

1 **ARTICLE 5**

2 **RELATING TO CAPITAL DEVELOPMENT PROGRAM**

3 SECTION 1. Proposition to be submitted to the people.

4 At the general election to be held on the Tuesday next after the first Monday in November
5 2022, there shall be submitted to the people (“People”) of the State of Rhode Island (“State”), for
6 their approval or rejection, the following proposition:

7 "Shall the action of the general assembly, by an act passed at the January 2022 session,
8 authorizing the issuance of bonds, refunding bonds, and temporary notes of the State of Rhode
9 Island for the capital projects and in the amount with respect to each such project listed below be
10 approved, and the issuance of bonds, refunding bonds, and temporary notes authorized in
11 accordance with the provisions of said act?"

12 Project

13 (1) Higher Education Facilities \$62,000,000

14 Approval of this question will allow the State of Rhode Island to issue general obligation
15 bonds, refunding bonds, and/or temporary notes in an amount not to exceed sixty-two million
16 dollars (\$62,000,000) for capital improvements to higher education facilities, to be allocated as
17 follows:

18 (a) University of Rhode Island Narragansett Bay Campus \$50,000,000

19 Provides fifty million dollars (\$50,000,000) to fund repairs and construct new facilities on
20 the University of Rhode Island’s Narragansett Bay Campus in support of the educational and
21 research needs for the marine disciplines.

22 (b) Community College of Rhode Island Renovation and Modernization \$12,000,000

23 Provides twelve million dollars (\$12,000,000) to fund restoration and enhancement of
24 academic and student support spaces and other infrastructure on the four campuses of the
25 Community College of Rhode Island (CCRI). Funds will go towards modernizing and renovating
26 facilities, addressing repairs, improving safety and energy efficiency, and replacing outdated
27 technology and equipment used for teaching and learning.

28 (2) Rhode Island School Buildings \$250,000,000

29 Approval of this question will allow the state of Rhode Island to issue general obligation
30 bonds, refunding bonds, and/or temporary notes in an amount not to exceed two-hundred-fifty
31 million dollars (\$250,000,000). Of this total, two-hundred million dollars (\$200,000,000) would

1 provide direct funding for school construction projects, such as the construction of new school
2 facilities and the rehabilitation of existing school facilities. Fifty million (\$50,000,000) would fund
3 the school building authority capital fund enabling projects that address high priority school
4 building needs including upgraded lighting, heating, and ventilation systems to help create facility
5 equity between Rhode Island students.

6 (3) Green Bond Economy Bonds \$38,000,000

7 Approval of this question will allow the State of Rhode Island to issue general obligation
8 bonds, refunding bonds, and/or temporary notes in an amount not to exceed thirty-eight million
9 dollars (\$38,000,000) for environmental and recreational purposes, to be allocated as follows:

10 (a) Municipal Resiliency \$16,000,000

11 Provides sixteen million dollars (\$16,000,000) for up to seventy-five percent (75%)
12 matching grants to municipalities for restoring and/or improving resiliency of infrastructure,
13 vulnerable coastal habitats, and restoring rivers and stream floodplains. These funds are expected
14 to leverage significant matching funds to support local programs to improve community resiliency
15 and public safety in the face of increased flooding, major storm events, and environmental
16 degradation.

17 (a) Small Business Energy Loan Program \$5,000,000

18 Provides five million dollars (\$5,000,000) for grants for small businesses to remove
19 impediments to clean energy project implementation and would provide zero interest and below
20 market rate loans for clean energy projects.

21 (b) Narragansett Bay and Watershed Restoration \$3,000,000

22 Provides three million dollars (\$3,000,000) for activities to restore and protect the water
23 quality and enhance the economic viability and environmental sustainability of Narragansett Bay
24 and the state's watersheds. Eligible activities include nonpoint source pollution abatement,
25 including stormwater management; nutrient loading abatement; commercial, industrial and
26 agricultural pollution abatement; and riparian buffer and watershed ecosystem restoration.

27 (c) Forest Restoration \$3,000,000

28 Provides three million dollars (\$3,000,000) to maintain forest and wildlife habitat and
29 infrastructure on state properties, including state management areas.

30 (e) Brownfields Remediation and Economic Development \$4,000,000

31 Provides four million dollars (\$4,000,000) for up to eighty percent (80%) matching grants
32 to public, private, and/or non-profit entities for brownfield remediation projects.

33 (f) State Land Acquisition Program \$3,000,000

1 Provides three million dollars (\$3,000,000) for the State to acquire fee simple interest or
2 conservation easements to open space, farmland, watershed, and recreation lands.

3 (g) Local Land Acquisition Matching Grant Program \$2,000,000

4 Provides two million dollars (\$2,000,000) for up to fifty percent (50%) matching grants to
5 municipalities, local land trusts and nonprofit organizations to acquire fee-simple interest,
6 development rights, or conservation easements on open space and urban parklands.

7 (h) Local Recreation Development Matching Grant Program \$2,000,000

8 Provides two million dollars (\$2,000,000) for up to eighty percent (80%) matching grants
9 to municipalities to acquire, develop, or rehabilitate local public recreational facilities in Rhode
10 Island.

11 SECTION 2. Ballot labels and applicability of general election laws.

12 The Secretary of State shall prepare and deliver to the State Board of Elections ballot labels
13 for each of the projects provided for in Section 1 hereof with the designations "approve" or "reject"
14 provided next to the description of each such project to enable voters to approve or reject each such
15 proposition. The general election laws, so far as consistent herewith, shall apply to this proposition.

16 SECTION 3. Approval of projects by people.

17 If a majority of the People voting on the proposition in Section 1 hereof shall vote to
18 approve any project stated therein, said project shall be deemed to be approved by the People. The
19 authority to issue bonds, refunding bonds and/or temporary notes of the State shall be limited to
20 the aggregate amount for all such projects as set forth in the proposition, which has been approved
21 by the People.

22 SECTION 4. Bonds for capital development program.

23 The General Treasurer is hereby authorized and empowered, with the approval of the
24 Governor, and in accordance with the provisions of this Act to issue capital development bonds in
25 serial form, in the name of and on behalf of the State of Rhode Island, in amounts as may be
26 specified by the Governor in an aggregate principal amount not to exceed the total amount for all
27 projects approved by the People and designated as "capital development loan of 2022 bonds."
28 Provided, however, that the aggregate principal amount of such capital development bonds and of
29 any temporary notes outstanding at any one time issued in anticipation thereof pursuant to Section
30 7 hereof shall not exceed the total amount for all such projects approved by the People. All
31 provisions in this Act relating to "bonds" shall also be deemed to apply to "refunding bonds."

32 Capital development bonds issued under this Act shall be in denominations of one thousand
33 dollars (\$1,000) each, or multiples thereof, and shall be payable in any coin or currency of the
34 United States which at the time of payment shall be legal tender for public and private debts. These

1 capital development bonds shall bear such date or dates, mature at specified time or times, but not
2 mature beyond the end of the twentieth (20th) State fiscal year following the fiscal year in which
3 they are issued; bear interest payable semi-annually at a specified rate or different or varying rates:
4 be payable at designated time or times at specified place or places; be subject to express terms of
5 redemption or recall, with or without premium; be in a form, with or without interest coupons
6 attached; carry such registration, conversion, reconversion, transfer, debt retirement, acceleration
7 and other provisions as may be fixed by the General Treasurer, with the approval by the Governor,
8 upon each issue of such capital development bonds at the time of each issue. Whenever the
9 Governor shall approve the issuance of such capital development bonds, the Governor's approval
10 shall be certified to the Secretary of State; the bonds shall be signed by the General Treasurer and
11 countersigned by Secretary of State and shall bear the seal of the State. The signature approval of
12 the Governor shall be endorsed on each bond.

13 SECTION 5. Refunding bonds for 2022 capital development program.

14 The General Treasurer is hereby authorized and empowered, with the approval of the
15 Governor, and in accordance with the provisions of this Act, to issue bonds to refund the 2022
16 capital development program bonds, in the name of and on behalf of the state, in amounts as may
17 be specified by the Governor in an aggregate principal amount not to exceed the total amount
18 approved by the People, to be designated as "capital development program loan of 2022 refunding
19 bonds" (hereinafter "Refunding Bonds").

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

24 The proceeds of the Refunding Bonds, exclusive of any premium and accrual interest and
25 net the underwriters' cost, and cost of bond issuance, shall, upon their receipt, be paid by the
26 General Treasurer immediately to the paying agent for the capital development bonds which are to
27 be called and prepaid. The paying agent shall hold the Refunding Bond proceeds in trust until they
28 are applied to prepay the capital development bonds. While such proceeds are held in trust, the
29 proceeds may be invested for the benefit of the State in obligations of the United States of America
30 or the State of Rhode Island.

31 If the General Treasurer shall deposit with the paying agent for the capital development
32 bonds the proceeds of the Refunding Bonds, or proceeds from other sources, amounts that, when
33 invested in obligations of the United States or the State of Rhode Island, are sufficient to pay all
34 principal, interest, and premium, if any, on the capital development bonds until these bonds are

1 called for prepayment, then such capital development bonds shall not be considered debts of the
2 State of Rhode Island for any purpose starting from the date of deposit of such moneys with the
3 paying agent. The Refunding Bonds shall continue to be a debt of the State until paid.

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

6 SECTION 6. Proceeds of capital development program.

7 The General Treasurer is directed to deposit the proceeds from the sale of capital
8 development bonds issued under this Act, exclusive of premiums and accrued interest and net the
9 underwriters' cost, and cost of bond issuance, in one or more of the depositories in which the funds
10 of the State may be lawfully kept in special accounts (hereinafter cumulatively referred to as "such
11 capital development bond fund") appropriately designated for each of the projects set forth in
12 Section 1 hereof which shall have been approved by the People to be used for the purpose of paying
13 the cost of all such projects so approved.

14 All monies in the capital development bond fund shall be expended for the purposes
15 specified in the proposition provided for in Section 1 hereof under the direction and supervision of
16 the Director of Administration (hereinafter referred to as "Director"). The Director or his or her
17 designee shall be vested with all power and authority necessary or incidental to the purposes of this
18 Act, including but not limited to, the following authority: (a) to acquire land or other real property
19 or any interest, estate or right therein as may be necessary or advantageous to accomplish the
20 purposes of this Act; (b) to direct payment for the preparation of any reports, plans and
21 specifications, and relocation expenses and other costs such as for furnishings, equipment
22 designing, inspecting and engineering, required in connection with the implementation of any
23 projects set forth in Section 1 hereof; (c) to direct payment for the costs of construction,
24 rehabilitation, enlargement, provision of service utilities, and razing of facilities, and other
25 improvements to land in connection with the implementation of any projects set forth in Section 1
26 hereof; and (d) to direct payment for the cost of equipment, supplies, devices, materials and labor
27 for repair, renovation or conversion of systems and structures as necessary for the 2022 capital
28 development program bonds or notes hereunder from the proceeds thereof. No funds shall be
29 expended in excess of the amount of the capital development bond fund designated for each project
30 authorized in Section 1 hereof. With respect to the bonds and temporary notes described in Section
31 1, the proceeds shall be used for the following purposes:

32 Question 1, relating to bonds in the amount of sixty-two million dollars (\$62,000,000) to
33 provide funding for higher education facilities to be allocated as follows:

34 (a) University of Rhode Island Narragansett Bay Campus \$50,000,000

1 Provides fifty million dollars (\$50,000,000) to fund repairs and construct new facilities on
2 the University of Rhode Island's Narragansett Bay Campus in support of the educational and
3 research needs for the marine disciplines.

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6 academic and student support spaces and other infrastructure on the four campuses of the
7 Community College of Rhode Island (CCRI). Funds will go towards modernizing and renovating
8 facilities, addressing repairs, improving safety and energy efficiency, and replacing outdated
9 technology and equipment used for teaching and learning.

10 Question 2, relating to bonds in the amount of two hundred-fifty million dollars
11 (\$250,000,000) to provide funding for the construction, renovation, and rehabilitation of the state's
12 public schools pursuant to § 45-38.2-4 (f).

13 Question 3, relating to bonds in the amount of thirty-eight million dollars (\$38,000,000)
14 for environmental and recreational purposes, to be allocated as follows:

15 (a) Municipal Resiliency \$16,000,000

16 Provides sixteen million dollars (\$16,000,000) for up to seventy-five percent (75%)
17 matching grants to municipalities for restoring and/or improving resiliency of infrastructure,
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19 to leverage significant matching funds to support local programs to improve community resiliency
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29 and the state's watersheds. Eligible activities include nonpoint source pollution abatement,
30 including stormwater management; nutrient loading abatement; commercial, industrial and
31 agricultural pollution abatement; and riparian buffer and watershed ecosystem restoration.

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34 infrastructure on state properties, including state management areas.

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3 to public, private, and/or non-profit entities for brownfield remediation projects.

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6 conservation easements to open space, farmland, watershed, and recreation lands.

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11 (h) Local Recreation Development Matching Grant Program \$2,000,000
12 Provides two million dollars (\$2,000,000) for up to eighty percent (80%) matching grants
13 to municipalities to acquire, develop, or rehabilitate local public recreational facilities in Rhode
14 Island.

15 SECTION 7. Sale of bonds and notes.

16 Any bonds or notes issued under the authority of this Act shall be sold at not less than the
17 principal amount thereof, in such mode and on such terms and conditions as the General Treasurer,
18 with the approval of the Governor, shall deem to be in the best interests of the State.

19 Any premiums and accrued interest, net of the cost of bond issuance and underwriter's
20 discount, which may be received on the sale of the capital development bonds or notes shall become
21 part of the Rhode Island Capital Plan Fund of the State, unless directed by federal law or regulation
22 to be used for some other purpose.

23 In the event that the amount received from the sale of the capital development bonds or
24 notes exceeds the amount necessary for the purposes stated in Section 6 hereof, the surplus may be
25 used to the extent possible to retire the bonds as the same may become due, to redeem them in
26 accordance with the terms thereof or otherwise to purchase them as the General Treasurer, with the
27 approval of the Governor, shall deem to be in the best interests of the state.

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

33 SECTION 8. Bonds and notes to be tax exempt and general obligations of the State.

1 All bonds and notes issued under the authority of this Act shall be exempt from taxation in
2 the State and shall be general obligations of the State, and the full faith and credit of the State is
3 hereby pledged for the due payment of the principal and interest on each of such bonds and notes
4 as the same shall become due.

5 SECTION 9. Investment of moneys in fund.

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

18 SECTION 10. Appropriation.

19 To the extent the debt service on these bonds is not otherwise provided, a sum sufficient to
20 pay the interest and principal due each year on bonds and notes hereunder is hereby annually
21 appropriated out of any money in the treasury not otherwise appropriated.

22 SECTION 11. Advances from general fund.

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

30 SECTION 12. Federal assistance and private funds.

31 In carrying out this act, the Director, or his or her designee, is authorized on behalf of the
32 State, with the approval of the Governor, to apply for and accept any federal assistance which may
33 become available for the purpose of this Act, whether in the form of loan or grant or otherwise, to
34 accept the provision of any federal legislation therefor, to enter into, act and carry out contracts in

1 connection therewith, to act as agent for the federal government in connection therewith, or to
2 designate a subordinate so to act. Where federal assistance is made available, the project shall be
3 carried out in accordance with applicable federal law, the rules and regulations thereunder and the
4 contract or contracts providing for federal assistance, notwithstanding any contrary provisions of
5 State law. Subject to the foregoing, any federal funds received for the purposes of this Act shall be
6 deposited in the capital development bond fund and expended as a part thereof. The Director or
7 his or her designee may also utilize any private funds that may be made available for the purposes
8 of this Act.

9 SECTION 13. Effective Date.

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