

2018 -- H 7485

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2018

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A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- RHODE ISLAND COMMERCE CORPORATION

Introduced By: Representatives Filippi, Price, Giarrusso, Nardolillo, and Roberts

Date Introduced: February 07, 2018

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 42-64-28 of the General Laws in Chapter 42-64 entitled "Rhode
2 Island Commerce Corporation" is hereby amended to read as follows:

3 ~~42-64-28. Annual financial reports and performance report. Annual and quarterly~~
4 **financial reports and performance report.**

5 (a) The board shall approve and the Rhode Island commerce corporation shall submit to
6 the governor, the president of the senate, the speaker of the house of representatives, and the
7 secretary of state, within eleven (11) months after the close of its fiscal year, complete and
8 detailed [annual](#) financial reports and a performance report. These reports shall cover the
9 corporation and its subsidiaries and shall be posted electronically on the general assembly and the
10 secretary of state's websites as prescribed in § 42-20-8.1.

11 (b) The [annual](#) financial reports shall set forth the corporation's:

12 (1) Operations;

13 (2) Receipts and expenditures during the fiscal year in accordance with the categories and
14 classifications established by the corporation for its operating and capital outlay purposes
15 including a listing of all private consultants engaged by the corporation on a contract basis and a
16 statement of the total amount paid to each private consultant, a listing of any staff supported by
17 these funds, and a summary of any clerical, administrative or technical support received;

18 (3) Assets and liabilities at the end of its fiscal year including a schedule of its leases and

1 mortgages and the status of the reserve, special or other funds;

2 (4) Schedule of the bonds and notes outstanding at the end of its fiscal year together with
3 a statement of amounts redeemed and incurred during the fiscal year;

4 (5) The reports shall be prepared by independent certified public accountants in
5 accordance with generally accepted principles of accounting.

6 (c) The performance report shall include:

7 (1) A summary of performance during the previous fiscal year including
8 accomplishments, shortcomings in general and relative to plan, and actions to be taken to remedy
9 such shortcomings;

10 (2) For all board meetings and public hearings held by the corporation: the subjects
11 addressed, decisions rendered, actions considered and their disposition; and, the minutes of these
12 meetings and hearings if requested by the governor, the president of the senate, the speaker of the
13 house of representatives, or the secretary of state;

14 (3) Rules or regulations promulgated by the board or corporation, a summary of studies
15 conducted, policies and plans developed, approved, or modified, and programs administered,
16 initiated or terminated;

17 (4) A synopsis of hearings, complaints, suspensions, or other legal matters related to the
18 authority of the board or corporation;

19 (5) A summary of any training courses held pursuant to subdivision 42-64-8(a)(4);

20 (6) A briefing on anticipated plans and activities in the upcoming fiscal year; and findings
21 and recommendations for improvements;

22 (7) Compliance with the reporting requirements of the general laws.

23 (d) The board shall approve and the Rhode Island commerce corporation shall submit to
24 the governor, the president of the senate, the speaker of the house of representatives, and the
25 secretary of state, within thirty (30) days of the close of each fiscal quarter of each year, a
26 quarterly financial report which shall include at a minimum:

27 (1) A current balance sheet or statement of financial position;

28 (2) A statement of revenues and expenditures;

29 (3) The terms, purpose, status and identity of parties to all loans and loan guarantees to
30 which the Rhode Island commerce corporation or a subsidiary is a party;

31 (4) The terms, purpose and status of all federal grant money accepted pursuant to § 42-
32 64-7.5;

33 (5) The terms, purpose and status of all bonds or notes issued by the Rhode Island
34 commerce corporation;

1 (6) The identity and type of business conducted by every entity involved with the Rhode
2 Island commerce corporation related to an extension of credit or guarantee of a loan, and the
3 criteria utilized by the Rhode Island commerce corporation to authorize or approve each financial
4 transaction involving a loan or a loan guarantee;

5 (7) A description of material changes in contingent liabilities or contingent assets since
6 the end of the last annual reporting period;

7 (8) A description of material events subsequent to the end of the fiscal quarter that have
8 not been reflected in the quarterly financial statements or balance sheets; and

9 (9) A description of the formulas, factors, and criteria employed in the decision-making
10 process of each grant, loan, bond or other facility awarding funds to an applicant and the manner
11 in which such factors or criteria were applied in awarding funds to any applicant.

12 ~~(d)~~(e) The director of the department of administration shall be responsible for the
13 enforcement of the provisions of this section.

14 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- RHODE ISLAND COMMERCE
CORPORATION

- 1 This act would require the Rhode Island commerce corporation to submit quarterly
- 2 financial reports.
- 3 This act would take effect upon passage.

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