

2023 -- H 6386

LC002986

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2023

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 TWO HUNDRED FIFTY THOUSAND DOLLARS (\$1,250,000) TO FINANCE CAPITAL IMPROVEMENTS TO ITS WATER SYSTEM

Introduced By: Representatives Edwards, Kennedy, and Diaz

Date Introduced: May 10, 2023

Referred To: House Municipal Government & Housing

It is enacted by the General Assembly as follows:

1 SECTION 1. The Stone Bridge Fire District is hereby empowered, in addition to authority
2 previously granted, to issue bonds to an amount not exceeding one million two hundred fifty
3 thousand dollars (\$1,250,000) 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 from time to time upon such terms
9 and in such amounts as the administrative board may authorize. The manner of sale, denominations,
10 maturities, annual installments of principal, interest rates and other terms, conditions and details of
11 any bonds or notes issued under this act may be fixed by the proceedings of the administrative
12 board authorizing the issue or by separate resolution of the administrative board or, to the extent
13 provisions for these matters are not so made, they may be fixed by the officers authorized to sign
14 the bonds or notes. The provisions of this act shall govern to the extent of any inconsistency
15 between this act and any law or charter provision to the contrary. The proceeds derived from the
16 sale of the bonds shall be delivered to the district treasurer, and such proceeds shall be expended:
17 (1) For making capital improvements to the water system; or (2) For payment of principal of or

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

7 SECTION 3. The administrative board may by resolution authorize the issue from time to
8 time of interest bearing or discounted notes in anticipation of the issue of bonds under section 2 or
9 in anticipation of the receipt of federal or state aid for the purposes of this act. The amount of
10 original notes issued in anticipation of bonds may not exceed the amount of bonds which may be
11 issued under this act and the amount of original notes issued in anticipation of federal or state aid
12 may not exceed the amount of available federal or state aid as estimated by the district treasurer.
13 Temporary notes issued hereunder shall be signed by the district treasurer and by the moderator
14 and shall be payable within five (5) years from their respective dates, but the principal of and
15 interest on notes issued for a shorter period may be renewed or paid from time to time by the issue
16 of other notes hereunder; provided the period from the date of an original note to the maturity of
17 any note issued to renew or pay the same debt or the interest thereon shall not exceed five (5) years.

18 SECTION 4. Pending any authorization or issue of bonds hereunder or pending or in lieu
19 of any authorization or issue of notes hereunder, the district treasurer, with the approval of the
20 administrative board, may, to the extent that bonds or notes may be issued hereunder, apply funds
21 in the treasury of the district to the purposes specified in section 2, such advances to be repaid
22 without interest from the proceeds of bonds or notes subsequently issued or from the proceeds of
23 applicable federal or state assistance or from other available funds.

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

30 SECTION 6. Any accrued interest received upon the sale of bonds or notes hereunder shall
31 be applied to the payment of the first interest due thereon. Any premiums arising from the sale of
32 bonds or notes hereunder shall, in the discretion of the district treasurer, be applied to the cost of
33 preparing, issuing, and marketing bonds or notes hereunder to the extent not otherwise provided,
34 to the payment of the cost of the project, to the payment of the principal of or interest on bonds or

1 notes issued hereunder or to any one or more of the foregoing. The cost of preparing, issuing, and
2 marketing bonds or notes hereunder may also, in the discretion of the district treasurer, be met from
3 bond or note proceeds or from other monies available therefor. Any balance of bonds or note
4 proceeds remaining after payment of the cost of the project and the cost of preparing, issuing, and
5 marketing bonds or notes hereunder, shall be applied to the payment of the principal of or interest
6 on bonds or notes issued hereunder. Any earnings or net profit realized from the deposit or
7 investment of funds hereunder shall, upon receipt, be added to and dealt with as part of the revenues
8 of the district from property taxes or, in the discretion of the district treasurer, shall upon receipt be
9 added to and dealt with as part of the revenues of the district from water rates. In exercising any
10 discretion under this section, the district treasurer shall be governed by any instructions adopted by
11 resolution of the administrative board.

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

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

27 SECTION 9. The district, acting by resolution of its administrative board, is authorized to
28 apply for, contract for and expend any federal or state advances or other grants or assistance which
29 may be available for the purposes of this act, and any such expenditures may be in addition to other
30 monies provided in this act. To the extent of any inconsistency between any law of this state and
31 any applicable federal law or regulation, the latter shall prevail. Federal and state advances, with
32 interest where applicable, whether contracted for prior to or after the effective date of this act, may
33 be repaid as project costs under section 2.

34 SECTION 10. Bonds and notes may be issued under this act without obtaining the approval

1 of any governmental agency or the taking of any proceedings or the happening of any conditions
2 except as specifically required by this act for such issue. In carrying out any project financed in
3 whole or in part under this act, including where applicable the condemnation of any land or interest
4 in land, and in the levy and collection of assessments or other charges permitted by law on account
5 of any such project, all action shall be taken which is necessary to meet constitutional requirements
6 whether or not such action is otherwise required by statute; but the validity of bonds and notes
7 issued hereunder shall in no way depend upon the validity or occurrence of such action.

8 SECTION 11. Notwithstanding the foregoing provisions of this act, no bonds shall be
9 issued in excess of amounts approved from time to time by vote of a majority of the electors present
10 and voting on the question at an annual or special district meeting. The vote to authorize up to one
11 million two hundred fifty thousand dollars (\$1,250,000) bonds or notes taken at the 2022 Annual
12 Meeting on July 12, 2022 is hereby ratified. A vote not to approve an amount of bonds hereunder
13 shall not preclude any later vote to approve the same or a different amount.

14 SECTION 12. This act shall take effect upon passage.

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EXPLANATION

OF

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 TWO HUNDRED FIFTY THOUSAND DOLLARS (\$1,250,000) TO FINANCE CAPITAL IMPROVEMENTS TO ITS WATER SYSTEM

1 This act authorizes the Stone Bridge Fire District in the town of Tiverton to issue bonds to
2 an amount not exceeding one million two hundred fifty thousand dollars (\$1,250,000) for the
3 purpose of improving its water distribution system.

4 This act would take effect upon passage.

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