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LC02328/SUB A/4
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2012

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A N A C T

RELATING TO TOWNS AND CITIES - COUNCILS AND GOVERNING BODIES

Introduced By: Senator Louis P. DiPalma

Date Introduced: April 12, 2012

Referred To: Senate Environment & Agriculture

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 45-5 of the General Laws entitled "Councils and Governing
2 Bodies" is hereby amended by adding thereto the following section:

3 **45-5-20.2. Power of city and town councils to jointly establish a corporation to**
4 **develop alternative energy sources. -- (a) Cities and town councils may, through passage of a**
5 **resolution, establish agreements between two (2) or more city or town councils for the**
6 **development of renewable energy resources. Agreements made pursuant to this section may**
7 **provide for pooling of administrative expenses.**

8 **(b) For purposes of this section the following terms shall have the following meanings:**

9 **(1) "Renewable energy resources" means any renewable energy resource listed in section**
10 **39-26-5.**

11 **(2) "Participating municipality" means any or all of the following communities which by**
12 **ordinance adopted by the applicable city or town council, elect to join as a member of the**
13 **corporation created pursuant to the provisions of this section: Barrington, Bristol, East**
14 **Providence, Little Compton, Middletown, Newport, Portsmouth, Tiverton, and Warren. The by-**
15 **laws of the corporation shall contain a provision allowing a participating municipality to**
16 **withdraw from the corporation.**

17 **(c) To accomplish the purposes of this section any two (2) or more eligible municipalities**
18 **may authorize the creation of a corporation (the "corporation") for the purpose of facilitating**
19 **collaboration among participating municipalities in the east bay region of Rhode Island in**

1 developing renewable energy resources for the benefit of that region. The corporation shall have
2 an audit performed annually, copies of which shall be provided to the members of the corporation
3 and the auditor general.

4 (d) The corporation created pursuant to the provisions of this section will be created by
5 filing articles of incorporation pursuant to chapter 6 of title 7 entitled Rhode Island Nonprofit
6 Corporation Act and the articles of incorporation will be filed by an incorporator/incorporators
7 designated by the city and/or town councils authorizing the creation of the corporation. The
8 articles of incorporation creating the corporation pursuant to the provisions of this section may
9 contain provisions, not inconsistent with this section that the incorporators determine to be
10 desirable or useful in fulfilling the purposes set forth in this section. The corporation created
11 pursuant to the provisions of this section will have the powers of a nonprofit corporation created
12 under chapter 6 of title 7 entitled Rhode Island Nonprofit Corporation Act, provided, however
13 that the corporation shall not have the power to issue bonds.

14 (e) The corporation created pursuant to the provisions of this section, notwithstanding the
15 filing of its articles of incorporation pursuant to chapter 6 of title 7 entitled Rhode Island
16 Nonprofit Corporation Act: (1) Will be deemed to be a public corporation, instrumentality, and
17 agency of the state of Rhode Island acting for the benefit of the participating municipalities but
18 will not constitute a department of the government of the state of Rhode Island; and (2) Will be
19 deemed to be exercising public and essential governmental functions of the state of Rhode Island.
20 No part of the net earnings of the corporation created pursuant to the provisions of this section
21 will be distributable to, or inure to the benefit of, any private person. The governing board of the
22 corporation created pursuant to the provisions of this section shall consist of one member
23 representing each participating municipality who shall be appointed by the respective city or town
24 council. The members shall receive no compensation for the performance of their duties but each
25 member may be reimbursed for his or her reasonable expenses incurred in carrying out their
26 duties.

27 (f) The notes or other obligations issued by the corporation created pursuant to the
28 provisions of this section will not be deemed to constitute a debt or liability or obligation of the
29 state of Rhode Island or of any political subdivision of the state or of any municipality of the state
30 but will be payable solely from the revenues or assets of the corporation.

31 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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1 This act would enable the city and town councils of Barrington, Bristol, East Providence,
2 Little Compton, Middletown, Newport, Portsmouth, Tiverton and Warren to enter into an
3 agreement among themselves to help develop renewable energy resources for their region.

4 This act would take effect upon passage.

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