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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

A N A C T

AUTHORIZING THE TOWN OF GLOCESTER TO FINANCE THE RENOVATION AND/OR EXPANSION AT THE EXISTING GLOCESTER POLICE STATION AND INCIDENTAL FURNISHINGS AND EQUIPMENT AND TO ISSUE NOT MORE THAN \$10,700,000 BONDS AND NOTES THEREFOR

Introduced By: Senator Jessica de la Cruz

Date Introduced: May 02, 2024

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. The Town of Glocester is hereby empowered, in addition to authority
2 previously granted, to issue general obligation bonds and notes to an amount not exceeding ten
3 million seven hundred thousand dollars (\$10,700,000), from time to time, under its corporate name
4 and seal. The bonds of each issue may be issued in the form of serial bonds or term bonds or a
5 combination thereof and shall be payable either by maturity of principal in the case of serial bonds
6 or by mandatory serial redemption in the case of term bonds, in annual installments of principal,
7 the first installment to be not later than five (5) years and the last installment not later than thirty
8 (30) years after the date of the bonds. All such bonds of a particular issue may be issued in the form
9 of zero coupon bonds, capital appreciation bonds, serial bonds or term bonds or a combination
10 thereof. Annual installments of principal may be provided for by maturity of principal in the case
11 of serial bonds or by mandatory serial redemption in the case of term bonds. The amount of
12 principal appreciation each year on any bonds, after the date of original issuance, shall not be
13 considered to be principal indebtedness for the purposes of any constitutional or statutory debt limit
14 or any other limitation. The appreciation of principal after the date of original issue shall be
15 considered interest. Only the original principal amount shall be counted in determining the principal
16 amount so issued and any interest component shall be disregarded.

17 SECTION 2. The bonds shall be signed by the director of finance and the president or vice-

1 president of the town council and shall be issued and sold in such amounts as the town council may
2 authorize. The manner of sale, denominations, maturities, interest rates and other terms, conditions
3 and details of any bonds or notes issued under this act may be fixed by the proceedings of the town
4 council authorizing the issue or by separate resolution of the town council or, to the extent
5 provisions for these matters are not so made, they may be fixed by the officers authorized to sign
6 the bonds or notes. The proceeds derived from the sale of the bonds shall be delivered to the director
7 of finance, and such proceeds, exclusive of premiums and accrued interest, shall be expended: (1)
8 To finance the renovation and/or expansion or other construction at its police station on Chopmist
9 Hill Road and incidental equipment and/or furnishings (the "project"); (2) In payment of the
10 principal of and/or interest on temporary notes issued under section 3, (3) In repayment of advances
11 made pursuant to section 4; and/or (4) In payment of costs of issuance associated with the issuance
12 of bonds or notes hereunder. No purchaser of any bonds or notes under this act shall be in any way
13 responsible for the proper application of the proceeds derived from the sale thereof. The project
14 shall be carried out and all contracts made therefor on behalf of the town by the town council. The
15 proceeds of bonds or notes issued under this act, any applicable federal or state assistance and the
16 other monies referred to in section 6 and 9, shall be deemed appropriated for the purpose of this act
17 without further action than that required by this act. The bonds authorized by this act may be
18 consolidated for the purpose of issuance and sale with any other bonds of the town heretofore or
19 hereafter authorized; provided that, notwithstanding any such consolidation, the proceeds from the
20 sale of the bonds authorized by this act shall be expended for the purposes set forth above. The
21 director of finance and the president or vice-president of the town council, on behalf of the town,
22 are hereby authorized to execute such instruments, documents or other papers as either of them
23 deem necessary or desirable to carry out the intent of this act and are also authorized to take all
24 actions and execute all documents or agreements necessary to comply with federal tax and
25 securities laws, which documents or agreements may have a term coextensive with the maturity of
26 the bonds authorized hereby, including Rule 15c2-12 of the Securities and Exchange Commission
27 and to execute and deliver a continuing disclosure agreement or certificate in connection with the
28 bonds or notes.

29 SECTION 3. The town council may by resolution authorize the issue from time to time of
30 interest bearing or discounted notes in anticipation of the issue of bonds or in anticipation of the
31 receipt of federal or state aid for the purposes of this act. The amount of original notes issued in
32 anticipation of bonds may not exceed the amount of bonds which may be issued under this act and
33 the amount of original notes issued in anticipation of federal or state aid may not exceed the amount
34 of available federal or state aid as estimated by the director of finance. Temporary notes issued

1 hereunder shall be signed by the director of finance and the president or vice-president of the town
2 council and shall be payable within five (5) years from their respective dates, but the principal of
3 and interest on notes issued for a shorter period may be renewed or paid from time to time by the
4 issue of other notes hereunder, provided the period from the date of an original note to the maturity
5 of any note issued to renew or pay the same debt or the interest thereon shall not exceed five (5)
6 years. Any temporary notes in anticipation of bonds issued under this section may be refunded prior
7 to the maturity of the notes by the issuance of additional temporary notes; provided that, no such
8 refunding shall result in any amount of such temporary notes outstanding at any one time in excess
9 of two hundred percent (200%) of the amount of bonds which may be issued under this act; and
10 provided, further, that if the issuance of any such refunding notes results in any amount of such
11 temporary notes outstanding at any one time in excess of the amount of bonds which may be issued
12 under this act, the proceeds of such refunding notes shall be deposited in a separate fund established
13 with the bank which is paying agent for the notes being refunded. Pending their use to pay the notes
14 being refunded, monies in the fund shall be invested for the benefit of the town by the paying agent
15 at the direction of the director of finance in any investment permitted under section 5. The monies
16 in the fund and any investments held as a part of the fund shall be held in trust and shall be applied
17 by the paying agent solely to the payment or prepayment of the principal of and interest on the
18 notes being refunded. Upon payment of all principal of and interest on the notes, any excess monies
19 in the fund shall be distributed to the town. The town may pay the principal of and interest on notes
20 in full from other than the issuance of refunding notes prior to the issuance of bonds pursuant to
21 Section 1 hereof. In such case, the town's authority to issue bonds or notes in anticipation of bonds
22 under this act shall continue, provided that; (1) The town council passes a resolution evidencing
23 the town's intent to pay off the notes without extinguishing the authority to issue bonds or notes;
24 and (2) That the period from the date of an original note to the maturity date of any other note shall
25 not exceed five (5) years.

26 SECTION 4. Pending any authorization or issue of bonds hereunder or pending or in lieu
27 of any authorization or issue of notes hereunder, the director of finance, with the approval of the
28 town council, may, to the extent that bonds or notes may be issued hereunder, apply funds in the
29 treasury of the town to the purposes specified in section 2, such advances to be repaid without
30 interest from the proceeds of bonds or notes subsequently issued or from the proceeds of applicable
31 federal or state assistance or from other available funds.

32 SECTION 5. Any proceeds of bonds or notes issued hereunder or of any applicable federal
33 or state assistance, pending their expenditure, may be deposited or invested by the director of
34 finance in demand deposits, time deposits or savings deposits in banks which are members of the

1 Federal Deposit Insurance Corporation or in obligations issued or guaranteed by the United States
2 of America or by any agency or instrumentality thereof or as may be provided in any other
3 applicable law of the State of Rhode Island or resolution of the town council or pursuant to an
4 investment policy of the town.

5 SECTION 6. Any accrued interest received upon the sale of bonds or notes hereunder shall
6 be applied to the payment of the first interest due thereon. Any premiums arising from the sale of
7 bonds or notes hereunder shall, in the discretion of the director of finance, be applied to the cost of
8 preparing, issuing and marketing bonds or notes hereunder to the extent not otherwise provided, to
9 the payment of the cost of the project, to the payment of the principal of or interest on bonds or
10 notes issued hereunder or to any one or more of the foregoing. The cost of preparing, issuing and
11 marketing bonds or notes issued hereunder may also, in the discretion of the director of finance, be
12 met from bond or note proceeds exclusive of accrued interest or from other monies available
13 therefor. Any balance of bond or note proceeds remaining after payment of the cost of the project
14 and the cost of preparing, issuing and marketing bonds or notes hereunder shall be applied to the
15 payment of the principal of or interest on bonds or notes issued hereunder. To the extent permitted
16 by applicable federal laws, any earnings or net profit realized from the deposit or investment of
17 funds hereunder may, upon receipt, be added to and dealt with as part of the revenues of the town
18 from property taxes. In exercising any discretion under this section, the director of finance shall be
19 governed by any instructions adopted by resolution of the town council.

20 SECTION 7. All bonds and notes issued under this act and the debts evidenced thereby
21 shall be obligatory on the town in the same manner and to the same extent as other debts lawfully
22 contracted by it and shall be excepted from the operation of § 45-12-2. No such obligation shall at
23 any time be included in the debt of the town for the purpose of ascertaining its borrowing capacity.
24 The town shall annually appropriate a sum sufficient to pay the principal and interest coming due
25 within the year on bonds and notes issued hereunder to the extent that monies therefor are not
26 otherwise provided. If such sum is not appropriated, it shall nevertheless be added to the annual tax
27 levy. In order to provide such sum in each year and notwithstanding any provision of law to the
28 contrary, all taxable property in the town shall be subject to ad valorem taxation by the town without
29 limitation as to rate or amount.

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

34 SECTION 9. The town, acting by resolution of its town council, is authorized to apply for,

1 contract for and expend any federal or state advances or other grants or assistance which may be
2 available for the purposes of this act, and any such expenditures may be in addition to other monies
3 provided in this act. To the extent of any inconsistency between any law of this state and any
4 applicable federal law or regulation, the later shall prevail. Federal and state advances, with interest
5 where applicable, whether contracted for prior to or after the effective date of this act, may be
6 repaid as project costs under section 2.

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

15 SECTION 11. All or any portion of the authorized but unissued authority to issue bonds
16 and notes under this act may be extinguished by ordinance of the town council, without further
17 action by the general assembly, seven (7) years after the effective date of this act.

18 SECTION 12. The question of the approval of this act shall be submitted to the electors of
19 the town at the November 5, 2024 general election or at a special election (other than a primary
20 election) held prior thereto on a date as shall be designated by the town council. The question shall
21 be submitted in substantially the following form: "Shall an act, passed at the 2024 session of the
22 general assembly, entitled 'AN ACT AUTHORIZING THE TOWN OF GLOCESTER TO
23 FINANCE THE RENOVATION AND/OR EXPANSION AT THE EXISTING GLOCESTER
24 POLICE STATION AND INCIDENTAL FURNISHINGS AND EQUIPMENT BY THE
25 ISSUANCE OF NOT MORE THAN \$10,700,000 BONDS AND NOTES THEREFOR' be
26 approved?" The warning for the election shall contain the question to be submitted. From the time
27 the election is warned and until it is held, it shall be the duty of the town clerk to keep a copy of the
28 act available at their office for public inspection, but the validity of the election shall not be affected
29 by this requirement. To the extent of any inconsistency between this act and the town charter, this
30 act shall prevail.

31 SECTION 13. Sections 12 and 13 shall take effect upon the passage of this act. The
32 remainder of this act shall take effect upon the approval of this act by a majority of those voting on

1 the question at the election prescribed by the foregoing section.

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EXPLANATION

OF

A N A C T

AUTHORIZING THE TOWN OF GLOCESTER TO FINANCE THE RENOVATION AND/OR
EXPANSION AT THE EXISTING GLOCESTER POLICE STATION AND INCIDENTAL
FURNISHINGS AND EQUIPMENT AND TO ISSUE NOT MORE THAN \$10,700,000
BONDS AND NOTES THEREFOR

1 This act would authorize the Town of Gloucester to finance the renovation and/or expansion
2 at the existing Gloucester police station and incidental furnishings and equipment and to issue not
3 more than ten million seven hundred thousand dollars (\$10,700,000) bonds and notes therefor.

4 Sections 12 and 13 would take effect upon the passage of this act. The remainder of this
5 act would take effect upon the approval of this act by a majority of those voting on the question at
6 the election prescribed by the foregoing section.

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