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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2026

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A N A C T

AUTHORIZING THE CHARIHO REGIONAL SCHOOL DISTRICT TO FINANCE THE CONSTRUCTION, FURNISHING AND EQUIPPING OF AN ELEMENTARY SCHOOL SERVING THE TOWNS OF CHARLESTOWN, RICHMOND AND HOPKINTON, CONSISTING OF ONE OR MORE BUILDINGS ON A SINGLE CAMPUS, AND IMPROVEMENTS AT THE SWITCH ROAD CAMPUS INCLUDING, BUT NOT LIMITED TO, COSTS OF LAND ACQUISITION, DEMOLITION, DESIGN, HEALTH AND SAFETY PROJECTS, PLAYGROUNDS, LANDSCAPING, PAVING, AND ALL EXPENSES INCIDENTAL THERETO, BY THE ISSUANCE OF NOT MORE THAN \$116,000,000 BONDS AND/OR NOTES THEREFOR, SUBJECT TO APPROVAL OF STATE HOUSING AID AT A REIMBURSEMENT RATE OR STATE SHARE RATIO OF NOT LESS THAN 61% AT THE TIME OF ISSUANCE, WHICH RATE OR RATIO MAY INCREASE TO 65% AT PROJECT COMPLETION

Introduced By: Representatives Cotter, Kennedy, and Spears

Date Introduced: May 06, 2026

Referred To: House Finance

It is enacted by the General Assembly as follows:

1           SECTION 1. The regional school district incorporated pursuant to Chapter 55 of the Public  
2 Laws of 1958, as amended, known as the Chariho Regional School District, is hereby empowered,  
3 in addition to authority previously granted, to issue general obligation bonds to an amount not  
4 exceeding one hundred sixteen million dollars (\$116,000,000) from time to time under its corporate  
5 name and seal; provided, however, that bonds and notes shall not be issued unless the conditions  
6 of Section 4 hereof as to the level of state housing aid are met. The bonds of each issue may be  
7 issued in the form of serial bonds or term bonds, zero coupon bonds, capital appreciation bonds, or  
8 compound interest bonds or a combination thereof and shall be payable either by maturity of  
9 principal in the case of serial bonds or by mandatory sinking fund installments in the case of term  
10 bonds, in annual installments of principal, the first installment to be not later than five (5) years and  
11 the last installment not later than thirty (30) years after the date of the 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

1 or any other limitation. The appreciation of principal after the date of original issue shall be  
2 considered interest. Only the original principal amount shall be counted in determining the principal  
3 amount so issued and any interest component shall be disregarded.

4 SECTION 2. The bonds shall be signed by the district treasurer and the chairperson of the  
5 regional school district committee and shall be issued and sold in such amounts as the regional  
6 school district committee may authorize. The manner of sale, denominations, maturities, interest  
7 rates and other terms, conditions and details of any bonds or notes issued under this act may be  
8 fixed by the proceedings of the regional school district committee authorizing the issue or by  
9 separate resolution of the regional school district committee or, to the extent provisions for these  
10 matters are not so made, they may be fixed by the officers authorized to sign the bonds or notes.  
11 The proceeds derived from the sale of the bonds shall be delivered to the treasurer of the regional  
12 school district committee, and such proceeds, exclusive of premiums and accrued interest, shall be  
13 expended: (1) To finance the construction, furnishing and equipping of an elementary school  
14 serving the towns of Charlestown, Richmond and Hopkinton, consisting of one or more buildings  
15 on a single campus, and improvements at the Switch Road Campus including, but not limited to,  
16 costs of land acquisition, demolition, design, health and safety projects, playgrounds, landscaping,  
17 paving and all expenses incidental thereto (the "project"); or (2) In payment of the principal or  
18 interest on temporary notes issued under section 3; or (3) In repayment of advances under section  
19 4; (4) In payments of costs of issuance associated with the issuance of bonds or notes hereunder;  
20 and/or (5) To finance capitalized interest for the project. No purchaser of any bonds or notes under  
21 this act shall be in any way responsible for the proper application of the proceeds derived from the  
22 sale thereof. The school facilities shall be constructed so as to provide safe, energy efficient and  
23 cost-effective schools in accordance with Northeast Collaborative for High Performance Schools  
24 standards to reduce long-term operating costs and support healthy learning environments for  
25 students and staff. The proceeds of bonds or notes issued under this act, any applicable federal or  
26 state assistance and the other monies referred to in sections 4 and 6, shall be deemed appropriated  
27 for the purpose of this act without further action than that required by this act. This bond issue  
28 authorized by this act may be consolidated for the purpose of issuance and sale with any other bond  
29 issue of the regional school district heretofore or hereafter authorized; provided that,  
30 notwithstanding any such consolidation, the proceeds from the sale of the bonds authorized by this  
31 act shall be expended for the purposes set forth above. The district treasurer and the chairperson of  
32 the regional school district committee, on behalf of the regional school district, are hereby  
33 authorized to execute such instruments, documents or other papers as either of them deem necessary  
34 or desirable to carry out the intent of this act and are also authorized to take all actions and execute

1 all documents or agreements necessary to comply with federal tax and securities laws, which  
2 documents or agreements may have a term coextensive with the maturity of the bonds authorized  
3 hereby, including Rule 15c2-12 of the Securities and Exchange Commission and to execute and  
4 deliver a continuing disclosure agreement or certificate in connection with the bonds or notes.

5 SECTION 3. The regional school district committee may by resolution authorize the  
6 issuance from time to time of interest bearing or discounted notes in anticipation of the issue of  
7 bonds or in anticipation of the receipt of federal or state aid for the purposes of this act. The amount  
8 of original notes issued in anticipation of bonds may not exceed the amount of bonds which may  
9 be issued under this act and the amount of original notes issued in anticipation of federal or state  
10 aid may not exceed the amount of available federal or state aid as estimated by the treasurer of the  
11 regional school district. Temporary notes issued hereunder shall be signed by the district treasurer  
12 and the chairperson of the regional school district committee and shall be payable within five (5)  
13 years from their respective dates, but the principal of and interest on notes issued for a shorter  
14 period may be renewed or paid from time to time by the issue of other notes hereunder, provided  
15 the period from the date of an original note to the maturity of any note issued to renew or pay the  
16 same debt or the interest thereon shall not exceed five (5) years. Any temporary notes in anticipation  
17 of bonds issued under this section may be refunded prior to the maturity of the notes by the issuance  
18 of additional temporary notes, provided that no such refunding shall result in any amount of such  
19 temporary notes outstanding at any one time in excess of two hundred percent (200%) of the amount  
20 of bonds which may be issued under this act, and provided further that if the issuance of any such  
21 refunding notes results in any amount of such temporary notes outstanding at any one time in excess  
22 of the amount of bonds which may be issued under this act, the proceeds of such refunding notes  
23 shall be deposited in a separate fund established with the bank which is paying agent for the notes  
24 being refunded. Pending their use to pay the notes being refunded, monies in the fund shall be  
25 invested for the benefit of the regional school district by the paying agent at the direction of the  
26 treasurer of the regional school district in any investment permitted under section 5. The monies in  
27 the fund and any investments held as a part of the fund shall be held in trust and shall be applied  
28 by the paying agent solely to the payment or prepayment of the principal of and interest on the  
29 notes being refunded. Upon payment of all principal of and interest on the notes, any excess monies  
30 in the fund shall be distributed to the regional school district committee. The regional school district  
31 committee may pay the principal of and interest on notes in full from sources other than the issuance  
32 of refunding notes prior to the issuance of bonds pursuant to section 1 hereof. In such case, the  
33 regional school district committee's authority to issue bonds or notes in anticipation of bonds under  
34 this act shall continue provided that: (1) The regional school district committee passes a resolution

1 evidencing the regional school district committee's intent to pay off the notes without extinguishing  
2 the authority to issue bonds or notes; and (2) That the period from the date of an original note to  
3 the maturity date of any other note shall not exceed five (5) years.

4         SECTION 4. Bonds and notes shall not be issued unless the Chariho Regional School  
5 District has received a letter from the Rhode Island Department of Elementary and Secondary  
6 Education confirming that the board of education has approved the facilities to be financed for  
7 school housing aid and that the then-current reimbursement rate pursuant to §§ 16-7-35 through  
8 16-7-47 of the general laws, as amended from time to time, or pursuant to any other law hereafter  
9 enacted providing for funds to municipalities or regional school districts for school housing aid  
10 purposes, is not less than sixty-one percent (61%) of debt service for eligible costs at the time of  
11 issuance. Such school housing aid reimbursement rate or state share ratio may be increased through  
12 the award of incentives pursuant to §§ 16-7-39 and 16-7-40 of the general laws at the completion  
13 of each portion of the project. Failure of any portion of the project to be awarded state housing aid  
14 at a reimbursement rate or share ratio higher than sixty one percent 61% shall not affect the  
15 authority to issue the bonds under this act.

16         SECTION 5. Pending any authorization or issue of bonds hereunder or pending or in lieu  
17 of any authorization or issue of notes hereunder, the district treasurer, with the approval of the  
18 regional school district committee, may, to the extent that bonds or notes may be issued hereunder,  
19 apply funds in the treasury of the regional school district committee to the purposes specified in  
20 section 2, such advances to be repaid without interest from the proceeds of bonds or notes  
21 subsequently issued or from the proceeds of applicable federal or state assistance or from other  
22 available funds.

23         SECTION 6. Any proceeds of bonds or notes issued hereunder or of any applicable federal  
24 or state assistance, pending their expenditure, may be deposited or invested by the district treasurer  
25 in demand deposits, time deposits or savings deposits in banks which are members of the Federal  
26 Deposit Insurance Corporation or in obligations issued or guaranteed by the United States of  
27 America or by any agency or instrumentality thereof ("Government Obligations") or as may be  
28 provided in any other applicable law of the State of Rhode Island or resolution of the regional  
29 school district committee or pursuant to an investment policy of the regional school district  
30 committee. Any bank deposits or investments, other than investments in Government Obligations,  
31 must either be directly insured by the Federal Deposit Insurance Corporation or be collateralized  
32 by Government Obligations which have a value equal to or greater than one hundred two percent  
33 (102%) of the deposit or investment amount.

34         SECTION 7. Any accrued interest received upon the sale of bonds or notes hereunder shall

1 be applied to the payment of the first interest due thereon. Any premiums arising from the sale of  
2 bonds or notes hereunder shall, in the discretion of the district treasurer, be applied to the cost of  
3 preparing, issuing and marketing bonds or notes hereunder to the extent not otherwise provided, to  
4 the payment of the cost of the project, to the payment of the principal of or interest on bonds or  
5 notes issued hereunder or to any one or more of the foregoing. The cost of preparing, issuing and  
6 marketing bonds or notes issued hereunder may also, in the discretion of the district treasurer, be  
7 met from bond or note proceeds exclusive of accrued interest or from other monies available  
8 therefor. If, upon completion of any of the project there shall be any balance of bond or note  
9 proceeds remaining not required for the payment of the costs of such project, such funds shall be  
10 applied to the payment of the principal of or interest on bonds or notes issued hereunder. To the  
11 extent permitted by applicable federal laws, any earnings or net profit realized from the deposit or  
12 investment of funds hereunder may, upon receipt, be added to and dealt with as part of the revenues  
13 of the regional school district from the member towns. In exercising any discretion under this  
14 section, the treasurer shall be governed by any instructions adopted by resolution of the regional  
15 school district committee.

16 SECTION 8. All bonds and notes issued under this act and the debts evidenced thereby  
17 shall be obligatory on the regional school district committee in the same manner and to the same  
18 extent as other debts are obligatory under the laws of this state on incorporated towns of this state  
19 and they shall be excepted from the operation of § 45-12-2. Such debt evidenced by said bonds or  
20 notes shall not be construed at any time to form a part of the debt of any individual town which is  
21 a member of the regional school district for the purpose of ascertaining the borrowing capacity of  
22 such town, nor shall said debt contracted by the regional school district in any way apply to the  
23 operation of § 45-12-2 of the general laws, as amended, with respect to any member town. The  
24 regional school district shall annually appropriate a sum sufficient to pay the principal and interest  
25 coming due within the year on bonds and notes issued hereunder until such bonds and notes and  
26 the interest thereon are paid in full.

27 SECTION 9. Any bonds or notes issued under the provisions of this act, if properly  
28 executed by officers of the regional school district in office on the date of execution, shall be valid  
29 and binding according to their terms notwithstanding that before the delivery thereof and payment  
30 therefor any or all of such officers shall for any reason have ceased to hold office.

31 SECTION 10. The regional school district, acting by resolution of its regional school  
32 district committee, is authorized to apply for, contract for and expend any federal or state advances  
33 or other grants or assistance which may be available for the purposes of this act, and any such  
34 expenditures may be in addition to other monies provided in this act. To the extent of any

1 inconsistency between any law of this state and any applicable federal law or regulation, the latter  
2 shall prevail. Federal and state advances, with interest where applicable, whether contracted for  
3 prior to or after the effective date of this act, may be repaid as project costs under section 2.

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

13         SECTION 12. All or any portion of the authority to issue bonds and notes under this act  
14 may be extinguished by resolution of the regional school district committee, without further action  
15 by the general assembly, seven (7) years after the effective date of this act.

16         SECTION 13. The question of the approval of this act shall be submitted to the electors of  
17 the towns of Charlestown, Richmond and Hopkinton at the election on November 3, 2026, which  
18 election is subject to the provisions of Title 17 of the general laws. The question shall be submitted  
19 in substantially the following form: "Shall an Act passed at the 2026 Session of the general  
20 assembly entitled, 'AN ACT AUTHORIZING THE CHARIHO REGIONAL SCHOOL  
21 DISTRICT TO FINANCE THE CONSTRUCTION, FURNISHING AND EQUIPPING OF AN  
22 ELEMENTARY SCHOOL SERVING THE TOWNS OF CHARLESTOWN, RICHMOND AND  
23 HOPKINTON, CONSISTING OF ONE OR MORE BUILDINGS ON A SINGLE CAMPUS,  
24 AND IMPROVEMENTS AT THE SWITCH ROAD CAMPUS INCLUDING, BUT NOT  
25 LIMITED TO, COSTS OF LAND ACQUISITION, DEMOLITION, DESIGN, HEALTH AND  
26 SAFETY PROJECTS, PLAYGROUNDS, LANDSCAPING, PAVING, AND ALL EXPENSES  
27 INCIDENTAL THERETO, BY THE ISSUANCE OF NOT MORE THAN \$116,000,000 BONDS  
28 AND/OR NOTES THEREFOR, SUBJECT TO APPROVAL OF STATE HOUSING AID AT A  
29 REIMBURSEMENT RATE OR STATE SHARE RATIO OF NOT LESS THAN 61% AT THE  
30 TIME OF ISSUANCE, WHICH RATE OR RATIO MAY INCREASE TO 65% AT PROJECT  
31 COMPLETION' be approved?" The form of ballot shall also include the following explanation:  
32 "The school facilities shall be constructed so as to provide safe, energy efficient and cost-effective  
33 schools in accordance with Northeast Collaborative for High Performance Schools standards to  
34 reduce long-term operating costs and support healthy learning environments for students and staff."

1 The warning for the election shall contain the question to be submitted together with the explanation  
2 set forth above. From the time the election is warned and until it is held, it shall be the duty of the  
3 town clerks of the respective towns of Charlestown, Richmond and Hopkinton to keep a copy of  
4 the act available at their offices for public inspection, but the validity of the election shall not be  
5 affected by this requirement. To the extent of any inconsistency between this act and the home rule  
6 charter of any member town, this act shall prevail.

7 SECTION 14. This section and section 13 shall take effect upon the passage of this act.  
8 The remainder of this act shall take effect upon the approval of this act by a majority of the electors  
9 in the regional school district voting on the question at the election prescribed by the foregoing  
10 section.

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EXPLANATION

OF

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AUTHORIZING THE CHARIHO REGIONAL SCHOOL DISTRICT TO FINANCE THE CONSTRUCTION, FURNISHING AND EQUIPPING OF AN ELEMENTARY SCHOOL SERVING THE TOWNS OF CHARLESTOWN, RICHMOND AND HOPKINTON, CONSISTING OF ONE OR MORE BUILDINGS ON A SINGLE CAMPUS, AND IMPROVEMENTS AT THE SWITCH ROAD CAMPUS INCLUDING, BUT NOT LIMITED TO, COSTS OF LAND ACQUISITION, DEMOLITION, DESIGN, HEALTH AND SAFETY PROJECTS, PLAYGROUNDS, LANDSCAPING, PAVING, AND ALL EXPENSES INCIDENTAL THERETO, BY THE ISSUANCE OF NOT MORE THAN \$116,000,000 BONDS AND/OR NOTES THEREFOR, SUBJECT TO APPROVAL OF STATE HOUSING AID AT A REIMBURSEMENT RATE OR STATE SHARE RATIO OF NOT LESS THAN 61% AT THE TIME OF ISSUANCE, WHICH RATE OR RATIO MAY INCREASE TO 65% AT PROJECT COMPLETION

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1           This act would authorize the Chariho Regional School District to finance the construction,  
2           furnishing and equipping of an elementary school serving the towns of Charlestown, Richmond  
3           and Hopkinton, consisting of one or more buildings on a single campus, and improvements at the  
4           Switch Road Campus including, but not limited to, costs of land acquisition, demolition, design,  
5           health and safety projects, playgrounds, landscaping, paving and all expenses incidental thereto by  
6           the issuance of not more than \$116,000,000 bonds and/or notes therefor, subject to approval of  
7           State School Housing Aid at a reimbursement rate of not less than 61%, which rate or ratio may  
8           increase to 65% at project completion.

9           Sections 13 and 14 would take effect upon passage. The remainder of the act would take  
10          effect upon approval of the act by a majority of the electors in in the regional school district.

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