be
13 issued in excess of amounts approved from time to time by vote of a majority of the electors
14 present and voting on the question at an annual or special district meeting. The vote to authorize
15 up to one million five hundred thousand dollars (\$1,500,000) bonds or notes taken at the 2012
16 Annual Meeting on June 12, 2012 is hereby ratified. A vote not to approve an amount of bonds
17 hereunder shall not preclude any later vote to approve the same or a different amount.

18 [SECTION 12](#). This act shall take effect upon passage.

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EXPLANATION

OF

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AUTHORIZING THE STONE BRIDGE FIRE DISTRICT TO ISSUE GENERAL
OBLIGATION BONDS AND/OR NOTES IN AN AMOUNT NOT TO EXCEED ONE
MILLION FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000) TO FINANCE CAPITAL
IMPROVEMENTS TO ITS WATER SYSTEM

1 This act would authorize the Stone Bridge Fire District to finance capital improvements
2 to its water system through the issuance of not to exceed one million five hundred thousand
3 dollars (\$1,500,000) bonds and/or notes.

4 This act would take effect upon passage.

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