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## STATE OF RHODE ISLAND

### IN GENERAL ASSEMBLY

#### **JANUARY SESSION, A.D. 2015**

### AN ACT

## RELATING TO PUBLIC PROPERTY AND WORKS - MANAGEMENT AND DISPOSAL OF PROPERTY

Introduced By: Senators Walaska, Paiva Weed, McCaffrey, and Lynch

Date Introduced: June 04, 2015

Referred To: Senate Finance

(Environmental Management)

It is enacted by the General Assembly as follows:

SECTION 1. Section 37-7-9 of the General Laws in Chapter 37-7 entitled "Management and Disposal of Property" is hereby amended to read as follows:

37-7-9. Concessions, leases, and licenses -- Reports. -- (a) The acquiring authority, with the approval of the state properties committee, is authorized and empowered when it shall serve the public purpose to grant concessions in or to lease or license any land or building or structure, a part or portion of any governmental facility, public work, or public improvement for industrial or commercial purposes for a term or terms not exceeding in the aggregate in any one case twenty (20) years; provided, however, that real property, buildings, and facilities owned by the state at the Port of Galilee may be leased for a term of up to forty (40) years for commercial fishing industry-related purposes, and provided further, however, that certain real property, buildings, and facilities owned by the state located on Indian Point with a 2012 address of 25 India Street in the city of Providence may be leased for a term of up to forty (40) years for commercial, public recreation, marina, and redevelopment purposes; provided, however, that real property, buildings and facilities owned by the department of environmental management may be leased for a term not to exceed forty (40) years for the purpose of facilitating private investment in buildings or infrastructure for public recreation or to develop or sustain a natural resource based industry and where the useful life of the investment exceeds twenty-five (25) years; and provided further, however, that certain real properties, buildings, and facilities owned by the state in the city of Providence known as the Union Station properties, which properties have been conveyed from time to time to the state by the consolidated rail corporation and others, may be leased for a term of up to forty (40) years for office, commercial, service, transportation, or other related purposes; and provided further, however, that real property, buildings, and facilities owned by the state may be leased for a term of up to forty (40) years for the development of cogeneration projects which involve the simultaneous generation of electricity and thermal energy (steam and hot water) and for eligible renewable energy resources as defined in subdivisions 39-26-5(a)(i) through (v); and further provided, however, that in the event of a mobile home lease agreement, or site lease agreement, wherein such mobile home is contiguous to a resident owned mobile home park, the State Properties Committee may enter into a lease or grant concessions to or license any land or building for a period not to exceed thirty (30) years and provided further, however, that real property, buildings, and facilities owned by the state may be leased for a term of up to ninety-nine (99) years for the development of railroad layover facilities, contingent on the lease requiring the lessee to provide commuter rail service within the state of Rhode Island, as set forth by the state and provided further however, that real property, buildings and facilities owned by the state at the Quonset State Airport may be leased to the United States Air Force for a term not to exceed forty (40) years for the purpose of making improvements to infrastructure thereon. All agreements, contracts, and other instruments granting concessions or leasing or licensing facilities shall contain such conditions, rules, restrictions, and regulations as the state purchasing agent shall deem suitable or necessary, and shall be approved as to substance by the director of administration and as to form by the attorney general.

(b) Whenever property which is subject to the provisions of this chapter is leased by the state, the lessee shall report on a semi-annual basis the amount of income revenue generated by the leased property. The report shall be made to the state properties commission and copies shall be provided to both the house and senate fiscal staffs and the governor. These requirements shall be contained in the lease between the lessor and the lessee with approval of the state properties committee.

SECTION 2. This act shall take effect upon passage.

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## **EXPLANATION**

### BY THE LEGISLATIVE COUNCIL

OF

## AN ACT

# RELATING TO PUBLIC PROPERTY AND WORKS - MANAGEMENT AND DISPOSAL OF PROPERTY

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This act would authorize the department of environmental management to lease state

property owned by it for a term of forty (40) years for public recreation or for natural resource

based industry with a useful life in excess of twenty-five (25) years.

This act would take effect upon passage.

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