

2026 -- H 7704

LC004512

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2026

A N A C T

SUBMITTING TO THE ELECTORS A PROPOSITION TO ISSUE BONDS FOR A MEDICAL SCHOOL AT THE UNIVERSITY OF RHODE ISLAND

Introduced By: Representatives Fogarty, Tanzi, McEntee, Speakman, Caldwell, Donovan, Carson, Bennett, McGaw, and Boylan

Date Introduced: February 11, 2026

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Proposition to be submitted to the people. -- At the general election to be held
2 on the Tuesday next after the first Monday in November 2026, there shall be submitted to the people
3 ("People") of the State of Rhode Island ("State"), for their approval or rejection, the following
4 proposition:

5 "Shall the action of the general assembly, by an act passed at the January 2026 session,
6 authorizing the issuance of bonds, refunding bonds, and temporary notes of the State of Rhode
7 Island for the capital project and in the amount with respect to such project listed below be
8 approved, and the issuance of bonds, refunding bonds, and/or temporary notes authorized in
9 accordance with the provisions of said act?"

10 Project

11 University of Rhode Island Medical School \$22,500,000

12 Approval of this question will allow the State to issue general obligation bonds, refunding
13 bonds, and/or temporary notes in an amount not to exceed twenty-two million five hundred
14 thousand dollars (\$22,500,000) to fund a medical school.

15 SECTION 2. Ballot labels and applicability of general election laws. -- The Secretary of
16 State shall prepare and deliver to the State Board of Elections ballot labels for the project provided
17 for in Section 1 hereof with the designations "approve" or "reject" provided next to the description
18 of such project to enable voters to approve or reject each such proposition. The general election

1 laws, so far as consistent herewith, shall apply to this proposition.

2 SECTION 3. Approval of the project by the people. -- If a majority of the People voting
3 on the proposition in Section 1 hereof shall vote to approve the project stated therein, said project
4 shall be deemed to be approved by the People. The authority to issue bonds, refunding bonds and/or
5 temporary notes of the State shall be limited to the aggregate amount for such project as set forth
6 in the proposition, which has been approved by the People.

7 SECTION 4. Bonds for the capital development program. -- The General Treasurer is
8 hereby authorized and empowered, with the approval of the Governor, and in accordance with the
9 provisions of this Act to issue capital development bonds in serial form, in the name of and on
10 behalf of the State, in amounts as may be specified by the Governor in an aggregate principal
11 amount not to exceed the total amount for the project approved by the People and designated as
12 "capital development loan of 2026 bonds." Provided, however, that the aggregate principal amount
13 of such capital development bonds and of any temporary notes outstanding at any one time issued
14 in anticipation thereof pursuant to Section 7 hereof shall not exceed the total amount for all such
15 projects approved by the People. All provisions in this Act relating to "bonds" shall also be deemed
16 to apply to "refunding bonds."

17 Capital development bonds issued under this Act shall be in denominations of one thousand
18 dollars (\$1,000) each, or multiples thereof, and shall be payable in any coin or currency of the
19 United States which at the time of payment shall be legal tender for public and private debts. These
20 capital development bonds shall bear such date or dates, mature at specified time or times, but not
21 mature beyond the end of the twentieth (20th) State fiscal year following the fiscal year in which
22 they are issued; bear interest payable semi-annually at a specified rate or different or varying rates:
23 be payable at designated time or times at specified place or places; be subject to express terms of
24 redemption or recall, with or without premium; be in a form, with or without interest coupons
25 attached; carry such registration, conversion, reconversion, transfer, debt retirement, acceleration
26 and other provisions as may be fixed by the General Treasurer, with the approval by the Governor,
27 upon each issue of such capital development bonds at the time of each issue. Whenever the
28 Governor shall approve the issuance of such capital development bonds, the Governor's approval
29 shall be certified to the Secretary of State; the bonds shall be signed by the General Treasurer and
30 countersigned by Secretary of State and shall bear the seal of the State. The signature approval of
31 the Governor shall be endorsed on each bond.

32 SECTION 5. Refunding bonds for the 2026 capital development program. -- The General
33 Treasurer is hereby authorized and empowered, with the approval of the Governor, and in
34 accordance with the provisions of this Act, to issue bonds to refund the 2026 capital development

1 program bonds, in the name of and on behalf of the State, in amounts as may be specified by the
2 Governor in an aggregate principal amount not to exceed the total amount approved by the People,
3 to be designated as "capital development program loan of 2026 refunding bonds" (hereinafter
4 "Refunding Bonds").

5 The General Treasurer with the approval of the Governor shall fix the terms and form of
6 any Refunding Bonds issued under this Act in the same manner as the capital development bonds
7 issued under this Act, except that the Refunding Bonds may not mature more than twenty (20) years
8 from the date of original issue of the capital development bonds being refunded.

9 The proceeds of the Refunding Bonds, exclusive of any premium and accrual interest and
10 net the underwriters' cost, and cost of bond issuance, shall, upon their receipt, be paid by the
11 General Treasurer immediately to the paying agent for the capital development bonds which are to
12 be called and prepaid. The paying agent shall hold the Refunding Bond proceeds in trust until they
13 are applied to prepay the capital development bonds. While such proceeds are held in trust, the
14 proceeds may be invested for the benefit of the State in obligations of the United States of America
15 or the State.

16 If the General Treasurer shall deposit with the paying agent for the capital development
17 bonds the proceeds of the Refunding Bonds, or proceeds from other sources, amounts that, when
18 invested in obligations of the United States or the State, are sufficient to pay all principal, interest,
19 and premium, if any, on the capital development bonds until these bonds are called for prepayment,
20 then such capital development bonds shall not be considered debts of the State for any purpose
21 starting from the date of deposit of such monies with the paying agent. The Refunding Bonds shall
22 continue to be a debt of the State until paid.

23 The term "bond" shall include "note," and the term "refunding bonds" shall include
24 "refunding notes" when used in this Act.

25 SECTION 6. Proceeds of the capital development program. -- The General Treasurer is
26 directed to deposit the proceeds from the sale of capital development bonds issued under this Act,
27 exclusive of premiums and accrued interest and net the underwriters' cost, and cost of bond
28 issuance, in one or more of the depositories in which the funds of the State may be lawfully kept in
29 special accounts (hereinafter cumulatively referred to as the "capital development bond fund")
30 appropriately designated for each of the projects set forth in Section 1 hereof which shall have been
31 approved by the People to be used for the purpose of paying the cost of all such projects so
32 approved.

33 All monies in the capital development bond fund shall be expended for the purposes
34 specified in the proposition provided for in Section 1 hereof under the direction and supervision of

1 Any bonds or notes issued under the provisions of this Act and coupons on any capital
2 development bonds, if properly executed by the manual or electronic signatures of officers of the
3 State in office on the date of execution, shall be valid and binding according to their tenor,
4 notwithstanding that before the delivery thereof and payment therefor, any or all such officers shall
5 for any reason have ceased to hold office.

6 SECTION 8. Bonds and notes to be tax exempt and general obligations of the State. -- All
7 bonds and notes issued under the authority of this Act shall be exempt from taxation in the State
8 and shall be general obligations of the State, and the full faith and credit of the State is hereby
9 pledged for the due payment of the principal and interest on each of such bonds and notes as the
10 same shall become due.

11 SECTION 9. Investment of monies in fund. -- All monies in the capital development fund
12 not immediately required for payment pursuant to the provisions of this Act may be invested by the
13 investment commission, as established by Chapter 10 of Title 35, entitled "State Investment
14 Commission," pursuant to the provisions of such chapter; provided, however, that the securities in
15 which the capital development fund is invested shall remain a part of the capital development fund
16 until exchanged for other securities; and provided further, that the income from investments of the
17 capital development fund shall become a part of the general fund of the State and shall be applied
18 to the payment of debt service charges of the State, unless directed by federal law or regulation to
19 be used for some other purpose, or to the extent necessary, to rebate to the United States treasury
20 any income from investments (including gains from the disposition of investments) of proceeds of
21 bonds or notes to the extent deemed necessary to exempt (in whole or in part) the interest paid on
22 such bonds or notes from federal income taxation.

23 SECTION 10. Appropriation. -- To the extent the debt service on these bonds is not
24 otherwise provided, a sum sufficient to pay the interest and principal due each year on bonds and
25 notes hereunder is hereby annually appropriated out of any money in the treasury not otherwise
26 appropriated.

27 SECTION 11. Advances from general fund. -- The General Treasurer is authorized, with
28 the approval of the Director and the Governor, in anticipation of the issue of notes or bonds under
29 the authority of this Act, to advance to the capital development bond fund for the purposes specified
30 in Section 6 hereof, any funds of the State not specifically held for any particular purpose; provided,
31 however, that all advances made to the capital development bond fund shall be returned to the
32 general fund from the capital development bond fund forthwith upon the receipt by the capital
33 development fund of proceeds resulting from the issue of notes or bonds to the extent of such
34 advances.

1 SECTION 12. Federal assistance and private funds. -- In carrying out this act, the Director,
2 or his or her designee, is authorized on behalf of the State, with the approval of the Governor, to
3 apply for and accept any federal assistance which may become available for the purpose of this
4 Act, whether in the form of loan or grant or otherwise, to accept the provision of any federal
5 legislation therefor, to enter into, act and carry out contracts in connection therewith, to act as agent
6 for the federal government in connection therewith, or to designate a subordinate so to act. Where
7 federal assistance is made available, the project shall be carried out in accordance with applicable
8 federal law, the rules and regulations thereunder and the contract or contracts providing for federal
9 assistance, notwithstanding any contrary provisions of State law. Subject to the foregoing, any
10 federal funds received for the purposes of this Act shall be deposited in the capital development
11 bond fund and expended as a part thereof. The Director or his or her designee may also utilize any
12 private funds that may be made available for the purposes of this Act.

13 SECTION 13. Effective Date. -- Sections 1, 2, 3, 11, 12 and this Section 13 of this act shall
14 take effect upon passage. The remaining sections of this act shall take effect when and if the State
15 Board of Elections shall certify to the Secretary of State that a majority of the qualified electors
16 voting on the proposition contained in Section 1 hereof have indicated their approval of projects
17 thereunder.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
SUBMITTING TO THE ELECTORS A PROPOSITION TO ISSUE BONDS FOR A MEDICAL
SCHOOL AT THE UNIVERSITY OF RHODE ISLAND

1 This act would submit a proposition to be placed on the ballot at the next general election
2 authorizing the issuance of bonds for a medical school on the University of Rhode Island's Kingston
3 campus.

4 Sections 1, 2, 3, 11, 12 and 13 of this act would take effect upon passage. The remaining
5 sections of this act would take effect when and if the State Board of Elections shall certify to the
6 Secretary of State that a majority of the qualified electors voting on the proposition contained in
7 Section 1 hereof have indicated their approval of projects thereunder.

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