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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

A N A C T

RELATING TO AERONAUTICS -- AIRPORTS AND LANDING FIELDS

Introduced By: Senator Michael J. McCaffrey

Date Introduced: May 11, 2017

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

SECTION 1. Section 1-2-7 of the General Laws in Chapter 1-2 entitled "Airports and Landing Fields" is hereby amended to read as follows:

**1-2-7. Leases, concessions, and licenses.**

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

(b) In all department leases, concessions, licenses, and in all landing fee schedules imposed by the department, provisions shall be included requiring a graduated scale of payments designed to encourage take-offs and landings between the hours of 6:30 a.m. and midnight (12:00 a.m.). Any landings occurring after midnight (12:00 a.m.) and before 6:30 a.m. because of conditions beyond the control of the airlines and/or aircraft operator are not subject to any 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 members: The board of directors shall have extensive experience in the fields of finance,  
14 business, construction and/or organized labor, [and at least one director shall have a current pilot's](#)  
15 [license](#).

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

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

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

27 All members of the board of directors of the Rhode Island airport corporation shall serve  
28 without compensation.

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

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO AERONAUTICS -- AIRPORTS AND LANDING FIELDS

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- 1           This act would permit the department of transportation to lease our airport property for a  
2   period of fifty (50) years and would require one member of the airport corporation board of  
3   directors to have a pilot's license.  
4           This act would take effect upon passage.

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