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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2013

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A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT - ECONOMIC DEVELOPMENT
CORPORATION

Introduced By: Senators Sheehan, Walaska, Felag, Goodwin, and Jabour

Date Introduced: March 13, 2013

Referred To: Senate Commerce

It is enacted by the General Assembly as follows:

1 SECTION 1. Legislative findings. - The general assembly hereby finds and declares the
2 following:

3 (1) While institutions and methods which have been employed by the state in the past to
4 create and foster economic development have experienced some degree of success, a new and
5 revised approach led by the creation of new entities will provide greater state oversight and
6 governance and will promote a more dramatic and sustained long-term growth for the state.

7 (2) The creation of a Rhode Island commerce corporation will provide increased state
8 oversight and governance, while still allowing for the existence of a separate Rhode Island
9 commerce corporation that will have the flexibility to address, adapt, and adjust to changing
10 economic conditions. This will also create an increased level of transparency and accountability
11 to the state.

12 (3) That the geographic size and population of Rhode Island, while often derided as an
13 impediment to economic growth, are potential assets, not a handicap, to economic development,
14 in that they can lead to a more unified branding approach to marketing the state, its people, its
15 businesses, and its products, and that these assets have not been utilized to their fullest potential
16 by previous business models employed by the state.

17 (4) That the above reflects a shift in business cultivation in the state, and such shift can
18 best be accomplished through new leadership provided through new entities that seek to foster

1 and develop a public-private sector partnership that takes advantage of Rhode Island's strengths.

2 (5) That a key element to long-term growth is long-term planning with specific,
3 measurable goals and accountability for such goals. As such, a key component of this plan shall
4 be to require the use of four (4) year plans or periods to measure economic growth and
5 development, with evaluation on an annual basis and significant re-evaluation on a four (4) year
6 basis.

7 (6) That another key component to such growth is the appointment of a secretary of
8 commerce to lead this new economic initiative and coordinate the new entities to be created.

9 (7) To such ends, the general assembly shall create a new "Rhode Island commerce
10 corporation," a new Rhode Island state economic development planning council, and an
11 "executive office of commerce" to be led by a new appointed state officer to be known as the
12 "secretary of commerce."

13 SECTION 2. The title of Chapter 42-64 of the General Laws entitled "Rhode Island
14 Economic Development Corporation" is hereby amended to read as follows:

15 ~~CHAPTER 42-64~~

16 ~~Rhode Island Economic Development Commerce Corporation~~

17 CHAPTER

18 42-64

19 RHODE ISLAND COMMERCE CORPORATION

20 SECTION 3. Sections 42-64-1, 42-64-1.1, 42-64-2, 42-64-3, 42-64-4, 42-64-5, 42-64-6,
21 42-64-7, 42-64-7.1, 42-64-7.4, 42-64-7.5, 42-64-7.6, 42-64-7.7, 42-64-7.8, 42-64-7.9, 42-64-7.11,
22 42-64-7.13, 42-64-8, 42-64-8.1, 42-64-9, 42-64-9.1, 42-64-9.2, 42-64-9.4, 42-64-9.5, 42-64-9.6,
23 42-64-9.7, 42-64-9.9, 42-64-9.10, 42-64-10, 42-64-11, 42-64-12, 42-64-13, 42-64-13.1, 42-64-
24 13.2, 42-64-14, 42-64-15, 42-64-16, 42-64-17, 42-64-18, 42-64-19, 42-64-20, 42-64-21, 42-64-
25 22, 42-64-23, 42-64-25, 42-64-26, 42-64-27, 42-64-28, 42-64-29, 42-64-31, and 42-64-34, of the
26 General Laws in Chapter 42-64 entitled "Rhode Island Economic Development Corporation" are
27 hereby amended to read as follows:

28 **42-64-1. Short title.** -- This chapter shall be known as "The Rhode Island ~~economic~~
29 ~~development~~ commerce corporation Act".

30 **42-64-1.1. Change of name.** -- (a) Whenever in any general or public law, reference is
31 made to the "department of economic development" or the "Rhode Island port authority and
32 economic development corporation", ~~the reference shall be deemed to refer to and mean~~ or the
33 "Rhode Island economic development corporation", ~~which may also be referred to as the~~
34 ~~"economic development corporation"~~, the reference shall be deemed to refer to and mean the

1 ["Rhode Island commerce corporation," which may also be referred to as the "commerce](#)
2 [corporation."](#)

3 (b) Whenever in any general or public law, reference is made to the "director of the
4 department of economic development" or the "executive director of the Rhode Island port
5 authority and economic development corporation", the reference shall be deemed to refer to and
6 mean the "executive director of the Rhode Island economic development corporation". [Upon the](#)
7 [appointment of a secretary of commerce; whenever in any general or public law, reference is](#)
8 [made to the "director of the department of economic development" or the "executive director of](#)
9 [the Rhode Island port authority and economic development corporation," of the executive director](#)
10 [of the Rhode Island economic development corporation," the reference shall be deemed to refer to](#)
11 [and mean the chief executive officer of the Rhode Island commerce corporation, who shall also](#)
12 [be the secretary of the Rhode Island executive office of commerce.](#)

13 (c) Whenever in any general or public law, reference is made to the "economic
14 development council", the reference shall be deemed to refer to and mean the "board of directors
15 of the Rhode Island ~~economic development~~ [commerce](#) corporation".

16 [\(d\) Nothing in this act shall be construed to change or modify any contracts or](#)
17 [agreements of any kind by, for, between, or to which the economic development corporation is a](#)
18 [party. All said contracts and agreements of whatsoever kind are hereby assigned, transferred to,](#)
19 [and assumed by the Rhode Island Commerce Corporation.](#)

20 **42-64-2. Legislative findings.** -- (a) It is found and declared that there exists in our state
21 a condition of substantial and persistent unemployment and underemployment which causes
22 hardship to many individuals and families, wastes vital human resources, increases the public
23 assistance burdens of the state, impairs the security of family life, contributes to crime and
24 delinquency, prevents many of our youths from continuing their education, impedes the economic
25 and physical development of municipalities and adversely affects the welfare and prosperity of
26 our state; that many existing industrial, manufacturing, recreational and commercial facilities in
27 our state are obsolete and inefficient, and dilapidated; that many of these facilities are under-
28 utilized or in the process of being vacated, creating additional unemployment; that technological
29 advances and the provision of modern and efficient industrial, manufacturing, recreational and
30 commercial facilities in other states will speed the obsolescence and abandonment of existing
31 facilities, causing serious injuries to the economy of our state; that the drastic curtailment of
32 federal military installations in our state presently being undertaken and the announcement by the
33 United States government of plans to relocate large numbers of military personnel and their
34 families presently on duty in this state has and will further result in an additional loss of

1 employment and aggravate the overall unemployment conditions of the state; that new industrial,
2 manufacturing, recreational, and commercial facilities are required to attract and house new
3 industries and thereby reduce the hazards of unemployment; that unaided efforts of private
4 enterprises have not met and cannot meet the needs of providing those facilities due to problems
5 encountered in assembling suitable building sites, lack of adequate public service, unavailability
6 of private capital for development, and the inability of private enterprise alone to plan, finance
7 and coordinate industrial, recreational, and commercial development; that the economic
8 insecurity attendant to chronic and new unemployment and the absence of new employment
9 opportunities constitutes a serious menace for the safety, morals, and general welfare of the
10 people of our state.

11 (b) It is further found and declared that the decision of the United States government to
12 close certain military facilities located within the state (including those located in the towns of
13 North Kingstown, Portsmouth, Middletown and Charlestown, and the city of Newport) and to
14 dispose of the property comprising those facilities will, because many residents of the state were
15 employed by the United States government at those facilities, aggravate the condition of
16 employment and underemployment mentioned above. The United States government is
17 authorized and intends to make available to the state or to an instrumentality thereof, the property
18 to be disposed of and by virtue of the provisions of Public Laws 1939, chapter 696, certain land in
19 the town of North Kingstown shall revert to the state upon the abandonment by the United States
20 government of the naval base located there. With comprehensive planning and adequate
21 financing, the property can be converted to industrial, manufacturing, recreational, and
22 commercial uses which will promote a healthy and growing economy, thereby encouraging new
23 industries and commercial enterprises to locate in the state, enabling existing industries and
24 commercial enterprises to remain and expand, and alleviating the condition of unemployment and
25 underemployment that now exists.

26 (c) It is further found and declared that notwithstanding the decision of the United States
27 government to dispose of the property mentioned above, there will continue to be a shortage of
28 property in the state for industrial, manufacturing, recreational, and commercial development.
29 The expansion of the economy, while increasing the need for that property, will continually
30 diminish the supply of that property. Private enterprise has encountered difficulty in providing
31 new industrial, manufacturing, recreational, and commercial facilities in economically strategic
32 areas of the state, because of the problems in assembling tracts of property suitable for those
33 purposes and the cost of providing adequate public services to serve the development.

34 (d) It is further found and declared that the acquisition and development of property for

1 industrial, manufacturing, recreational, and commercial purposes (including the property to be
2 disposed of by the United States government and that land reverting to the state pursuant to the
3 provisions of Public Laws 1939, chapter 696) and the disposition thereof, must be undertaken on
4 a comprehensive statewide basis so as to assure that new industrial, manufacturing, recreational,
5 and commercial sites are adequately served by appropriate transportation facilities and public
6 services and that those sites are located in any manner as to provide for the orderly economic
7 growth and development of the state, while at the same time conserving the environment. Local
8 planning and development agencies and institutions are insufficient to provide for that
9 comprehensive statewide planning and development.

10 (e) It is further found and declared that the appropriate development of the property to be
11 disposed of by the United States government and that land reverting to the state pursuant to
12 Public Laws 1939, chapter 696 will require development not only for industrial and commercial
13 purposes but also for transportation, residential, recreational, utility, institutional, civic, and
14 community purposes.

15 (f) It is further found and declared that there exists in the state blighted or substandard
16 areas, or areas which are becoming blighted and substandard, including obsolete and dilapidated
17 buildings and structures, defective construction, outmoded and obsolete design, lack of proper
18 sanitary facilities, or adequate fire and safety protection, excessive land coverage, insufficient
19 light and ventilation, illegal uses and conversions, inadequate maintenance, buildings abandoned
20 or not utilized in whole or in part, obsolete systems of utilities, poorly or improperly designed
21 street patterns and intersections, inadequate access to areas, inadequate transportation facilities,
22 all of which hamper or impede proper and economic growth of the area as well as the state as a
23 whole.

24 (g) It is further found and declared to be the public policy of the state to encourage the
25 expansion and development of the state's harbors and ports; to foster and improve the handling of
26 waterborne commerce from and to any port of this state and other states and foreign countries; to
27 seek to effect consolidation of the ports of this state and to promote a spirit of cooperation among
28 these ports in the interest of the state as a whole; to initiate and further plan for the development
29 of the ports of this state and to keep informed as to the present and future requirements and needs
30 of the ports of this state; also to furnish proper and adequate airport facilities within this state and
31 to encourage the integration of these facilities so far as practicable.

32 (h) In the furtherance of these goals, it is the policy of the state to retain existing
33 industries and to induce, encourage, and attract new industries through the acquisition,
34 construction, reconstruction, and rehabilitation of industrial, manufacturing, recreational, and

1 commercial facilities, as well as transportation, residential, environmental, utility, public service,
2 institutional, and civic and community facilities, and to develop sites for those facilities.

3 (i) It is declared to be the policy of the state to promote a vigorous and growing
4 economy, to prevent economic stagnation, and to encourage the creation of new job opportunities
5 in order to ameliorate the hazards of unemployment and underemployment, reduce the level of
6 public assistance, increase revenues to the state and its municipalities, and to achieve a stable
7 diversified economy.

8 (j) The purpose of this chapter is to create the Rhode Island ~~economic development~~
9 [commerce](#) corporation having an existence separate and apart from the state, with the power and
10 authority to acquire and develop property within the state and to provide financing for the
11 purposes set forth above in this chapter.

12 **42-64-3. Definitions.** -- As used in this chapter, the following words and terms shall have
13 the following meanings, unless the context indicates another or different meaning or intent:

14 (1) "Administrative penalty" means a monetary penalty not to exceed the civil penalty
15 specified in section 42-64-9.2 of this chapter.

16 (2) "Airport facility" means developments consisting of runways, hangars, control
17 towers, ramps, wharves, bulkheads, buildings, structures, parking areas, improvements, facilities,
18 or other real or personal property necessary, convenient, or desirable for the landing, taking off,
19 accommodation, and servicing of aircraft of all types, operated by carriers engaged in the
20 transportation of passengers or cargo, or for the loading, unloading, interchange, or transfer of the
21 passengers or their baggage, or the cargo, or otherwise for the accommodation, use or
22 convenience of the passengers or the carriers or their employees (including related facilities and
23 accommodations at sites removed from landing fields and other landing areas), or for the landing,
24 taking off, accommodation, and servicing of aircraft owned or operated by persons other than
25 carriers. It also means facilities providing access to an airport facility, consisting of rail, rapid
26 transit, or other forms of mass transportation which furnish a connection between the air terminal
27 and other points within the state, including appropriate mass transportation terminal facilities at
28 and within the air terminal itself and suitable offsite facilities for the accommodation of air
29 passengers, baggage, mail, express, freight, and other users of the connecting facility.

30 (3) "BOCA code" means the BOCA basic building code published by building officials
31 & code administrators international, inc., as the code may from time to time be promulgated by
32 the building officials & code administrators international, inc.

33 (4) "Bonds" and "notes" means the bonds, notes, securities, or other obligations or
34 evidences of indebtedness issued by the corporation pursuant to this chapter, all of which shall be

1 issued under the name of and known as obligations of the "Rhode Island ~~economic development~~
2 commerce corporation."

3 (5) "Civic facility" means any real or personal property designed and intended for the
4 purpose of providing facilities for educational, cultural, community, or other civic purposes.

5 (6) "Compliance schedule" means a schedule of remedial measures including an
6 enforceable sequence of actions or operations leading to compliance with an effluent limitation or
7 any other limitation, prohibition or standard.

8 (7) "Corporation," "port authority", or "authority" means the governmental agency and
9 public instrumentality, formerly known as the "Rhode Island port authority and economic
10 development corporation" and ~~or renamed~~ also formerly known as the "Rhode Island economic
11 development corporation," and now known as the Rhode Island commerce corporation
12 authorized, created, and established pursuant to section 42-64-4, or any subsidiary corporation
13 thereof which is established pursuant to section 42-64-7.1.

14 (8) "Director" means the executive director of the economic development corporation
15 until such time that the secretary of commerce is appointed. Upon the appointment of a secretary
16 of commerce, "Director" means the chief executive officer of the Rhode Island commerce
17 corporation, who shall also be the secretary of the Rhode Island executive office of commerce.

18 (9) "Federal land" means real property within the state, now acquired or hereafter
19 acquired by the Rhode Island ~~economic development~~ commerce corporation which was formerly
20 owned by the United States government, or any agency or instrumentality thereof, including
21 without limiting the generality of the foregoing, any and all real property now or formerly owned
22 or used by the United States government in the towns of North Kingstown, Portsmouth,
23 Middletown, and Charlestown and the city of Newport as military installations or for other
24 purposes related to the national defense. Without limiting the generality of the foregoing, federal
25 land shall also mean and include certain land in the town of North Kingstown, or any portion
26 thereof, which has or shall revert to the state pursuant to the provisions of Public Laws 1939,
27 chapter 696 and is now or hereafter acquired by the corporation from the state.

28 (10) "Industrial facility" means any real or personal property, the demolition, removal,
29 relocation, acquisition, expansion, modification, alteration, or improvement of existing buildings,
30 structures, or facilities, the construction of new buildings, structures, or facilities, the
31 replacement, acquisition, modification, or renovation of existing machinery and equipment, or the
32 acquisition of new machinery and equipment, or any combination of the United States, which
33 shall be suitable for manufacturing, research, production, processing, agriculture, and marine
34 commerce, or warehousing; or convention centers, trade centers, exhibition centers, or offices

1 (including offices for the government of the United States or any agency, department, board,
2 bureau, corporation, or other instrumentality of the United States, or for the state or any state
3 agency, or for any municipality); or facilities for other industrial, commercial or business
4 purposes of every type and description; and facilities appurtenant or incidental to the foregoing,
5 including headquarters or office facilities, whether or not at the location of the remainder of the
6 facility, warehouses, distribution centers, access roads, sidewalks, utilities, railway sidings,
7 trucking, and similar facilities, parking areas, waterways, dockage, wharfage, and other
8 improvements necessary or convenient for the construction, development, maintenance, and
9 operation of those facilities.

10 (11) "Local governing body" means any town or city council, commission, or other
11 elective governing body now or hereafter vested by state statute, charter, or other law, with
12 jurisdiction to initiate and adopt local ordinances, whether or not these local ordinances require
13 the approval of the elected or appointed chief executive officer or other official or body to
14 become effective.

15 (12) "Local redevelopment corporation" means any agency or corporation created and
16 existing pursuant to the provisions of chapter 31 of title 45.

17 (13) "Municipality" means any city or town within the state now existing or hereafter
18 created, or any state agency.

19 (14) "Parent corporation" means, when used in connection with a subsidiary corporation
20 established pursuant to section 42-64-7.1, the governmental agency and public instrumentality
21 created and established pursuant to section 42-64-4.

22 (15) "Personal property" means all tangible personal property, new or used, including,
23 without limiting the generality of the foregoing, all machinery, equipment, transportation
24 equipment, ships, aircraft, railroad rolling stock, locomotives, pipelines, and all other things and
25 rights usually included within that term. "Personal property" also means and includes any and all
26 interests in the property which are less than full title, such as leasehold interests, security
27 interests, and every other interest or right, legal or equitable.

28 (16) "Pollutant" means any material or effluent which may alter the chemical, physical,
29 biological or radiological characteristics or integrity of water, including but not limited to,
30 dredged spoil, solid waste, incinerator residue, sewage, garbage, sewage sludge, munitions,
31 chemical wastes, biological materials, radioactive materials, heat, wrecked or discarded
32 equipment, cellar dirt, or industrial, municipal, agricultural or other waste petroleum or petroleum
33 products, including, but not limited to, oil.

34 (17) "Pollution" means the discharge of any gaseous, liquid, or solid substance or

1 combination thereof (including noise) into the air, water, or land which affects the physical,
2 chemical, or biological properties (including temperature) of the air, water, or land in a manner or
3 to an extent which renders or is likely to render the air, water, or land harmful or inimical to the
4 public health, safety, or welfare, or to animal, bird, or aquatic life, or to the use of the air or water
5 for domestic, industrial, or agricultural purposes or recreation including the man-made or man-
6 induced alteration of the chemical, physical, biological or radiological integrity of water.

7 (18) "Pollution control facility" means any land or interest in land, the demolition,
8 removal, relocation, acquisition, expansion, modification, alteration, or improvement of existing
9 buildings, structures, or facilities, the construction of new buildings, structures, or facilities, the
10 replacement, modification, or renovation of existing machinery and equipment, or the acquisition
11 of new machinery and equipment, or any combination thereof, having to do with or the purpose
12 of which is the abatement, control, or prevention of pollution, including industrial pollution, and
13 all real and personal property incidental to that facility.

14 (19) "Port facility" means harbors, ports, and all real and personal property used in
15 connection therewith, including, but not limited to, waterways, channels, wharves, docks, yards,
16 bulkheads, slips, basins, pipelines, ships, boats, railroads, trucks, and other motor vehicles,
17 aircraft, parking areas, shipyards, piers, quays, elevators, compressors, loading and unloading
18 facilities, storage facilities, and warehouses of every type, buildings and facilities used in the
19 manufacturing, processing, assembling, storing, or handling of any produce or products, other
20 structures and facilities necessary for the convenient use of the harbors and seaports, including
21 dredged approaches, railways, railroad terminals, side tracks, airports, roads, highways, tunnels,
22 viaducts, bridges, and other approaches, useful in connection therewith, and any other shipping or
23 transportation facility useful in the operation of a port or harbor.

24 (20) "Project" or "port project" means the acquisition, ownership, operation,
25 construction, reconstruction, rehabilitation, improvement, development, sale, lease, or other
26 disposition of, or the provision of financing for, any real or personal property (by whomever
27 owned) or any interests in real or personal property, including without limiting the generality of
28 the foregoing, any port facility, recreational facility, industrial facility, airport facility, pollution
29 control facility, utility facility, solid waste disposal facility, civic facility, residential facility,
30 water supply facility, energy facility or renewable energy facility, or any other facility, or any
31 combination of two (2) or more of the foregoing, or any other activity undertaken by the
32 corporation.

33 (21) "Project cost" means the sum total of all costs incurred by the Rhode Island
34 ~~economic development~~ [commerce](#) corporation in carrying out all works and undertakings, which

1 the corporation deems reasonable and necessary for the development of a project. These shall
2 include, but are not necessarily limited to, the costs of all necessary studies, surveys, plans, and
3 specifications, architectural, engineering, or other special services, acquisition of land and any
4 buildings on the land, site preparation and development, construction, reconstruction,
5 rehabilitation, improvement, and the acquisition of any machinery and equipment or other
6 personal property as may be deemed necessary in connection with the project (other than raw
7 materials, work in process, or stock in trade); the necessary expenses incurred in connection with
8 the initial occupancy of the project; an allocable portion of the administrative and operating
9 expenses of the corporation; the cost of financing the project, including interest on all bonds and
10 notes issued by the corporation to finance the project from the date thereof to one year from the
11 date when the corporation shall deem the project substantially occupied; and the cost of those
12 other items, including any indemnity or surety bonds and premiums on insurance, legal fees, real
13 estate brokers and agent fees, fees and expenses of trustees, depositories, and paying agent for
14 bonds and notes issued by the Rhode Island ~~economic-development~~ commerce corporation,
15 including reimbursement to any project user for any expenditures as may be allowed by the
16 corporation (as would be costs of the project under this section had they been made directly by
17 the corporation), and relocation costs, all as the corporation shall deem necessary.

18 (22) "Project user" means the person, company, corporation, partnership, or commercial
19 entity, municipality, state, or United States of America who shall be the user of, or beneficiary of,
20 a port project.

21 (23) "Real property" means lands, structures (new or used), franchises, and interests in
22 land, including lands under water, and riparian rights, space rights, and air rights, and all other
23 things and rights usually included within the term. "Real property" shall also mean and include
24 any and all interests in that property less than fee simple, such as easements, incorporeal
25 hereditaments, and every estate, interest or right, legal or equitable, including terms for years and
26 liens thereon by way of judgments, mortgages or otherwise, and also all claims for damages to
27 that real property.

28 (24) "Recreational facility" means any building, development, or improvement, provided
29 that building, facility, development, or improvement is designed in whole or in part to attract
30 tourists to the state or to provide essential overnight accommodations to transients visiting this
31 state, including, without limiting in any way the generality of the foregoing, marinas, beaches,
32 bathing facilities, ski facilities, convention facilities, hotels, motels, golf courses, camp grounds,
33 arenas, theatres, lodges, guest cottages, and all types of real or personal property related thereto as
34 may be determined from time to time by the corporation.

1 (25) "Revenues" means: (i) with respect to any project, the rents, fees, tolls, charges,
2 installment payments, repayments, and other income or profit derived from a project or a
3 combination of projects pursuant to any lease, conditional sales contract, installment sales
4 contract, loan agreement, or other contract or agreement, or any combination thereof, and (ii) any
5 receipts, fees, payments, moneys, revenues or other payments received or to be received by the
6 corporation in the exercise of its corporate powers under this chapter, including, without
7 limitation, loan repayments, grants, aid, appropriations and other assistance for the state, the
8 United States or any corporation, department or instrumentality of either or of a political
9 subdivision thereof, bond proceeds, investment earnings, insurance proceeds, amounts in reserves
10 and other funds and accounts established by or pursuant to this chapter or in connection with the
11 issuance of bonds, and any other taxes, assessments, fees, charges, awards or other income or
12 amounts received or receivable by the corporation.

13 (26) "Rule or regulation" means any directive promulgated by the Rhode Island
14 ~~economic-development~~ [commerce](#) corporation not inconsistent with the laws of the United States
15 or the state, for the improvement of navigation and commerce or other project purposes and shall
16 include, but not be limited to, charges, tolls, rates, rentals, and security provisions fixed or
17 established by the corporation.

18 (27) "Sewage" shall be construed to mean the same as "pollutant" as defined in section
19 42-64-3(o) above.

20 (28) "Sewage treatment facility" means the sewage treatment plant, structure, combined
21 sewer overflows, equipment, interceptors, mains, pumping stations and other property, real,
22 personal or mixed, for the treatment, storage, collection, transporting or disposal of sewage, or
23 any property or system to be used in whole or in part for any of the aforesaid purposes located or
24 operated within the boundaries of the Quonset Point/Davisville Industrial Park, or utilized by the
25 corporation for the transport, collection, treatment, storage or disposal of waste.

26 (29) "Solid waste" means garbage, refuse, and other discarded materials, including, but
27 not limited to, solid waste materials resulting from industrial, recreational, utility, and commercial
28 enterprises, hotels, apartments, or any other public building or private building, or agricultural, or
29 residential activities.

30 (30) "Solid waste disposal facility" means any real or personal property, related to or
31 incidental to any project, which is designed or intended or designated for the purpose of treating,
32 compacting, composting, or disposing of solid waste materials, including treatment, compacting,
33 composting, or disposal plants, site and equipment furnishings thereof, and their appurtenances.

34 (31) "Source" means any building, structure, facility or installation from which there is

1 or may be the discharge of sewage.

2 (32) "State" means the state of Rhode Island and Providence Plantations.

3 (33) "State agency" means any office, department, board, commission, bureau, division,
4 authority, or public corporation, agency or instrumentality of the state.

5 (34) "State guide plan" means the plan adopted pursuant to section 42-11-10, which
6 establishes the statewide planning program.

7 (35) "Utility facility" means any real or personal property designed, intended or utilized
8 for generating, manufacturing, producing, storing, transmitting, distributing, delivering, or
9 furnishing natural or manufactured gas, steam, electrical, or nuclear energy, heat, light, or power
10 directly or indirectly to or for any project, project user, or for the public, the collection and
11 disposal of storm and sanitary sewage; any railroads necessary or desirable for the free flow of
12 commerce to and from projects; any roads, highways, bridges, tunnels, viaducts, or other
13 crossings necessary or desirable for the free flow of commerce to and from projects, and any
14 public transportation systems or facilities, including, but not limited to, bus, truck, ferry, and
15 railroad terminals, depots, tracked vehicles, and other rolling stock and ferries; and any
16 appurtenances, equipment, and machinery or other personal property necessary or desirable for
17 the utilization thereof.

18 (36) "Water supply facility" means any real or personal property, or any combination
19 thereof, related to or incidental to any project, designed, intended, or utilized for the furnishing of
20 water for domestic, industrial, irrigation, or other purposes and including artesian wells,
21 reservoirs, dams, related equipment, and pipelines, and other facilities.

22 (37) "Renewable energy facility" means any real or personal property, or any
23 combination thereof, related to, or incidental to, any project, designed, intended, or utilized for an
24 eligible renewable energy resource that meets the criteria set forth in subsections 39-26-5(a) and
25 39-26-5(c).

26 **42-64-4. Creation.** -- (a) There is authorized, created, and established a public
27 corporation of the state having a distinct legal existence from the state and not constituting a
28 department of state government, which is a governmental agency and public instrumentality of
29 the state, to be known as the "Rhode Island ~~economic-development~~ commerce corporation", and
30 which may be referred to as the "~~economic-development~~ commerce corporation", with those
31 powers that are set forth in this chapter, for the purposes of acquiring and developing real and
32 personal property, and providing financing to others as set forth in this chapter, providing and
33 promoting and encouraging the preservation, expansion and sound development of new and
34 existing industry, business, commerce, agriculture, tourism, recreational, and renewable energy

1 facilities, promoting thereby the economic development of the state and the general welfare of its
2 citizens.

3 (b) The exercise by the corporation of the powers conferred by this chapter shall be
4 deemed and held to be the performance of an essential governmental function of the state for
5 public purposes. It is the intent of the general assembly by the passage of this chapter to vest in
6 the corporation all powers, authority, rights, privileges, and titles which may be necessary to
7 enable it to accomplish the purposes herein set forth, and this chapter and the powers granted
8 hereby shall be liberally construed in conformity with those purposes.

9 (c) The corporation and its corporate existence shall continue until terminated by law or
10 until the corporation shall cease entirely and continuously to conduct or be involved in any
11 business whatsoever in furtherance of its purposes; provided, that no termination shall take effect,
12 so long as the corporation shall have bonds, notes, or other obligations outstanding, unless
13 adequate provision shall have been made for the payment thereof pursuant to the documents
14 securing the obligations or to the terminating law. Upon termination of the existence of the
15 corporation, all of its rights and properties shall pass to and be vested in the state. At no time shall
16 the assets or other property of the corporation inure to the benefit of any person or other
17 corporation or entity.

18 **42-64-5. Purposes.** -- The Rhode Island ~~economic development~~ commerce corporation is
19 authorized, created, and established to be an agency under the jurisdiction of the state's lead
20 agency for economic development, the executive office of commerce, and to be the operating
21 agency of the state to carry out the policies and procedure as established by the secretary,
22 governor and the board of directors ~~as the state's lead agency for economic development~~
23 ~~throughout Rhode Island~~ for the following purposes:

24 (1) To promote and encourage the preservation, expansion, and sound development of
25 new and existing industry, business, commerce, agriculture, tourism, and recreational facilities in
26 the state, which will promote the economic development of the state and the general welfare of its
27 citizens; and

28 (2) With respect to real property other than federal land or land related to federal land, to
29 undertake any project, except a residential facility; and

30 (3) With respect to federal land or land related to federal land, to undertake any project,
31 except as those responsibilities are assigned to the Quonset Development Corporation-; and

32 (4) To create an organization that is responsive to the needs and interests of businesses of
33 all sizes within the state of Rhode Island and to be structured to be customer centric to enhance
34 commerce in the state utilizing all available resources.

1 **42-64-6. General powers.** -- (a) Except to the extent inconsistent with any specific
2 provision of this chapter, the Rhode Island ~~economic development~~ commerce Corporation shall
3 have the power:

4 (1) To sue and be sued, complain and defend, in its corporate name.

5 (2) To have a seal, which may be altered at pleasure and to use the seal by causing it, or
6 a facsimile of the seal, to be impressed or affixed, or in any other manner reproduced.

7 (3) To purchase, take, receive, lease, or otherwise acquire, own, hold, improve, use, and
8 otherwise deal in and with, real or personal property, or any interest in real or personal property,
9 wherever situated.

10 (4) To sell, convey, mortgage, pledge, lease, exchange, transfer, and otherwise dispose of
11 all or any part of its property and assets for any consideration and upon any terms and conditions
12 as the corporation shall determine.

13 (5) To make contracts and guarantees and incur liabilities, borrow money at any rates of
14 interest as the corporation may determine.

15 (6) To make and execute agreements of lease, conditional sales contracts, installment
16 sales contracts, loan agreements, mortgages, construction contracts, operation contracts, and other
17 contracts and instruments necessary or convenient in the exercise of the powers and functions of
18 the corporation granted by this chapter.

19 (7) To lend money for its purposes, invest and reinvest its funds, and at its option to take
20 and hold real and personal property as security for the payment of funds so loaned or invested.

21 (8) To acquire or contract to acquire, from any person, firm, corporation, municipality,
22 the federal government, or the state, or any agency of either the federal government or the state,
23 by grant, purchase, lease, gift, condemnation, or otherwise, or to obtain options for the acquisition
24 of any property, real or personal, improved or unimproved, and interests in land less than the fee
25 thereof; and to own, hold, clear, improve, develop, and rehabilitate, and to sell, assign, exchange,
26 transfer, convey, lease, mortgage, or otherwise dispose or encumber that property for the
27 purposes of carrying out the provisions and intent of this chapter, for any consideration as the
28 corporation shall determine.

29 (9) To conduct its activities, carry on its operations, and have offices and exercise the
30 powers granted by this chapter, within or outside of the state.

31 (10) To elect or appoint officers and agents of the corporation, and define their duties
32 and fix their compensation.

33 (11) To make and alter by-laws, not inconsistent with this chapter, for the administration
34 and regulation of the affairs of the corporation, and those by-laws may contain provisions

1 indemnifying any person who is or was a director, officer, employee, or agent of the corporation,
2 or is or was serving at the request of the corporation as a director, officer, employee, or agent of
3 another corporation, partnership, joint venture, trust, or other enterprise, in the manner and to the
4 extent provided in section 7-1.2-814 of the business corporation act.

5 (12) To be a promoter, partner, member, associate, or manager of any partnership,
6 enterprise, or venture.

7 (13) To have and exercise all powers necessary or convenient to effect its purposes;
8 provided, however, that the corporation shall not have any power to create, empower or otherwise
9 establish any corporation, subsidiary corporation, corporate body, any form of partnership, or any
10 other separate entity without the express approval and authorization of the general assembly.

11 (b) Express approval and authorization of the general assembly shall be deemed to have
12 been given for all legal purposes on July 1, 1995 for the creation and lawful management of a
13 subsidiary corporation created for the management of the Quonset Point/Davisville Industrial
14 Park, that subsidiary corporation being managed by a board of directors, the members of which
15 shall be constituted as follows: (1) two (2) members who shall be appointed by the town council
16 of the town of North Kingstown; (2) two (2) members who shall be residents of the town of North
17 Kingstown appointed by the governor; (3) four (4) members who shall be appointed by the
18 governor; (4) the chairperson, who shall be: (i) the executive director of the Rhode Island
19 economic development corporation until such time that the secretary of commerce is appointed;
20 (ii) Upon the appointment of a secretary of commerce, the chief executive officer of the Rhode
21 Island commerce corporation, and who also shall be the secretary of the Rhode Island executive
22 office of commerce; and (5) non-voting members who shall be the members of the general
23 assembly whose districts are comprised in any part by areas located within the town of North
24 Kingstown.

25 The approval and authorization provided herein shall terminate upon the establishment
26 of the Quonset Development Corporation as provided for in chapter 64.10 of this title.

27 **42-64-7. Additional general powers.** -- In addition to the powers enumerated in section
28 42-64-6, except to the extent inconsistent with any specific provision of this chapter, the Rhode
29 Island ~~economic development~~ commerce corporation shall have power:

30 (1) To undertake the planning, development, construction, financing, management,
31 operation of any project, and all activities in relation thereto.

32 (2) (i) To sell, mortgage, lease, exchange, transfer, or otherwise dispose of or encumber
33 any port project, (or in the case of a sale, to accept a purchase money mortgage in connection
34 with any port project) or to grant options for any purposes with respect to any real or personal

1 property or interest in real or personal property, all of the foregoing for consideration as the
2 corporation shall determine. Any lease by the corporation to another party may be for any part of
3 the corporation's property, real or personal, for any period, upon any terms or conditions, with or
4 without an option on the part of the lessee to purchase any or all of the leased property for any
5 consideration, at or after the retirement of all indebtedness incurred by the corporation on account
6 thereof, as the corporation shall determine.

7 (ii) Without limiting the generality of the foregoing, the corporation is expressly
8 empowered to lease or sell any part of the real or personal property owned or controlled by the
9 corporation to the state, or any department of the state or to any municipality. The provisions of
10 this section or of any other laws of this state (other than this chapter) restricting the power of the
11 state, its departments or any municipality, to lease or sell property, or requiring or prescribing
12 publication of notice of intention to lease or sell, advertising for bids, the terms of contracts of
13 lease or sale, that would in any manner interfere with the purpose of this section, which is to
14 provide for the mutual cooperation by and between the corporation and the state, its departments
15 or any municipality, to the fullest extent possible, are not applicable to leases and sales made
16 pursuant to this section.

17 (3) To prepare or cause to be prepared plans, specifications, designs, and estimates of
18 costs for the construction, reconstruction, rehabilitation, improvement, alteration, or repair of any
19 project, and from time to time to modify those plans, specifications, designs, or estimates.

20 (4) To manage any project, whether then owned or leased by the corporation, and to
21 enter into agreements with the state or any municipality or any agency or their instrumentalities,
22 or with any person, firm, partnership, or corporation, either public or private, for the purpose of
23 causing any project to be managed.

24 (5) To provide advisory, consultative, training, and educational services, technical
25 assistance, and advice to any person, firm, partnership, or corporation, whether it is public or
26 private, in order to carry out the purposes of this chapter.

27 (6) Subject to the provisions of any contract with note holders or bond holders to consent
28 to the modification, with respect to rate of interest, time of payments of any installment of
29 principal or interest, security or any other term of any mortgage, mortgage loan, mortgage loan
30 commitment, contract, or agreement of any kind to which the corporation is a party.

31 (7) In connection with any property on which it has made a mortgage loan, to foreclose
32 on that property or commence an action to protect or enforce any right conferred upon it by law,
33 mortgage, contract, or other agreement and to bid for and purchase the property at any foreclosure
34 or any other sale, or to acquire or take possession of the property; and in that event the

1 corporation may complete, administer, pay the principal of, or interest on any obligations incurred
2 in connection with the property, dispose of, and otherwise deal with the property in a manner as
3 may be necessary or desirable to protect the interest of the corporation therein.

4 (8) As security for the payment of principal and interest on any bonds or notes or any
5 agreements made in connection therewith, to mortgage and pledge any or all of its projects and
6 property, whether then owned or thereafter acquired, and to pledge the revenues and receipts from
7 all or part thereof, and to assign or pledge the leases, sales contracts or loan agreements or other
8 agreements on any portion or all of its projects and property and to assign or pledge the income
9 received by virtue of the lease, sales contracts, loan agreements or other agreements.

10 (9) To invest any funds of the corporation, including funds held in reserve or sinking
11 funds, or any moneys not required for immediate use or disbursement at the discretion of the
12 corporation, in: (i) obligations of the state or the United States, (ii) obligations of the principal
13 and interest of which are guaranteed by the state or the United States, (iii) obligations of agencies
14 and instrumentalities of the state or the United States, or (iv) certificates of deposits of banks and
15 trust companies or shares of building loan associations organized under the laws of the state or
16 doing business in the state or (v) any obligations, securities, and other investments as shall be
17 specified in resolutions of the corporation.

18 (10) To engage the services of consultants on a contract basis for rendering professional
19 and technical assistance and advice, and to employ architects, engineers, attorneys, accountants,
20 construction, and financial experts and any other advisors, consultants, and agents as may be
21 necessary in his or her judgment, and to fix their compensation.

22 (11) To contract for and to accept any gifts or grants or loans or funds or property or
23 financial or other assistance in any form from the United States or any agency or instrumentality
24 of the United States or from the state or any agency or instrumentality of the state or from any
25 other source and to comply, subject to the provisions of this chapter, with the terms and
26 conditions of this contract.

27 (12) To enter into agreements with any municipality or political subdivision, either
28 directly or on behalf of any other party which holds legal title to all or any portion of a project as
29 the lessee from the corporation designated pursuant to section 42-64-20(c), providing that the
30 corporation or the lessee shall pay annual sums in lieu of taxes to the municipality or political
31 subdivision of the state in respect to any real or personal property which is owned by the
32 corporation or the lessee and is located in the municipality or political subdivision.

33 (13) To borrow money and to issue negotiable bonds and notes, and to provide for the
34 rights of the holders of these bonds and notes, for the purpose of providing funds to pay all or any

1 part of the cost of any port project or for the purpose of refunding any of these bonds issued.

2 (14) To construct, acquire, own, repair, develop, operate, maintain, extend, and improve,
3 rehabilitate, renovate, furnish, and equip one or more port projects and to pay all or any part of
4 the costs of these bonds and notes from the proceeds of bonds of the corporation or from any
5 contribution, gift, or donation or other funds made available to the corporation for those purposes.

6 (15) To fix, charge and collect rents, fees, tolls, and charges for the use of any port
7 project and to alter and investigate rates, and practices of charging, which affect port projects so
8 as to increase commerce in the state.

9 (16) To prescribe rules and regulations deemed necessary or desirable to carry out the
10 purposes of this chapter including rules and regulations to insure maximum use and proper
11 operation of port projects.

12 (17) To establish penalties for violations of any order, rule, or regulation of the
13 corporation, and a method of enforcing these penalties.

14 (18) To develop, maintain, and operate foreign trade zones under those terms and
15 conditions that may be prescribed by law.

16 (19) To impose administrative penalties in accordance with the provisions of section 42-
17 64-9.2.

18 (20) To make assessments and impose reasonable and just user charges, and to pay for
19 those expenses that may be required by law or as may be determined by the corporation to be
20 necessary for the maintenance and operation of the sewage treatment facility.

21 (21) To establish a sewage pretreatment program, and to require as a condition to the
22 grant or re-issuance of any approval, license, or permit required under the program that the person
23 applying for the approval, license or permit, pay to the corporation a reasonable fee based on the
24 cost of reviewing and acting upon the application and based on the costs of implementing the
25 program. In addition, where a violation of any of the provisions of this title or any permit, rule,
26 regulation, or order issued pursuant to this title have occurred, the violator shall reimburse the
27 corporation for the actual costs of implementing and enforcing the terms of the permit, rule,
28 regulation or order as a condition to the grant or re-issuance of any approval.

29 (22) To assist urban communities revitalize their local economics.

30 (23) To provide assistance to minority businesses and to neighborhoods where there is
31 insufficient economic and business investment.

32 (24) To support and assist entrepreneurial activity by minorities and by low and
33 moderate income persons.

34 (25) To issue bonds and notes of the type and for those projects and for those purposes

1 specified in any Joint Resolution of the General Assembly adopted by the Rhode Island house of
2 representatives and the Rhode Island senate; pursuant to section 18 of title 35 of the general laws
3 entitled "the Rhode Island Public Corporation Debt Management Act"; and to make such
4 determinations, enter into such agreements, to deliver such instruments and to take such other
5 actions as it shall deem necessary or desirable to effectuate the financing of such projects.

6 **42-64-7.1. Subsidiaries.** -- (a) (1) The parent corporation shall have the right to exercise
7 and perform its powers and functions, or any of them, through one or more subsidiary
8 corporations whose creation shall be approved and authorized by the general assembly.

9 (2) (i) Express approval and authorization of the general assembly shall be deemed to
10 have been given for all legal purposes on July 1, 1995 for the creation and lawful management of
11 a subsidiary corporation created for the management of the Quonset Point/Davisville Industrial
12 Park, that subsidiary corporation being managed by a board of directors, the members of which
13 shall be constituted as follows: (A) two (2) members who shall be appointed by the town council
14 of the town of North Kingstown; (B) two (2) members who shall be residents of the town of
15 North Kingstown appointed by the governor; (C) four (4) members who shall be appointed by the
16 governor; (D) the chairperson, who shall be: (i) the executive director of the Rhode Island
17 economic development corporation until such time that the secretary of commerce is appointed;
18 (ii) Upon the appointment of a secretary of commerce, the chief executive officer of the Rhode
19 Island commerce corporation, who also shall be the secretary of the Rhode Island executive office
20 of commerce; and (E) non-voting members, who shall include the members of the general
21 assembly whose districts are comprised in any part by areas located within the town of North
22 Kingstown and one non-voting member who shall be a resident of the town of Jamestown,
23 appointed by the town council of the town of Jamestown. Upon receipt of approval and
24 authorization from the general assembly, the parent corporation by resolution of the board of
25 directors may direct any of its directors, officers, or employees to create subsidiary corporations
26 pursuant to chapter 1.2 or 6 of title 7 or in the manner described in subsection (b); provided, that
27 the parent corporation shall not have any power or authority to create, empower or otherwise
28 establish any corporation, subsidiary corporation, corporate body or any form of partnership or
29 any other separate entity, without the express approval and authorization of the general assembly.

30 (ii) The approval and authorization provided herein shall terminate upon the
31 establishment of the Quonset Development Corporation as provided for in chapter 64.10 of this
32 title.

33 (iii) The Quonset Development Corporation shall be deemed a subsidiary of the Rhode
34 Island ~~economic development~~ commerce corporation:

1 (A) As set forth in section 42-64.10-6(c); and

2 (B) Insofar as it exercises any powers and duties delegated to it by the corporation
3 pursuant to this chapter for any project other than on real and personal property owned, leased or
4 under the control of the corporation located in the town of North Kingstown, and the corporation
5 shall be deemed to have authority to delegate any of its powers, with the exception of the power
6 to issue any form of negotiable bonds or notes and the power of eminent domain, in order to
7 accomplish the purposes of chapter 64.10 of this title; provided, however, that the corporation
8 may, as provided for in this chapter, issue bonds or exercise the power of eminent domain on
9 behalf of the Quonset Development Corporation or to undertake a project of the Quonset
10 Development Corporation.

11 (b) As used in this section, "subsidiary public corporation" means a corporation created
12 pursuant to the provisions of this section. The person or persons directed by the resolution
13 referred to in subsection (a) shall prepare articles of incorporation setting forth: (1) the name of
14 the subsidiary public corporation; (2) the period of duration, which may be perpetual; (3) the
15 purpose or purposes for which the subsidiary public corporation is organized which shall not be
16 more extensive than the purposes of the corporation set forth in section 42-64-5; (4) the number
17 of directors (which may, but need not be, more than one) constituting the initial board of directors
18 and their names and business or residence addresses; (5) the name and business or residence
19 address of the person preparing the articles of incorporation; (6) the date when corporate
20 existence shall begin (which shall not be earlier than the filing of the articles of incorporation
21 with the secretary of state as provided in this subsection); (7) any provision, not inconsistent with
22 law, which the board of directors elect to set forth in the articles of incorporation for the
23 regulation of the internal affairs of the subsidiary public corporation; and (8) a reference to the
24 form of authorization and approval by the general assembly and to the resolution of the board of
25 directors authorizing the preparation of the articles of incorporation. Duplicate originals of the
26 articles of incorporation shall be delivered to the secretary of state. If the secretary of state finds
27 that the articles of incorporation conform to the provisions of this subsection, the secretary shall
28 endorse on each of the duplicate originals the word "Filed," and the month, day and year of the
29 filing; file one of the duplicate originals in his or her office; and a certificate of incorporation to
30 which the secretary shall affix the other duplicate original. No filing fees shall be payable upon
31 the filing of articles of incorporation. Upon the issuance of the certificate of incorporation or upon
32 a later date specified in the articles of incorporation, the corporate existence shall begin and the
33 certificate of incorporation shall be conclusive evidence that all conditions precedent required to
34 be performed have been complied with and that the subsidiary public corporation has been duly

1 and validly incorporated under the provisions hereof. The parent corporation may transfer to any
2 subsidiary public corporation any moneys, real, personal, or mixed property or any project in
3 order to carry out the purposes of this chapter. Each subsidiary public corporation shall have all
4 the powers, privileges, rights, immunities, tax exemptions, and other exemptions of the parent
5 corporation except to the extent that the articles of incorporation of the subsidiary public
6 corporation shall contain an express limitation and except that the subsidiary public corporation
7 shall not have the condemnation power contained in section 42-64-9, nor shall it have the powers
8 contained in, or otherwise be subject to, the provisions of section 42-64-12 and section 42-64-
9 13(a), nor shall it have the power to create, empower or otherwise establish any corporation,
10 subsidiary corporation, corporate body, any form of partnership, or any other separate entity,
11 without the express approval and authorization of the general assembly.

12 (c) Any subsidiary corporation shall not be subject to the provisions of section 42-64-
13 8(a), (c), and (d), except as otherwise provided in the articles of incorporation of the subsidiary
14 corporation.

15 (d) The Rhode Island ~~economic development~~ commerce corporation, as the parent
16 corporation of the Rhode Island Airport Corporation, shall not be liable for the debts or
17 obligations or for any actions or inactions of the Rhode Island Airport Corporation, unless the
18 Rhode Island ~~economic development~~ commerce corporation expressly agrees otherwise in
19 writing.

20 (e) The East Providence Waterfront District shall, with the approval of its commission
21 and the board of directors of the corporation, be a subsidiary of the Rhode Island ~~economic~~
22 ~~development~~ commerce corporation for the purposes of exercising such powers of the corporation
23 as the board of directors shall determine, and notwithstanding the requirements of subsection (b),
24 the act creating the District shall be deemed fully satisfactory for the purposes of this section
25 regarding the establishment of subsidiary public corporations, and the express approval and
26 authorization of the general assembly shall be deemed to have been given for all legal purposes
27 for the creation and lawful management of a subsidiary corporation created for the purposes of
28 implementing the purposes of the District.

29 (f) The parent corporation is hereby authorized and empowered to create a subsidiary
30 corporation for the expressed purpose to issue bonds and notes of the type and for those projects
31 and purposes specified in the Joint Resolution and Act of the general assembly adopted by the
32 Rhode Island house of representatives and the Rhode Island senate.

33 (g) The I-195 redevelopment district shall be a subsidiary of the Rhode Island ~~economic~~
34 ~~development~~ commerce corporation for the purposes of exercising such powers of the corporation

1 as the board of directors shall determine, and notwithstanding the requirements of subsection (b),
2 the chapter creating the district shall be deemed fully satisfactory for the purposes of this section
3 regarding the establishment of subsidiary public corporations, and the express approval and
4 authorization of the general assembly shall be deemed to have been given for all legal purposes
5 for the creation and lawful management of a subsidiary corporation created for the purposes of
6 implementing the purposes of the district.

7 (h) The Rhode Island airport corporation -- appointment of directors:

8 The board of directors of the Rhode Island airport corporation shall consist of seven (7)
9 members: The board of directors shall have extensive experience in the fields of finance,
10 business, construction and/or organized labor.

11 The governor of the State of Rhode Island shall appoint, with the advice and consent of
12 the senate when nominated to serve, the seven (7) members of the board of directors. One director
13 shall be appointed for a term of one year; two (2) directors shall be appointed for a term of two
14 (2) years; three (3) directors shall be appointed for a term of three (3) years; and one director shall
15 be appointed for a term of four (4) years. Appointments made thereafter shall be for four (4) year
16 terms.

17 Any vacancy occurring in the board of directors shall be filled by the governor of the
18 State of Rhode Island in the same manner prescribed for the original appointments.

19 A director appointed to fill a vacancy of a director appointed by the governor of the State
20 of Rhode Island shall be appointed for the unexpired portion of the term of office of the director
21 whose vacancy is to be filled.

22 All members of the board of directors of the Rhode Island airport corporation shall serve
23 without compensation.

24 **42-64-7.4. Water supply facilities.** -- (a) The Rhode Island ~~economic development~~
25 [commerce](#) corporation is authorized and empowered to acquire and construct water supply
26 facilities; to maintain, repair, and operate those facilities; and to issue revenue bonds of the
27 corporation payable solely from revenues derived from the leasing of those water supply facilities
28 to finance them. Development of these projects may be initiated by the corporation upon request
29 of a municipality or municipalities seeking to undertake the project either singly or jointly.

30 (b) Without limiting the generality of the foregoing, the corporation is expressly
31 empowered to lease or sell water supply facilities or any part of those facilities to any
32 municipality. A lease by the corporation to any municipality may be for any period, upon any
33 terms and conditions, with or without an option to purchase, as the corporation may determine.

34 (c) The provisions of any other laws or ordinances, general, special, or local, or of any

1 rule or regulation of the state or any municipality, restricting or regulating in any manner the
2 power of any municipality to lease, as lessee or lessor, or sell property real, personal, or mixed,
3 shall not apply to leases and sales made with authority pursuant to this section; and insofar as the
4 provisions of this section are inconsistent with the other laws of this state, general, special, or
5 local, restricting the power of any municipality to enter into a lease or to sell property, the
6 provisions of this section shall be controlling.

7 (d) Any municipality, notwithstanding any contrary provision of law, is authorized and
8 empowered to lease, lend, grant, or convey to the corporation, at its request upon those terms and
9 conditions that the proper authorities of a municipality may deem reasonable and fair and without
10 the necessity for any advertisement, order of court, or other action or formality, other than the
11 regular and formal action of the authorities concerned, any real property or personal property
12 which may be necessary or convenient to effectuation of the authorized purposes of the
13 corporation including real property already devoted to public use; and subject to the aforesaid, the
14 state consents to the use of all lands owned by it, including land lying under water, and which are
15 deemed by the corporation to be necessary for the construction or operation of any water supply
16 facilities.

17 ~~42-64-7.5. Transfer of functions from the department of economic development~~
18 **Transfer of functions from the economic development corporation. --** (a) Effective January 1,
19 2014, all ~~All~~ functions formerly administered by the ~~department of Rhode Island~~ economic
20 development corporation are hereby transferred to the Rhode Island ~~economic development~~
21 commerce corporation. Also effective January 1, 2014, the commerce corporation shall assume
22 all rights, duties, liabilities, and obligations of the former economic development corporation, and
23 the commerce corporation shall be considered to be the successor-in-interest to the economic
24 development corporation.

25 (b) In addition to any of its other powers and responsibilities, the Rhode Island ~~economic~~
26 ~~development~~ commerce corporation is authorized and empowered to accept any grants made
27 available by the United States government or any agency of the United States government, and
28 the corporation, with the approval of the governor, is authorized and empowered to perform any
29 acts and enter into all necessary contracts and agreements with the United States or any agency of
30 the United States as may be necessary in any manner and degree that shall be deemed to be in the
31 best interests of the state. The proceeds of any grants received shall be paid to the general
32 treasurer of the state and deposited in a separate fund to be used solely for the purposes of the
33 grant or grants.

34 **42-64-7.6. Transfer of functions from the governor's office of intergovernmental**

1 **relations.** -- (a) All functions formerly administered by the governor's office of
2 intergovernmental relations in the executive department relating to community development
3 block grants are hereby transferred to the department of administration, division of planning.

4 (b) In addition to any of its other powers and responsibilities, the Rhode Island ~~economic~~
5 ~~development~~ commerce corporation is authorized and empowered to accept any grants made
6 available by the United States government or any agency of the United States government, and
7 the corporation, with the approval of the governor, is authorized and empowered to perform any
8 acts and enter into all necessary contracts and agreements with the United States or any agency of
9 the United States as may be necessary in any manner and degree that shall be deemed to be in the
10 best interest of the state. The proceeds of the received grants shall be paid to the general treasurer
11 and deposited in a separate fund to be used solely for the purposes of the grant or grants.

12 **42-64-7.7. Grant of powers to the corporation.** -- The Rhode Island ~~economic~~
13 ~~development~~ commerce corporation is granted all of the powers necessary and convenient to
14 perform the functions transferred to the Rhode Island ~~economic-development~~ commerce
15 corporation pursuant to sections 42-64-7.5 and 42-64-7.6.

16 **42-64-7.8. Sewer treatment facilities, connections, sewer user fees, charges and**
17 **assessments.** -- (a) The Rhode Island ~~economic-development~~ commerce corporation shall have
18 full and complete authority to limit, deny, or cause appropriate direct or indirect connections to be
19 made between any building or property located in the Quonset Point/Davisville Industrial Park, or
20 from any location outside the boundaries of the Quonset Point/Davisville Park and discharging
21 into the corporation's sewage treatment facility. The corporation shall prescribe those rules and
22 regulations for sewer connections that in the opinion of the corporation are necessary and
23 appropriate for the maintenance and operation of the sewer treatment facility. No person shall
24 make any connection from any structure to any sewer or appurtenance thereto discharging to the
25 sewage treatment facility without first being granted a written permit from the corporation in
26 accordance with its rules and regulations. Rhode Island ~~economic-development~~ commerce
27 corporation shall have full and complete power and authority to compel any person within the
28 Quonset Point/Davisville Industrial Park, for the purpose of sewage disposal, to establish a direct
29 connection on the property of the individual, firm, partnership or corporation, or at the boundary
30 thereof to the corporation's sewage treatment facility. These connections shall be made at the
31 expense of the individual, firm, partnership or corporation. The term "appurtenance" as used
32 herein shall be construed to include adequate pumping facilities, whenever the pumping facilities
33 shall be necessary to deliver sewage to the sewage treatment facility.

34 (b) The Rhode Island ~~economic-development~~ commerce corporation shall assess any

1 person having a direct or indirect connection to the Quonset Point/Davisville Industrial Park
2 sewage treatment facility the reasonable charges for the use, operation, maintenance and
3 improvements to the facility.

4 (c) The Rhode Island ~~economic development~~ [commerce](#) corporation shall proceed under
5 the provisions of this chapter to collect the fees, charges and assessments from any individual,
6 firm, partnership or corporation so assessed. Each entity so assessed shall pay the fees, charges,
7 or assessments within the time frame prescribed by the rules and regulations of the corporation.
8 The Rhode Island ~~economic development~~ [commerce](#) corporation may collect the fees, charges
9 and assessments in the same manner in which taxes are collected by municipalities, with no
10 additional fees, charges, assessments or penalties (other than those provided for in chapter 9 of
11 title 44). All unpaid charges shall be a lien upon the real estate of the individual, firm, partnership
12 or corporation. The lien shall be filed in the records of land evidence for the city or town in which
13 the property is located and the corporation shall simultaneously with the filing of the lien give
14 notice to the property owner. Owners of property subject to a lien for unpaid charges are entitled
15 to a hearing within fourteen (14) days of the recording of the lien.

16 (d) Notwithstanding the provisions of subsection (c), the Rhode Island ~~economic~~
17 ~~development~~ [commerce](#) corporation is authorized to terminate the water supply service of any
18 individual, firm, partnership or corporation for the nonpayment of sewer user fees, charges and
19 assessments. The corporation shall notify the user of termination of water supply at least forty-
20 eight (48) hours prior to ceasing service. The corporation may assess any individual, firm,
21 partnership or corporation any fees, charges and assessments affiliated with the shut off and
22 restoration of service.

23 **42-64-7.9. Orders as to pretreatment of sewage.** -- (a) Without limiting the generality
24 of the foregoing, the authority vested in the Rhode Island ~~economic development~~ [commerce](#)
25 corporation shall include the authority to limit, reject, or prohibit any direct or indirect discharge
26 of pollutants or combination of pollutants as defined by applicable federal or state law, into any
27 treatment facility operated by the corporation, to require that any person or class of user shall
28 submit any and all discharges into the corporation's wastewater collection and treatment system to
29 those pretreatment standards and requirements as prescribed by the corporation.

30 (b) The corporation shall adopt rules, regulations and permit requirements for
31 pretreatment. The corporation shall adopt rules, regulations and permit requirements necessary to
32 ensure compliance by all parties with:

33 (1) Applicable federal and state laws

34 (2) State and federal discharge permit limitations for the corporation's wastewater

1 treatment facility

2 (3) Necessary and appropriate local limitations.

3 (c) The Rhode Island ~~economic development~~ commerce corporation shall have the
4 authority to issue or deny permits to any person for the direct or indirect discharge of any
5 pollutants into any corporation wastewater treatment facility and to require the development of a
6 compliance schedule by each discharger to insure compliance with any pretreatment required by
7 the corporation. No person shall discharge any pollutant into the corporation's wastewater facility
8 except as in compliance with the provisions of this section and any rules and regulations
9 promulgated under this chapter and pursuant to all terms and conditions of a permit.

10 (d) The Rhode Island ~~economic development~~ commerce corporation may, by regulation,
11 order, permit or otherwise require any person who discharges into any wastewater treatment
12 facility owned by the corporation to:

13 (1) Establish and maintain records as required by federal or state statute, or by rule,
14 regulation, compliance order or permit terms;

15 (2) Make any and all reports as required by federal or state statute or by rule, regulation,
16 compliance order or permit terms;

17 (3) Install, calibrate, use and maintain any and all monitoring equipment or testing
18 procedures including, where appropriate, biological monitoring methods;

19 (4) Sample any discharges and effluents in accordance with the methods and at the
20 locations and at the intervals and in a manner as the corporation may prescribe, and

21 (5) Provide any other information relating to discharges into the facilities of the
22 corporation that the corporation may reasonably require to insure compliance with prescribed
23 pretreatment. The information shall include, but is not limited to, those records, reports and
24 procedures required by applicable federal and state laws.

25 (e) Notwithstanding any other provision of this section, the Rhode Island ~~economic~~
26 ~~development~~ commerce corporation shall have the authority, and shall accordingly prescribe the
27 appropriate procedures, to immediately and effectively halt or prevent any discharge of pollutants
28 into the facilities of the corporation which reasonably appears to present an imminent danger to
29 human health or the environment. The Rhode Island ~~economic development~~ commerce
30 corporation shall also have the authority and shall prescribe the appropriate procedures, which
31 shall include notice to the affected discharger and an opportunity to respond, to hold or prevent
32 any discharge into the facilities of the corporation, which presents or may present a threat to the
33 operation of the wastewater collection and/or treatment system. Procedures prescribed under this
34 subsection, which comply in form to those provided in section 42-17.1-2(21) shall be deemed to

1 be appropriate.

2 **42-64-7.11. Venture capital forum program.** -- The Rhode Island ~~economic~~
3 ~~development~~ commerce corporation shall establish a "Rhode Island Venture Capital Forum
4 Program." To establish the program, the corporation shall organize a statewide system for
5 facilitating venture capital investing. Such system may include, but need not be limited to, the
6 following:

7 (a) Identifying and providing information to investors about investment opportunities in
8 new and high-growth business enterprises;

9 (b) Identifying and providing information to entrepreneurs and high-growth business
10 enterprises about investors seeking investment opportunities;

11 (c) Providing statewide and regional meetings, forums, internet-based information
12 systems, venture capital fairs, and other opportunities for venture capital investors and new and
13 high-growth business enterprises to meet and discuss potential mutual opportunities;

14 (d) Cooperating with other service entities in facilitating effectiveness of the program
15 including, but not limited to, financial institutions, attorneys, accountants, investment banking
16 firms, established venture capital funds, institutions of higher education, local and regional
17 development organizations, business development centers, business incubators, and utilities;

18 (e) Serving as a clearinghouse and access point for information about venture capital
19 investment opportunities in Rhode Island;

20 (f) Serving as the central organization and means of delivering appropriate education and
21 training programs for potential investors and new or high-growth business enterprises;

22 (g) Facilitating the formation of private venture capital funds;

23 (h) Reviewing annually the current status of venture capital in Rhode Island in
24 conjunction with the full capital continuum needs of businesses in Rhode Island and make such
25 report to the legislature as to the availability of capital for businesses in Rhode Island. The report
26 shall analyze the needs of small and larger businesses in Rhode Island. The corporation shall
27 work in conjunction with any organization formed to provide economic analysis for the state.

28 **42-64-7.13. National security infrastructure support fund.** -- The Rhode Island
29 ~~economic-development~~ commerce corporation is hereby authorized and empowered to administer
30 the national security infrastructure support fund in accordance with the powers and terms
31 enumerated in chapter 32 of title 30.

32 **42-64-8. Directors, officers, and employees.** -- (a) The powers of the Rhode Island
33 ~~economic-development~~ commerce corporation shall be vested in a board of directors consisting of
34 thirteen (13) members.

1 (1) The governor shall serve as a member of the board and as chairperson, ex-officio,
2 who shall vote only in the event of a tie.

3 (2) In addition to the governor, the membership of the board shall consist of twelve (12)
4 public members to be appointed by the governor.

5 (3) Each gubernatorial appointee shall be subject to the advice and consent of the senate
6 and no one shall be eligible for appointment unless he or she is a resident of this state. The
7 membership of the board shall reflect the geographic diversity of the state. Four (4) of the public
8 members shall be owners or principals of small businesses doing business in this state which are
9 independently owned and operated and which employs one hundred (100) or fewer persons. One
10 other of the public members shall be a representative of organized labor. One other of the public
11 members shall be a representative of higher education. One other of the public members shall be
12 a representative from the governor's work force board. One other of the public members shall be a
13 representative of a minority business. One other of the public members shall be appointed on an
14 interim basis by the governor when a project plan of the corporation situated on federal land is
15 disapproved by the governing body of a municipality in accordance with section 42-64-13(a)(4).
16 The member shall be the mayor of the municipality within whose borders all or a majority of the
17 project plan is to be carried out, or in a municipality, which has no mayor, the member shall be
18 the president of the town or city council. The appointed interim member shall have all the powers
19 of other members of the board only in its deliberations and action on the disapproval of the
20 project plan situated on federal land and within the borders of his or her municipality. Upon final
21 action by the board pursuant to section 42-64-13(a)(5), the interim member's term of appointment
22 shall automatically terminate.

23 (4) It shall be the responsibility of the corporation to conduct a training course for newly
24 appointed and qualified members and new designees of ex-officio members within six (6) months
25 of their qualification or designation. The course shall be developed by the executive director of
26 the corporation or his or her designee, be approved by the board, and conducted by the executive
27 director or his or her designee. The board may approve the use of any board or staff members or
28 other individuals to assist with training. The training course shall include instruction in the
29 following areas: the provisions of the entirety of chapter 64 of this title and of chapters 46 of this
30 title, 14 of title 36, and 2 of title 38 of the Rhode Island general laws; and the board's rules and
31 regulations. The director of the department of administration shall, within ninety (90) days of July
32 15, 2005, prepare and disseminate materials relating to the provisions of chapters 46 of this title,
33 14 of title 36, and 2 of title 38.

34 (5) Members of the board shall be removable by the governor, pursuant to the provisions

1 of section 36-1-7 and for cause only, and removal solely for partisan or personal reasons
2 unrelated to capacity or fitness for the office shall be unlawful.

3 (6) The five (5) current members of the board of directors who were duly appointed and
4 who have unexpired terms shall continue as directors of the corporation until February 1, 2010,
5 and thereafter until their successors are appointed and qualified. Upon passage of this act, the
6 governor shall appoint seven (7) members to the board, with terms expiring as follows: three (3)
7 members shall have terms expiring on February 1, 2011; three (3) members shall have terms
8 expiring on February 1, 2012; and one member shall have a term expiring on February 1, 2013. In
9 January 2010, the governor shall appoint five (5) members to the board with terms expiring as
10 follows: two (2) members shall have terms expiring on February 1, 2013 and three (3) members
11 shall have terms expiring on February 1, 2014. Beginning in 2011 and annually thereafter, during
12 the month of January, the governor shall appoint a member or members to succeed the member or
13 members whose terms will then next expire to serve for a term of four (4) years commencing on
14 the first day of February and then next following, and thereafter until the successors are appointed
15 and qualified. Beginning in 2011 and annually thereafter the governor shall appoint owners or
16 principals of small businesses doing business in this state which are independently owned and
17 operated, and which employs one hundred (100) or fewer persons. The members of the board
18 shall be eligible to succeed themselves, but only upon reappointment and with senate advice and
19 consent. The current members of the board of directors of the Rhode Island economic
20 development corporation who were duly appointed and who have unexpired terms shall be
21 considered as directors of the corporation until their terms expire, and thereafter until their
22 successors are appointed and qualified.

23 (7) In the event of a vacancy occurring in the office of a member by death, resignation or
24 otherwise, that vacancy shall be filled in the same manner as an original appointment, but only for
25 the remainder of the term of the former member.

26 (b) The directors shall receive no compensation for the performance of their duties under
27 this chapter, but each director shall be reimbursed for his or her reasonable expenses incurred in
28 carrying out those duties. A director may engage in private employment, or in a profession or
29 business.

30 (c) The chairperson shall designate a vice chairperson from among the members of the
31 board who shall serve at the pleasure of the chairperson. A majority of directors holding office
32 shall constitute a quorum, and, except as otherwise provided in section 42-64-13, any action to be
33 taken by the corporation under the provisions of this chapter may be authorized by resolution
34 approved by a majority of the directors present and entitled to vote at any regular or special

1 meeting at which a quorum is present. A vacancy in the membership of the board of directors
2 shall not impair the right of a quorum to exercise all of the rights and perform all of the duties of
3 the corporation.

4 (d) The chief executive officer of the corporation shall be executive director of the
5 corporation until such time that the secretary of commerce is appointed. ~~, appointed by the~~
6 ~~governor with the advice and consent of the senate. The executive director shall hold office for~~
7 ~~the term of three (3) years from the time of his or her appointment and until his or her successor is~~
8 ~~duly appointed and qualified. The director shall be eligible for reappointment, and shall not~~
9 ~~engage in any other occupation. The executive director of the corporation shall be entitled to~~
10 ~~receive for his or her services any reasonable compensation as the board of directors may~~
11 ~~determine.~~ Upon the appointment of a secretary of commerce, the secretary of commerce shall be
12 the commerce corporation's chief executive officer and responsible for the management of the
13 corporation. There shall be a chief operating officer (COO) of the corporation and he/she shall be
14 appointed by the secretary of commerce. The COO shall be the chief administrative officer of the
15 corporation and responsible for the day to day management of the corporation. The COO shall be
16 a professional in the area of economic development, management of economic development
17 corporations, and shall hold the requisite experience and education as established by the secretary
18 and board.

19 (e) The board of directors shall appoint a secretary and such additional officers and staff
20 members as they shall deem appropriate and shall determine the amount of reasonable
21 compensation, if any, each shall receive. The board of directors may vest in the executive
22 director, or the director's subordinates and, upon the appointment of a secretary of commerce, the
23 chief operating officer or the chief operating officer's subordinates, the authority to appoint
24 additional staff members and to determine the amount of compensation each individual shall
25 receive.

26 (f) No full-time employee shall during the period of his or her employment by the
27 corporation engage in any other private employment, profession or business, except with the
28 approval of the board of directors.

29 (g) Notwithstanding any other law to the contrary, it shall not be or constitute a conflict
30 of interest for a director, officer, or employee of any financial institution, investment banking
31 firm, brokerage firm, commercial bank, trust company, building-loan association, architecture
32 firm, insurance company, or any other firm, person, or corporation to serve as a director of the
33 corporation, nor shall any contract or transaction between the corporation and a financial
34 institution, investment banking firm, brokerage firm, commercial bank, trust company, building-

1 loan association, architecture firm, insurance company, or other firm, person, or corporation be
2 void or voidable by reason of that service as director of the corporation. If any director, officer, or
3 employee of the corporation shall be interested either directly or indirectly, or shall be a director,
4 officer, or employee of or have an ownership interest (other than as the owner of less than one
5 percent (1%) of the shares of a publicly-held corporation) in any firm or corporation interested
6 directly or indirectly in any contract with the corporation, that interest shall be disclosed to the
7 corporation and set forth in the minutes of the corporation, and the director, officer, or employee
8 having that ownership interest shall not participate on behalf of the corporation in the
9 authorization of that contract. Interested directors may be counted in determining the presence of
10 a quorum at a meeting of the board of directors of the corporation, which authorizes the contract
11 or transaction.

12 (h) Any action taken by the corporation under the provisions of this chapter may be
13 authorized by vote at any regular or special meeting, and each vote shall take effect immediately.
14 The corporation shall be subject to the provisions of chapter 42-46 ("Open Meetings") and
15 chapter 38-2 ("Access to Public Records"). ~~All meetings shall be open to the public and all~~
16 ~~records shall be a matter of public record except that if a majority of the board of directors~~
17 ~~decides that it would be in the best interests of the corporation and the state to hold an executive~~
18 ~~session in private, then the board of directors is authorized to transact any business it deems~~
19 ~~necessary at that executive session in private, and the record of the executive session shall not~~
20 ~~become a matter of public record until the transaction discussed has in the opinion of the board of~~
21 ~~directors been completed.~~

22 (i) The board of directors may designate from among its members an executive
23 committee and one or more other committees each of which, to the extent authorized by the board
24 of directors, shall have and may exercise all of the authority of the board of directors, but no
25 executive committee shall have the authority of the board of directors in reference to the
26 disposition of all or substantially all of the property and assets of the corporation, amending the
27 by-laws of the corporation, exercising the condemnation power conferred upon the corporation by
28 section 42-64-9 or taking actions described or referred to in section 42-64-13(a).

29 (j) The board shall create a capital finance subcommittee which shall be responsible for
30 drafting for board approval a set of guidelines, principals and processes for all loans, loan
31 guarantees and financing programs. The guidelines shall contain a set of metrics which the board
32 can use to determine the effectiveness of each program and to inform the governor and the
33 general assembly of the outcome of the various programs and to determine if there is need for
34 modification, continuance or termination. The guidelines shall also contain measures to annually

1 [review the outstanding loan and loan guarantee programs to determine if the loans and loan](#)
2 [guarantees were granted in accordance with the board's guidelines and principals and to](#)
3 [determine the risk factors normally used by lending institutions to determine risk and potential for](#)
4 [repayment. The board shall also implement the provisions of sections 42-64-36 and 42-64-37.](#)

5 ~~(j)~~(k) Any action required by this chapter to be taken at a meeting of the board of
6 directors, or any action which may be taken at a meeting of the board of directors, or committee
7 of the board of directors, may be taken without a meeting if a consent in writing, setting forth the
8 action to be taken, shall be signed before or after that action by all of the directors, or all of the
9 members of the committee, as the case may be.

10 ~~(h)~~(l) Employees of the corporation shall not, by reason of their employment, be deemed
11 to be employees of the state for any purpose, any other provision of the general laws to the
12 contrary notwithstanding, including, without limiting the generality of the foregoing, chapters 29,
13 39, and 42 of title 28 and chapters 4, 8, 9, and 10 of title 36.

14 [\(m\) The board shall create a set of metrics and reporting requirements to disclose the](#)
15 [programs and services offered or provided by the corporation and the effectiveness of each](#)
16 [offering. The board shall develop an annual report containing these metrics and shall submit the](#)
17 [report to the governor and the general assembly. The annual report shall also contain](#)
18 [recommendations for improving the business climate within the state and other actions the board](#)
19 [deems necessary to improve its effectiveness.](#)

20 **42-64-8.1. Appropriation and expenses.** -- The general assembly shall annually
21 appropriate any sums that it may deem necessary to carry out the provisions of this chapter; and
22 the state controller is authorized and directed to draw his or her orders upon the general treasurer
23 for the payment of that sum, or so much as may be required from time to time, upon receipt by
24 the controller of proper vouchers authenticated.

25 **42-64-9. Condemnation power.** -- (a) If, for any of the purposes of this chapter, the
26 Rhode Island ~~economic development~~ [commerce](#) corporation shall find it necessary to acquire any
27 real property, whether for immediate or future use, the corporation may find and determine that
28 the property, whether a fee simple absolute or a lesser interest, is required for the acquisition,
29 construction, or operation of a project, and upon that determination, the property shall be deemed
30 to be required for public use until otherwise determined by the corporation; and with the
31 exceptions hereinafter specifically noted, the determination shall not be affected by the fact that
32 the property has been taken for, or is then devoted to, a public use; but the public use in the hands
33 or under the control of the corporation shall be deemed superior to the public use in the hands of
34 any other person, association, or corporation; provided further, however, that no real property or

1 interest, estate, or right in these belonging to the state shall be acquired without consent of the
2 state; and no real property or interest, estate, or right in these belonging to any municipality shall
3 be acquired without the consent of the municipality; and no real property, or interest or estate in
4 these, belonging to a public utility corporation may be acquired without the approval of the public
5 utility commission or another regulatory body having regulatory power over the corporation
6 except for the following real property or interest or estate in these: the underground electric
7 distribution system, located at the Quonset Point/Davisville industrial complex ("QP/D"), North
8 Kingstown, Rhode Island, consisting of lines of buried wires and cables and lines of wires and
9 cables installed in underground conduits, together with all equipment and appurtenances to these
10 for the furnishing of underground electric service running from the southwesterly side of Kiefer
11 Park Substation 81 located in QP/D in an easterly and southeasterly direction to Carrier Pier
12 Substation 82 located in QP/D together with any and all rights and easements as may be
13 necessary to repair, maintain, operate or otherwise gain access to the above-mentioned property.

14 (b) The corporation may proceed to acquire and is authorized to and may proceed to
15 acquire property, whether a fee simple absolute or a lesser interest, by the exercise of the right of
16 eminent domain in the manner prescribed in this chapter.

17 (c) Nothing contained in this section shall be construed to prohibit the corporation from
18 bringing any proceedings to remove a cloud on title or any other proceedings that it may, in its
19 discretion, deem proper and necessary, or from acquiring property by negotiation or purchase.

20 (d) The necessity for the acquisition of property under this chapter shall be conclusively
21 presumed upon the adoption by the corporation of a vote determining that the acquisition of the
22 property or any interest in property described in that vote is necessary for the acquisition,
23 construction, or operation of a project. Within six (6) months after its passage, the corporation
24 shall cause to be filed in the appropriate land evidence records a copy of its vote together with a
25 statement signed by the chairperson or vice-chairperson of the corporation that the property is
26 taken pursuant to this chapter, and also a description of the real property indicating the nature and
27 extent of the estate or interest in the estate taken and a plat of the real property, which copy of the
28 vote and statement of the chairperson or vice-chairperson shall be certified by the secretary of the
29 corporation and the description and plat shall be certified by the city or town clerk for the city or
30 town within which the real property lies.

31 (e) Forthwith thereafter the corporation shall cause to be filed in the superior court in and
32 for the county within which the real property lies a statement of the sum of money estimated to be
33 just compensation for the property taken, and shall deposit in the superior court to the use of the
34 persons entitled to the money the sum set forth in the statement. The corporation shall satisfy the

1 court that the amount deposited with the court is sufficient to satisfy the just claims of all persons
2 having an estate or interest in the real property. Whenever the corporation satisfies the court that
3 the claims of all persons interested in the real property taken have been satisfied, the unexpended
4 balance shall be ordered repaid forthwith to the corporation.

5 (f) Upon the filing of the copy of the vote, statement, description, and plat in the land
6 evidence records and upon the making of the deposit in accordance with the order of the superior
7 court, title to the real property in fee simple absolute or any lesser estate or interest specified in
8 the resolution shall vest in the corporation, and that real property shall be deemed to be
9 condemned and taken for the use of the corporation and the right to just compensation for the
10 condemned property shall vest in the persons entitled to compensation, and the corporation
11 thereupon may take possession of the real property. No sum paid unto the court shall be charged
12 with clerks' fees of any nature.

13 (g) After the filing of the copy of the vote, statement, description, and plat, notice of the
14 taking of that land or other real property shall be served upon the owners of, or persons having
15 any estate or interest in, the real property by the sheriff or his or her deputies of the county in
16 which the real estate is situated by leaving a true and attested copy of the vote, statement,
17 description, and plat with each of those persons personally, or at the last and usual place of abode
18 in this state with some person living there, and in case any of those persons are absent from this
19 state and have no last and usual place of abode therein occupied by any person, the copy shall be
20 left with the person or persons, if any, in charge of, or having possession of the real property
21 taken of the absent persons, and another copy shall be mailed to the address of the person, if the
22 address is known to the officer serving the notice.

23 (h) After the filing of the vote, description, and plat, the corporation shall cause a copy to
24 be published in some newspaper having general circulation in the city or town in which the real
25 property lies at least once a week for three (3) successive weeks.

26 (i) If any party shall agree with the corporation upon the price to be paid for the value of
27 the real property so taken and of appurtenant damage to any remainder or for the value of his or
28 her estate, right, or interest therein, the court, upon application of the parties in interest, may order
29 that the sum agreed upon be paid forthwith from the money deposited, as the just compensation to
30 be awarded in the proceedings; provided, however, that no payment shall be made to any official
31 or employee of the corporation for any property or interest in the property acquired from the
32 official or employee unless the amount of the payment is determined by the court to constitute
33 just compensation to be awarded in the proceedings.

34 (j) Any owner of, or person entitled to any estate or right in, or interested in any part of,

1 the real property taken, who cannot agree with the corporation upon the price to be paid for his or
2 her estate, right or interest in the real property taken and the appurtenant damage to the
3 remainder, may, within three (3) months after personal notice of the taking, or if he or she has no
4 personal notice, may within one year from the time the sum of money estimated to be just
5 compensation is deposited in the superior court to the use of the persons entitled to the
6 compensation, apply by petition to the superior court for the county in which the real property is
7 situated, setting forth the taking of his or her land or his or her estate or interest in these and
8 praying for an assessment of damages by the court or by a jury. Upon the filing of the petition,
9 the court shall cause twenty (20) days' notice of the pendency of a trial to be given to the
10 corporation by serving the chairperson or vice chairperson of the corporation with a certified copy
11 of the notice.

12 (k) After the service of notice, the court may proceed to the trial thereof. The trial shall
13 be conducted as other civil actions at law are tried. The trial shall determine all questions of fact
14 relating to the value of the real property, and any estate or interest, and the amount of this value
15 and the appurtenant damage to any remainder and the amount of this damage, and the trial and
16 decision or verdict of the court or jury shall be subject to all rights to except to rulings, to move
17 for new trial, and to appeal, as are provided by law. Upon the entry of judgment in those
18 proceedings, execution shall be issued against the money deposited in court and in default against
19 any other property of the corporation.

20 (l) In case two (2) or more petitioners make claim to the same real property, or to any
21 estate or interest, or to different estate or interests in the same real property, the court shall, upon
22 motion, consolidate their several petitions for trial at the same time, and may frame all necessary
23 issues for the trial.

24 (m) If any real property or any estate or interest, in which any minor or other person not
25 capable in law to act in his or her own behalf is interested, is taken under the provisions of this
26 chapter, the superior court, upon the filing of a petition by or in behalf of the minor or person or
27 by the corporation, may appoint a guardian ad litem for the minor or other person. Guardians
28 may, with the advice and consent of the superior court, and upon any terms as the superior court
29 may prescribe, release to the corporation all claims for damages for the land of the minor or other
30 person or for any estate or interest. Any lawfully appointed, qualified, and acting guardian or
31 other fiduciary of the estate of any minor or other person, with the approval of the court of
32 probate within this state having jurisdiction to authorize the sale of lands and properties within
33 this state of the minor or other person, may before the filing of any petition, agree with the minor
34 or other person for any taking of his or her real property or of his or her interest or estate, and

1 may, upon receiving the amount, release to the corporation all claims for damages for the minor
2 or other person for the taking.

3 (n) In case any owner of or any person having an estate or interest in the real property
4 fails to file his or her petition, superior court for the county in which the real property is situated,
5 in its discretion, may permit the filing of the petition within one year subsequent to the year
6 following the time of the deposit in the superior court of the sum of money estimated to be just
7 compensation for the property taken; provided, the person shall have had no actual knowledge of
8 the taking of the land in season to file the petition; and provided, no other person or persons
9 claiming to own the real property or estate or interest shall have been paid the value; and
10 provided, no judgment has been rendered against the corporation for the payment of the value to
11 any other person or persons claiming to own the real estate.

12 (o) If any real property or any estate or interest is unclaimed or held by a person or
13 persons whose whereabouts are unknown, after making inquiry satisfactory to the superior court
14 for the county in which the real property lies, the corporation, after the expiration of two (2) years
15 from the first publication of the copy of the vote, statement, description, and plat, may petition the
16 court that the value of the estate or interest of the unknown person or persons be determined.
17 After the notice by publication to any person or persons that the court in its discretion may order,
18 and after a hearing on the petition, the court shall fix the value of the estate or interest and shall
19 order the sum to be deposited in the registry of the court in a special account to accumulate for
20 the benefit of the person or persons, if any, entitled to it. The receipt of the clerk of the superior
21 court shall constitute a discharge of the corporation from all liability in connection with the
22 taking. When the person entitled to the money deposited shall have satisfied the superior court of
23 his or her right to receive that money, the court shall cause it to be paid over to him or her, with
24 all accumulations thereon.

25 (p) The superior court shall have power to make any orders with respect to
26 encumbrances, liens, taxes, and other charges on the land, if any, as shall be just and equitable.

27 (q) Whenever, in the opinion of the corporation, a substantial saving in the cost of
28 acquiring title can be effected by conveying other real property, title to which is in the
29 corporation, to the person or persons from whom the estate or interest in real property is being
30 purchased or taken, or by the construction or improvement by the corporation of any work or
31 facility upon the remaining real property of the person or persons from whom the estate or
32 interest in real property is being purchased or taken, the corporation shall be and hereby is
33 authorized to convey that other real property to the person or persons from whom the estate or
34 interest in real property is being purchased or taken and to construct or improve any work or

1 facility upon the remaining land of the person or persons.

2 (r) At any time during the pendency of any proceedings for the assessment of damages
3 for property or interests taken or to be taken by eminent domain by the corporation, the
4 corporation or any owner may apply to the court for an order directing an owner or the
5 corporation, as the case may be, to show cause why further proceedings should not be expedited,
6 and the court may upon that application make an order requiring that the hearings proceed and
7 that any other steps be taken with all possible expedition.

8 **42-64-9.1. Inspection powers.** -- (a) The Rhode Island ~~economic-development~~
9 [commerce](#) corporation is authorized to carry out all inspection, surveillance and monitoring
10 procedures necessary to determine, independent of information supplied by any discharger or
11 permit holder compliance or non-compliance by the person with pretreatment requirements
12 prescribed by the corporation.

13 (b) The corporation or its duly authorized employees or agents, upon presentation of
14 identification and appropriate credentials, is authorized:

15 (1) To enter without delay and at reasonable times, those premises, both public and
16 private, either receiving services from the corporation, or applying for a permit for discharge into
17 the corporation's wastewater collection and treatment system;

18 (2) To examine any and all records kept in accordance with the rules and regulations
19 adopted by the corporation, or required by permit or compliance order or maintained pursuant to
20 section 42-64-7.9;

21 (3) To have access to and inspect or test any monitoring or testing equipment or
22 monitoring or testing method, or to sample any effluent or discharge during regular working
23 hours, or at other reasonable times, or at any time a discharge is reasonably believed to present an
24 imminent danger to human health or the environment.

25 (c) Any person obstructing, hindering or in any way causing to be obstructed or hindered
26 the corporation or its duly authorized employees or agents in the performance of their duties, or
27 who shall refuse to permit the corporation or its duly authorized employees or agents entrance to
28 or egress from any premises, buildings, plant or equipment or other places belonging to or
29 controlled by the person in the performance of his or her duties shall be subject to the civil and
30 criminal penalties set forth in sections 42-64-9.2 and 42-64-9.3.

31 **42-64-9.2. Civil penalties.** -- (a) Any person who violates the provisions of this chapter
32 or of any permit, rule, regulation, or order issued pursuant thereto, shall be subject to a civil
33 penalty of not more than twenty-five thousand dollars (\$25,000) for each day during which the
34 violation occurs.

1 (b) The Rhode Island ~~economic-development~~ commerce corporation shall, in the same
2 manner as cities and towns are authorized under the provisions of section 45-6-2.3(a)(4) and the
3 Narragansett Bay Commission are authorized under the provisions of section 46-25-25.2(b),
4 obtain actual costs and reasonable attorney's fees incurred by the corporation in seeking
5 compliance, penalties or damages.

6 **42-64-9.4. Procedures for enforcement.** -- (a) The Rhode Island ~~economic-development~~
7 commerce corporation shall have authority to seek legal or equitable relief in the federal court or
8 in the superior court of Providence county to enforce the requirements of sections 307(b) and (c);
9 402(b)(8) and other applicable sections of the Federal Water Pollution Control Act [33 U.S.C.
10 section 1251 et seq.]and any regulations implementing those sections or authorized by this
11 chapter. Whenever, on the basis of any information available to the corporation, the corporation
12 has reasonable grounds to believe that a person has violated any provision of this chapter or of
13 any permit, rule, regulation or order issued pursuant to this chapter the corporation may institute
14 administrative, civil or criminal proceedings in the name of the Rhode Island ~~economic~~
15 ~~development~~ commerce corporation. The corporation shall not be required to enter into any
16 recognizance or give surety for costs prior to instituting this proceeding. The corporation has the
17 authority to order any person who violates any provision of this chapter or of any permit, rule,
18 regulation or order issued pursuant to this chapter to cease and desist the violation or to remedy
19 the violation and to impose administrative penalties. The corporation may impose administrative
20 penalties only in accordance with the notice and hearing provisions of chapter 35 of this title, this
21 chapter and as set forth in the corporation's rules and regulations.

22 (b) The superior court for Providence county shall have jurisdiction to enforce the
23 provisions of this chapter and any rule, regulation, permit or administrative order issued pursuant
24 to this chapter. Proceedings for enforcement may be instituted and prosecuted in the name of the
25 corporation. In any proceeding on which injunctive relief is sought, it shall not be necessary for
26 the corporation to establish that without the relief the injury, which will result will be irreparable
27 or that the remedy at law is inadequate. Proceedings provided in this section shall be in addition
28 to, and may be utilized in lieu of, other administrative or judicial proceedings authorized by this
29 chapter.

30 **42-64-9.5. Hearings.** -- At all hearings held under the provisions of this chapter, the
31 Rhode Island ~~economic-development~~ commerce corporation and its members shall have the right
32 to administer oaths. All persons testifying at the hearings shall do so under oath and under penalty
33 of perjury. The corporation shall have the right to issue subpoenas to compel the appearance of
34 witnesses and/or the production of any books, records, or other documents. Any person may be

1 represented by counsel at the hearing. The corporation may adjourn the hearings from time to
2 time whenever the adjournment shall in its opinion, be necessary or desirable. The testimony
3 adduced at the hearing shall be transcribed by a stenographer.

4 **42-64-9.6. Notice of decisions.** -- Within a reasonable time following the conclusion of
5 the hearing, the Rhode Island ~~economic-development~~ [commerce](#) corporation shall render its
6 decision and findings and shall give notice by publication in some newspaper of general
7 circulation published in Rhode Island and distributed in Washington and Providence counties and
8 by mailing a copy by registered or certified mail to each person who shall have registered with
9 the corporation with his or her name and address with a request for specific notification of the
10 results of the hearing.

11 **42-64-9.7. Notice of hearing on orders.** -- Before adopting or entering any order
12 applicable to any one or more specific persons, the Rhode Island ~~economic-development~~
13 [commerce](#) corporation shall give to each of the persons, by registered or certified mail, twenty
14 (20) days notice of the time and place of the hearing to be afforded to each of the persons if he,
15 she or it desires the hearing. The notice shall state the date, time and location of the hearing.

16 **42-64-9.9. Public access to information.** -- Any permit, permit application or effluent
17 data shall be available to the public for inspection and copying. ~~The Rhode Island economic~~
18 ~~development corporation shall treat as privileged any information, which would, if made public,~~
19 ~~divulge methods or processes entitled to protections as trade secrets of the person or entity. in~~
20 [accordance with chapter 38-2 \("Access to Public Records"\).](#) Confidential or privileged materials
21 may be disclosed or transmitted to other officers, employees or agents of the corporation.

22 **42-64-9.10. Rules and regulations -- Notice of rule review.** -- The Rhode Island
23 ~~economic-development~~ [commerce](#) corporation may adopt rules and regulations or any
24 amendments to rules and regulations according to the provisions of chapter 35 of title 42. The
25 corporation shall also give notice of these rules and regulations or any amendments, prior to their
26 effective date, by sending, by registered or certified mail, copies to each person interested in these
27 rules, regulations or any amendments who shall have registered with the corporation his or her
28 name and address, with a request to be notified. Review of the rules and regulations may be had
29 as provided in chapter 35 of title 42.

30 **42-64-10. Findings of the corporation.** -- (a) Except as specifically provided in this
31 chapter, the Rhode Island ~~economic-development~~ [commerce](#) corporation shall not be empowered
32 to undertake the acquisition, construction, reconstruction, rehabilitation, development, or
33 improvement of a project, nor enter into a contract for any undertaking or for the financing of this
34 undertaking, unless it first:

- 1 (1) Finds:
- 2 (i) That the acquisition or construction and operation of the project will prevent,
- 3 eliminate, or reduce unemployment or underemployment in the state and will generally benefit
- 4 economic development of the state;
- 5 (ii) That adequate provision has been made or will be made for the payment of the cost
- 6 of the acquisition, construction, operation, and maintenance and upkeep of the project;
- 7 (iii) That, with respect to real property, the plans and specifications assure adequate
- 8 light, air, sanitation, and fire protection;
- 9 (iv) That the project is in conformity with the applicable provisions of chapter 23 of title
- 10 46; and
- 11 (v) That the project is in conformity with the applicable provisions of the state guide
- 12 plan; and
- 13 (2) Prepares and publicly releases an analysis of the impact the proposed project will or
- 14 may have on the State. The analysis shall be supported by appropriate data and documentation
- 15 and shall consider, but not be limited to, the following factors:
- 16 (i) The impact on the industry or industries in which the completed project will be
- 17 involved;
- 18 (ii) State fiscal matters, including the state budget (revenues and expenses);
- 19 (iii) The financial exposure of the taxpayers of the state under the plans for the proposed
- 20 project and negative foreseeable contingencies that may arise therefrom;
- 21 (iv) The approximate number of full-time, part-time, temporary, seasonal, and/or
- 22 permanent jobs projected to be created, construction and non-construction;
- 23 (v) Identification of geographic sources of the staffing for identified jobs;
- 24 (vi) The projected duration of the identified construction jobs;
- 25 (vii) The approximate wage rates for each category of the identified jobs;
- 26 (viii) The types of fringe benefits to be provided with the identified jobs, including
- 27 healthcare insurance and any retirement benefits;
- 28 (ix) The projected fiscal impact on increased personal income taxes to the state of Rhode
- 29 Island; and
- 30 (x) The description of any plan or process intended to stimulate hiring from the host
- 31 community, training of employees or potential employees and outreach to minority job applicants
- 32 and minority businesses.
- 33 (b) With respect to the uses described in section 42-64-3(18), (23), (30), (35), and (36)
- 34 and with respect to projects situated on federal lands, the corporation shall not be required to

1 make the findings specified in subsection (a)(1)(i) of this section.

2 (c) Except for the findings specified in subsections (a)(1)(iv) and (a)(1)(v) of this
3 section, the findings of the corporation made pursuant to this section shall be binding and
4 conclusive for all purposes. Upon adoption by the corporation, any such findings shall be
5 transmitted to the division of taxation, and shall be made available to the public for inspection by
6 any person, and shall be published by the tax administrator on the tax division website.

7 (d) The corporation shall monitor every impact analysis it completes through the
8 duration of any project incentives. Such monitoring shall include annual reports which shall be
9 transmitted to the division of taxation, and shall be available to the public for inspection by any
10 person, and shall be published by the tax administrator on the tax division website. The annual
11 reports on the impact analysis shall include:

12 (1) Actual versus projected impact for all considered factors; and

13 (2) Verification of all commitments made in consideration of state incentives or aid.

14 (e) Upon its preparation and release of the analysis required by subsection (a)(2) of this
15 section, the corporation shall provide copies of that analysis to the chairpersons of the house and
16 senate finance committees, the house and senate fiscal advisors, the department of labor and
17 training and the division of taxation. Any such analysis shall be available to the public for
18 inspection by any person and shall be published by the tax administrator on the tax division
19 website. Annually thereafter, the department of labor and training shall certify to the chairpersons
20 of the house and senate finance committees, the house and senate fiscal advisors, the corporation
21 and the division of taxation that: (i) the actual number of new full-time jobs with benefits created
22 by the project, not including construction jobs, is on target to meet or exceed the estimated
23 number of new jobs identified in the analysis above, and (ii) the actual number of existing full-
24 time jobs with benefits has not declined. This certification shall no longer be required two (2) tax
25 years after the terms and conditions of both the general assembly's joint resolution of approval
26 required by section 42-64-20.1 of this chapter and any agreement between the corporation and the
27 project lessee have been satisfied. For purposes of this section, "full-time jobs with benefits"
28 means jobs that require working a minimum of thirty (30) hours per week within the state, with a
29 median wage that exceeds by five percent (5%) the median annual wage for full-time jobs in
30 Rhode Island and within the taxpayer's industry, with a benefit package that includes healthcare
31 insurance plus other benefits typical of companies within the project lessee's industry. The
32 department of labor and training shall also certify annually to the chairpersons of the house and
33 senate finance committees, the house and senate fiscal advisors, and the division of taxation that
34 jobs created by the project are "new jobs" in the state of Rhode Island, meaning that the

1 employees of the project are in addition to, and without a reduction in the number of, those
2 employees of the project lessee currently employed in Rhode Island, are not relocated from
3 another facility of the project lessee in Rhode Island or are employees assumed by the project
4 lessee as the result of a merger or acquisition of a company already located in Rhode Island. The
5 certifications made by the department of labor and training shall be available to the public for
6 inspection by any person and shall be published by the tax administrator on the tax division
7 website.

8 (f) The corporation, with the assistance of the taxpayer, the department of labor and
9 training, the department of human services and the division of taxation shall provide annually an
10 analysis of whether any of the employees of the project lessee has received RIte Care or RIte
11 Share benefits and the impact such benefits or assistance may have on the state budget. Any such
12 analysis shall be available to the public for inspection by any person and shall be published by the
13 tax administrator on the tax division website. Notwithstanding any other provision of law or rule
14 or regulation, the division of taxation, the department of labor and training and the department of
15 human services are authorized to present, review and discuss lessee-specific tax or employment
16 information or data with the Rhode Island ~~economic-development~~ commerce corporation
17 ~~(RIEDC)~~(RICC), the chairpersons of the house and senate finance committees, and/or the house
18 and senate fiscal advisors for the purpose of verification and compliance with this tax credit
19 reporting requirement.

20 (g) The corporation and the project lessee shall agree that, if at any time prior to pay
21 back of the amount of the sales tax exemption through new income tax collections over three (3)
22 years, not including construction job income taxes, the project lessee will be unable to continue
23 the project, or otherwise defaults on its obligations to the corporation, the project lessee shall be
24 liable to the state for all the sales tax benefits granted to the project plus interest, as determined in
25 Rhode Island General Law section 44-1-7, calculated from the date the project lessee received the
26 sales tax benefits.

27 (h) Any agreements or contracts entered into by the corporation and the project lessee
28 shall be sent to the division of taxation and be available to the public for inspection by any person
29 and shall be published by the tax administrator on the tax division website.

30 (i) By August 15th of each year the project lessee shall report the source and amount of
31 any bonds, grants, loans, loan guarantees, matching funds or tax credits received from any state
32 governmental entity, state agency or public agency as defined in section 37-2-7 received during
33 the previous state fiscal year. This annual report shall be sent to the division of taxation and be
34 available to the public for inspection by any person and shall be published by the tax

1 administrator on the tax division website.

2 (j) By August 15th of each year the division of taxation shall report the name, address,
3 and amount of sales tax benefit each project lessee received during the previous state fiscal year
4 to the corporation, the chairpersons of the house and senate finance committees, the house and
5 senate fiscal advisors, the department of labor and training and the division of taxation. This
6 report shall be available to the public for inspection by any person and shall be published by the
7 tax administrator on the tax division website.

8 (k) On or before September 1, 2011, and every September 1 thereafter, the project lessee
9 shall file an annual report with the tax administrator. Said report shall contain each full-time
10 equivalent, part-time or seasonal employee's name, social security number, date of hire, and
11 hourly wage as of the immediately preceding July 1 and such other information deemed necessary
12 by the tax administrator. The report shall be filed on a form and in a manner prescribed by the tax
13 administrator.

14 **42-64-11. Disposition of projects.** -- (a) Notwithstanding the provisions of any other
15 law, the Rhode Island ~~economic development~~ commerce corporation may sell or lease to any
16 person, firm, partnership, or corporation, or to any local redevelopment agency, or to any state or
17 federal agency or instrumentality, or to any municipality or political subdivision of the state
18 empowered to enter into the sale or lease, any project without public bidding or public sale, for
19 consideration and upon terms as may be agreed upon between the corporation and the purchaser
20 or lessee; provided that in the case of a lease, the term shall not exceed ninety-nine (99) years.
21 The sale or lease or agreement may be consummated as entered into prior to, at the date of, or
22 subsequent to the acquisition of completion of the project. Where a contract of sale or lease is
23 entered into prior to the completion of construction of the project to be conveyed or leased, the
24 corporation may complete the project prior or subsequent to the consummation of the sale or
25 lease.

26 (b) In connection with the corporation's disposition by sale, lease, or otherwise of any of
27 its projects, the corporation is authorized to require that the party acquiring the project, or any
28 interest therein or any right to use or occupy the project, may not sell, assign, convey, lease,
29 sublease, or otherwise dispose of, in whole or in part, its interest in the project or its right to use
30 and occupy the project without the approval, in writing, of the corporation. The corporation may
31 not unreasonably withhold that approval; and shall state the reason or reasons upon which that
32 withholding of approval is based. In determining whether to grant or withhold that approval, the
33 corporation shall consider whether the proposed disposition will further the purposes of this
34 chapter and may consider any and all other relevant factors as well.

1 (c) The provisions of subsection (b) shall not be deemed to limit in any manner the
2 corporation's authority in connection with the disposition by sale, lease, or otherwise of any of its
3 projects or to impose those terms and conditions permitted by law with respect to those
4 dispositions as it shall determine to be desirable.

5 (d) The corporation shall dispose, by sale, lease, transfer or other agreement, of projects
6 on or related to former Navy lands in the town of North Kingstown through the Quonset
7 Development Corporation as provided for in chapter 64.10 of this title and may dispose, by sale,
8 lease, transfer or other agreement, of other projects related to land and real estate development,
9 regardless of location in Rhode Island, through the Quonset Development Corporation as may be
10 mutually agreeable to the corporation and the Quonset Development Corporation.

11 **42-64-12. Community advisory committees.** -- (a) The Rhode Island ~~economic~~
12 ~~development~~ commerce corporation may establish one or more local or regional community
13 advisory committees to consider and advise the corporation upon matters submitted to them by
14 the corporation concerning the development of any area or any project, and may establish rules
15 and regulations with respect to those committees. The community advisory committees shall
16 include, as members ex officio, the mayors of the cities and the presidents of the town councils of
17 the cities and towns, respectively, situated in the area with respect to which the community
18 advisory committees are established. Those members shall serve at the pleasure of the corporation
19 and without salary, but shall be entitled to reimbursement for their actual and necessary expenses
20 incurred in the performance of their duties.

21 (b) The corporation may purchase from, sell to, borrow from, loan to, contract with, or
22 otherwise deal with any corporation, trust, association, partnership, or other entity in which any
23 member of a community advisory committee has a financial interest, direct or indirect, provided
24 that the interest is disclosed in the minutes of the corporation.

25 (c) Notwithstanding any provision of law, general, special, or local, no officer or
26 employee of the state or of any agency thereof shall be deemed to have forfeited or shall forfeit
27 his or her office or employment by reason of his or her acceptance of membership on a
28 community advisory committee.

29 **42-64-13. Relations with municipalities.** -- (a) (1) With respect to projects situated on
30 federal land, the Rhode Island ~~economic-development~~ commerce corporation is authorized to
31 plan, construct, reconstruct, rehabilitate, alter, improve, develop, maintain, and operate projects:
32 (i) in conformity with the applicable provisions of chapter 1 of title 2 except that the projects shall
33 not require the approval of a town or city council provided for in section 2-1-21, and (ii) without
34 regard to the zoning or other land use ordinances, codes, plans, or regulations of any municipality

1 or political subdivision; provided, however, that the exemption from the zoning or other land use
2 ordinances, codes, plans, or regulations shall be subject to the corporation's compliance with the
3 provisions of this subsection. Projects which are planned, constructed, reconstructed,
4 rehabilitated, altered, improved, or developed by the corporation on federal land in accordance
5 with the provisions of this subsection may be maintained and operated by lessees from and
6 successors in interest to the corporation in the same manner as if the projects had been in
7 existence prior to the enactment of the zoning or other land use ordinances, codes, plans, or
8 regulations which, but for this chapter, would otherwise be applicable.

9 (2) As used in this section, "the comprehensive plan" means a comprehensive plan
10 adopted pursuant to chapter 22 of title 45 by a planning board or commission; "the applicable
11 comprehensive plan" shall mean the comprehensive plan of any municipality within which any
12 project is to be situated, in whole or in part; and "the project plan" shall mean a general
13 description of a proposed project situated on federal land, describing in reasonable detail its
14 location, nature, and size. A zoning ordinance adopted by a municipality pursuant to chapter 24 of
15 title 45 shall not be deemed to be a comprehensive plan nor a statement of the land use goals,
16 objectives, and standards.

17 (3) If any project plan of the corporation with respect to projects situated on federal land
18 conforms to the land use goals, objectives, and standards of the applicable comprehensive plan as
19 of the time of the corporation's adoption of the project plan, or if there is no applicable
20 comprehensive plan, then before proceeding with the project described in the project plan, the
21 corporation shall refer the project plan to the appropriate community advisory committee which
22 may thereafter hold any public hearings as it may deem to be desirable for the purpose of
23 permitting the public to comment on the project plan. The community advisory committee shall
24 not later than forty-five (45) days after its receipt of the project plan, transmit its comments on the
25 project plan, in either written or oral form, to the corporation and thereupon, or upon the
26 community advisory committee's failure to take any action within the time specified, the
27 corporation shall be authorized to proceed with the project described in the project plan without
28 regard to the zoning or other land use ordinances, codes, plans, or regulations of a municipality
29 within which the project is to be situated in whole or in part.

30 (4) If any project plan of the corporation with respect to projects situated on federal land
31 does not conform to the land use goals, objectives, and standards of the applicable comprehensive
32 plan as of the time of the corporation's adoption of the project plan, then, before proceeding with
33 the project described in the project plan, the corporation shall refer the project plan to the local
34 governing body of any municipality within which any project is to be situated, in whole or in part.

1 The local governing body may thereafter hold any public hearings as it may deem to be desirable
2 for the purpose of permitting the public to comment on the project plan. The local governing
3 body shall, not later than forty-five (45) days after its receipt of the project plan, advise the
4 corporation of its approval or disapproval of that plan. If it shall disapprove the project plan, the
5 corporation shall nevertheless be authorized to proceed with the project described in the project
6 plan (without regard to the zoning or other land use ordinances, codes, plans, or regulations of a
7 municipality within which the project is to be situated in whole or in part) upon the subsequent
8 affirmative vote of a majority of the members of the board of directors then holding office as
9 directors taken at a meeting open to the public. If the local governing body approves the project
10 plan or fails to take any action within the time specified, the corporation shall be authorized to
11 proceed with the project described in the project plan without regard to the zoning or other land
12 use ordinances, codes, plans, or regulations of a municipality within which the project is to be
13 situated in whole or in part.

14 (5) The project plan's conformity with the applicable comprehensive plan shall be
15 determined by the board of directors of the corporation and its determination shall be binding and
16 conclusive for all purposes.

17 (b) With respect to projects situated on real property other than federal land, the
18 corporation shall plan, construct, reconstruct, rehabilitate, alter, improve, develop, maintain, and
19 operate projects in conformity with the applicable zoning or other land use ordinances, codes,
20 plans, or regulations of any municipality or political subdivision of the state in which those
21 projects are situated.

22 (c) The corporation shall, in planning, constructing, reconstructing, rehabilitating,
23 altering, or improving any project, comply with all requirements of state and federal laws, codes,
24 or regulations applicable to that planning, construction, reconstruction, rehabilitation, alteration,
25 or improvement. The corporation shall adopt a comprehensive building code (which may, but
26 need not be, the BOCA Code) with which all projects shall comply. That adoption shall not
27 preclude the corporation's later adoption of a different comprehensive building code or of its
28 alteration, amendment, or supplementation of any comprehensive building code so adopted.
29 Except as otherwise specifically provided to the contrary, no municipality or other political
30 subdivision of the state shall have the power to modify or change in whole or in part the
31 drawings, plans, or specifications for any project of the corporation; nor to require that any
32 person, firm, or corporation employed with respect to that project perform work in any other or
33 different manner than that provided by those drawings, plans, and specifications; nor to require
34 that any such person, firm, or corporation obtain any approval, permit, or certificate from the

1 municipality or political subdivision in relation to the project; and the doing of that work by any
2 person, firm, or corporation in accordance with the terms of those drawings, plans, specifications,
3 or contracts shall not subject the person, firm, or corporation to any liability or penalty, civil or
4 criminal, other than as may be stated in the contracts or may be incidental to the proper
5 enforcement thereof; nor shall any municipality or political subdivision have the power to require
6 the corporation, or any lessee or successor in interest, to obtain any approval, permit, or
7 certificate from the municipality or political subdivision as a condition of owning, using,
8 maintaining, operating, or occupying any project acquired, constructed, reconstructed,
9 rehabilitated, altered, or improved by the corporation or pursuant to drawings, plans, and
10 specifications made or approved by the corporation; provided, however, that nothing contained in
11 this subsection shall be deemed to relieve any person, firm, or corporation from the necessity of
12 obtaining from any municipality or other political subdivision of the state any license which, but
13 for the provisions of this chapter, would be required in connection with the rendering of personal
14 services or sale at retail of tangible personal property.

15 (d) Except to the extent that the corporation shall expressly otherwise agree, a
16 municipality or political subdivision, including, but not limited to, a county, city, town, or district,
17 in which a project of the corporation is located, shall provide for the project, whether then owned
18 by the corporation or any successor in interest, police, fire, sanitation, health protection, and other
19 municipal services of the same character and to the same extent as those provided for other
20 residents of that municipality or political subdivision, but nothing contained in this section shall
21 be deemed to require any municipality or political subdivision to make capital expenditures for
22 the sole purpose of providing any of these services for that project.

23 (e) In carrying out a project, the corporation shall be empowered to enter into contractual
24 agreements with municipalities and public corporations and those municipalities and public
25 corporations are authorized and empowered, notwithstanding any other law, to enter into any
26 contractual agreements with the corporation and to do all things necessary to carry out their
27 obligations under the agreements.

28 (f) Notwithstanding the provisions of any general, special, or local law or charter,
29 municipalities and public corporations are empowered to purchase, or to lease for a term not
30 exceeding ninety-nine (99) years, projects of the corporation, upon any terms and conditions as
31 may be agreed upon by the municipality or public corporation and the corporation.

32 **42-64-13.1. Assistance to urban communities for economic revitalization.** -- (a) The
33 Rhode Island ~~economic-development~~ [commerce](#) corporation shall, in furtherance of its
34 responsibility to assist urban communities, provide for the establishment of an urban enterprise

1 equity fund, the establishment of an urban business incubator, and such other programs and
2 activities as the corporation may deem appropriate to assist with urban revitalization.

3 (b) For purposes of this section, the following words and terms shall have the following
4 meanings:

5 (1) "Equity" shall mean cash or cash equivalents, through personal or other assets that
6 are either pledged to or become part of a small business venture. Equity constitutes resources that
7 are considered part of the balance sheet of the small business.

8 (2) "Equity Financing" shall be a loan from an institution, bank, non-bank or any other
9 resource, by which terms and conditions are established for repayment of the debt. For the
10 purposes of this legislation, "Equity Financing" shall be deeply subordinated on the balance sheet
11 of the business, and by this deep subordination is converted to equity on the balance sheet.
12 "Equity Financing" by virtue of its subordination shall be the last loan to be paid out of the cash
13 flow of the business.

14 (3) "Fund" shall mean a revolving loan fund used to provide equity to assist start-up and
15 existing businesses in securing resources from lenders including, but not limited to, private sector
16 lending institutions, and federal and non-federal public sector lenders.

17 (4) "Small business" shall mean any corporation, partnership, sole proprietorship, or
18 other business entity qualifying as "small" under the standards contained in 13 CFR section 121.

19 (5) "Urban" shall mean any community, which exceeds two thousand (2000) persons per
20 square mile as established by the most recent federal census.

21 (c) Establishment of an Urban Enterprise Equity Fund.

22 (1) (i) In order to provide "Equity Financing", commonly referred to as either "Equity"
23 or "Equity Debt", to assist small businesses finance investments, the general assembly establishes
24 the urban enterprise fund.

25 (ii) This fund will be located at and administered by the economic development
26 corporation, referred to as the corporation, hereinafter for the purposes of providing equity
27 financing to assist small businesses in obtaining additional resources for capital investments.
28 Seventy-five percent (75%) of the fund financing shall be targeted to urban small businesses
29 located in enterprise zones established pursuant to chapter 64.3 of title 42. The corporation shall
30 be responsible for the establishment of "the urban enterprise fund" and for the adoption of rules
31 and standards and guidelines, eligibility qualifications, and performance measures for the fund.
32 Such rules shall limit the amount of equity financing from the fund in any small business to an
33 amount not to exceed one hundred thousand (\$100,000) dollars and shall provide, inter alia that
34 the corporation be allowed to take stock, stock options, stock warrants, equity or other ownership

1 interests in the small business to which it is providing such Equity Financing.

2 (2) Nothing herein provided with regard to equity and Equity Financing shall be deemed
3 to prevent or restrict the corporation or other private lenders from providing additional financing
4 to the small business under traditional methods, conventional financing with or without credit
5 enhancements for the purposes of fulfilling the necessary instruments to finance the small
6 business.

7 (3) In the implementation of the provisions of this paragraph, the corporation is
8 encouraged to utilize credit enhancements such as the US Small Business Administration's (SBA)
9 Guaranteed Loan Program in conjunction with SBA's participating lenders to make the small
10 business financing transactions in the best interest of the Small Business.

11 (4) The corporation will annually report the status and performance of the Urban
12 Enterprise Equity Fund to the general assembly on or before the first Tuesday of November.

13 (d) (1) Establishment of an Urban Business Incubator. - There is hereby authorized,
14 established, and created an urban business incubator to be located in an enterprise zone, as
15 defined in chapter 64.3 of this title. The incubator shall be designed to foster the growth of
16 businesses through a multi-tenant, mixed-use facility serving companies in a variety of industries
17 including, but not limited to: services, distribution, light manufacturing, or technology-based
18 businesses. The incubator shall provide a range of services designed to assist these new
19 businesses, including, but not limited to: flexible leases, shared office equipment, use of common
20 areas such as conference rooms, and will provide (directly or indirectly) easily accessible
21 business management, training, financial, legal, accounting, and marketing services.

22 (2) The incubator shall be established as a non-business corporation, and shall have tax
23 exempt status under U.S. Internal Revenue Code section 501(c)(3), 26 U.S.C. section 501(c)(3),
24 and shall have an independent board of directors. The board of directors, in consultation with the
25 corporations, shall adopt guidelines and performance measures for the purposes of operating and
26 monitoring the incubator.

27 (e) The general assembly shall annually appropriate the sums it deems necessary to carry
28 out the provisions of subsections (c) and (d) of this section.

29 **42-64-13.2. Renewable energy investment coordination.** -- (a) Intent. - To develop an
30 integrated organizational structure to secure for Rhode Island and its people the full benefits of
31 cost-effective renewable energy development from diverse sources.

32 (b) Definitions. - For purposes of this section, the following words and terms shall have
33 the meanings set forth in RIGL 42-64-3 unless this section provides a different meaning. Within
34 this section, the following words and terms shall have the following meanings:

1 (1) "Corporation" means the Rhode Island ~~economic—development~~ commerce
2 corporation.

3 (2) "Municipality" means any city or town, or other political subdivision of the state.

4 (3) "Office" means the office of energy resources established by chapter 42-140.

5 (c) Renewable energy development fund. - The corporation shall, in the furtherance of its
6 responsibilities to promote and encourage economic development, establish and administer a
7 renewable energy development fund as provided for in section 39-26-7, may exercise the powers
8 set forth in this chapter, as necessary or convenient to accomplish this purpose, and shall provide
9 such administrative support as may be needed for the coordinated administration of the renewable
10 energy standard as provided for in chapter 39-26 and the renewable energy program established
11 by section 39-2-1.2. The corporation may upon the request of any person undertaking a renewable
12 energy facility project, grant project status to the project, and a renewable energy facility project,
13 which is given project status by the corporation, shall be deemed an energy project of the
14 corporation.

15 (d) Duties. - The corporation shall, with regards to renewable energy project investment:

16 (1) Establish by rule, in consultation with the office, standards for financing renewable
17 energy projects from diverse sources.

18 (2) Enter into agreements, consistent with this chapter and renewable energy investment
19 plans adopted by the office, to provide support to renewable energy projects that meet applicable
20 standards established by the corporation. Said agreements may include contracts with
21 municipalities and public corporations.

22 (e) Conduct of activities.

23 (1) To the extent reasonable and practical, the conduct of activities under the provisions
24 of this chapter shall be open and inclusive; the director shall seek, in addressing the purposes of
25 this chapter, to involve the research and analytic capacities of institutions of higher education
26 within the state, industry, advocacy groups, and regional entities, and shall seek input from
27 stakeholders including, but not limited to, residential and commercial energy users.

28 (2) By January 1, 2009, the director shall adopt:

29 (A) Goals for renewable energy facility investment which is beneficial, prudent, and
30 from diverse sources;

31 (B) A plan for a period of five (5) years, annually upgraded as appropriate, to meet the
32 aforementioned goals; and

33 (C) Standards and procedures for evaluating proposals for renewable energy projects in
34 order to determine the consistency of proposed projects with the plan.

1 (f) Reporting. - On March 1, of each year after the effective date of this chapter, the
2 corporation shall submit to the governor, the president of the senate, the speaker of the house of
3 representatives, and the secretary of state, a financial and performance report. These reports shall
4 be posted electronically on the general assembly and the secretary of state's websites as
5 prescribed in section 42-20-8.2. The reports shall set forth:

6 (1) The corporation's receipts and expenditures in each of the renewable energy program
7 funds administered in accordance with this section.

8 (2) A listing of all private consultants engaged by the corporation on a contract basis and
9 a statement of the total amount paid to each private consultant from the two (2) renewable energy
10 funds administered in accordance with this chapter; a listing of any staff supported by these
11 funds, and a summary of any clerical, administrative or technical support received; and

12 (3) A summary of performance during the prior year including accomplishments and
13 shortcomings; project investments, the cost-effectiveness of renewable energy investments by the
14 corporation; and recommendations for improvement.

15 **42-64-14. Relations with state agencies.** -- (a) In planning and carrying out projects, the
16 Rhode Island ~~economic-development~~ commerce corporation shall conform to the applicable
17 provisions of the state guide plan as that plan may from time to time be altered or amended. In
18 determining whether its proposed projects are in conformity with the state guide plan, the
19 corporation and all persons dealing with it shall be entitled to rely upon a written statement signed
20 by its chairperson or vice-chairperson of the state planning council to the effect that the proposed
21 project conforms to the state guide plan. If the corporation shall submit to the state planning
22 council a written request for this determination accompanied by a general description of a
23 proposed project describing in reasonable detail its location, nature, and size, and the state
24 planning council shall not within forty-five (45) days after the receipt of this written request issue
25 its written statement to the effect that the proposed project conforms or does not conform to the
26 state guide plan as the case may be, then conformity of the proposed project with the state guide
27 plan shall be conclusively presumed. A written statement issued by the state planning council to
28 the effect that a proposed project does not conform to the state guide plan shall state the respects
29 in which conformity is lacking.

30 (b) In planning and carrying out projects, the corporation shall conform to the applicable
31 provisions of chapter 23 of title 46.

32 (c) The corporation is authorized and empowered to acquire and to dispose of real
33 property, subject to the provisions of this chapter, without the necessity of obtaining the approval
34 of the state properties committee or otherwise complying with the provisions of title 37.

1 **42-64-15. Bonds and notes of the corporation.** -- (a) The Rhode Island ~~economic~~
2 ~~development~~ commerce corporation shall have the power and is authorized to issue from time to
3 time its negotiable bonds and notes in one or more series in any principal amounts as in the
4 opinion of the corporation shall be necessary to provide sufficient funds for achieving its
5 purposes, including the payment of interest on bonds and notes of the corporation, the
6 establishment of reserves to secure those bonds and notes (including the reserve funds created
7 pursuant to section 42-64-18), and the making of all other expenditures of the corporation
8 incident to and necessary or convenient to carrying out its corporate purposes and powers.

9 (b) All bonds and notes issued by the corporation may be secured by the full faith and
10 credit of the corporation or may be payable solely out of the revenues and receipts derived from
11 the lease, mortgage, or sale by the corporation of its projects or of any part of its projects, or from
12 any other revenues or from repayment from any loans made by the corporation with regard to any
13 of its projects or any part of its projects, all as may be designated in the proceedings of the
14 corporation under which the bonds or notes shall be authorized to be issued. The bonds and notes
15 may be executed and delivered by the corporation at any time from time to time, may be in any
16 form and denominations and of any tenor and maturities, and may be in bearer form or in
17 registered form, as to principal and interest or as to principal alone, all as the corporation may
18 determine.

19 (c) Bonds may be payable in any installments, and at times not exceeding fifty (50) years
20 from their date, as shall be determined by the corporation.

21 (d) Except for notes issued pursuant to section 42-64-16, notes, and any renewals, may
22 be payable in any installments and at any times not exceeding ten (10) years from the date of the
23 original issue of the notes, as shall be determined by the corporation.

24 (e) Bonds and notes may be payable at any places, whether within or outside of the state,
25 may bear interest at any rate or rates payable at any time or times and at any place or places and
26 evidenced in any manner, and may contain any provisions not inconsistent with this section, all as
27 shall be provided in the proceedings of the corporation under which they shall be authorized to be
28 issued.

29 (f) There may be retained by provision made in the proceedings under which any bonds
30 or notes of the corporation are authorized to be issued an option to redeem all or any part of these
31 bonds or notes, at any prices and upon any notice, and on any further terms and conditions as
32 shall be set forth on the record of the proceedings and on the face of the bonds or notes.

33 (g) Any bonds or notes of the corporation may be sold from time to time at those prices,
34 at public or private sale, and in any manner as shall be determined by the corporation, and the

1 corporation shall pay all expenses, premiums, and commissions that it shall deem necessary or
2 advantageous in connection with the issuance and sale of these bonds and notes.

3 (h) Moneys of the corporation, including proceeds from the sale of bonds or notes, and
4 revenues, receipts and income from any of its projects or mortgages, may be invested and
5 reinvested in any obligations, securities, and other investments consistent with this section as
6 shall be specified in the resolutions under which the bonds or notes are authorized.

7 (i) Issuance by the corporation of one or more series of bonds or notes for one or more
8 purposes shall not preclude it from issuing other bonds or notes in connection with the same
9 project or any other project, but the proceedings whereunder any subsequent bonds or notes may
10 be issued shall recognize and protect a prior pledge or mortgage made for a prior issue of bonds
11 or notes unless in the proceedings authorizing that prior issue the right is reserved to issue
12 subsequent bonds or notes on a parity with that prior issue.

13 (j) The corporation is authorized to issue bonds or notes for the purpose of refunding its
14 bonds or notes then outstanding, including the payment of any redemption premium and any
15 interest accrued or to accrue to the earliest or subsequent date of redemption, purchase, or
16 maturity of the bonds or notes, and, if deemed advisable by the corporation, for the additional
17 purpose of paying all or part of the cost of acquiring, constructing, reconstructing, rehabilitating,
18 or improving any project, or the making of loans on any project. The proceeds of bonds or notes
19 issued for the purpose of refunding outstanding bonds or notes may be applied, in the discretion
20 of the corporation, to the purchase, retirement at maturity, or redemption of the outstanding bonds
21 or notes either on their earliest or a subsequent redemption date, and may, pending that
22 application, be placed in escrow. Those escrowed proceeds may be invested and reinvested in
23 obligations of or guaranteed by the United States, or in certificates of deposit or time deposits
24 secured or guaranteed by the state or the United States, or an instrumentality of either, maturing at
25 any time or times as shall be appropriate to assure the prompt payment, as to principal, interest,
26 and redemption premium, if any, of the outstanding bonds or notes to be so refunded. The
27 interest, income and profits, if any, earned or realized on the investment may also be applied to
28 the payment of the outstanding bonds or notes to be so refunded. After the terms of the escrow
29 have been fully satisfied and carried out, any balance of the proceeds and interest, income and
30 profits, if any, earned or realized on the investments may be returned to the corporation for use by
31 it in furtherance of its purposes. The portion of the proceeds of bonds or notes issued for the
32 additional purpose of paying all or part of the cost of acquiring, constructing, reconstructing,
33 rehabilitating, developing, or improving any project, or the making of loans on any project, may
34 be invested and reinvested in any obligations, securities, and other investments consistent with

1 this section as shall be specified in the resolutions under which those bonds or notes are
2 authorized and which shall mature not later than the times when those proceeds will be needed for
3 those purposes. The interest, income and profits, if any, earned or realized on those investments
4 may be applied to the payment of all parts of the costs, or to the making of loans, or may be used
5 by the corporation otherwise in furtherance of its purposes. All bonds or notes shall be issued and
6 secured and shall be subject to the provisions of this chapter in the same manner and to the same
7 extent as any other bonds or notes issued pursuant to this chapter.

8 (k) The directors, the executive director of the corporation, and other persons executing
9 bonds or notes shall not be subject to personal liability or accountability by reason of the issuance
10 of these bonds and notes.

11 (l) Bonds or notes may be issued under the provisions of this chapter without obtaining
12 the consent of any department, division, commission, board, body, bureau, or agency of the state,
13 and without any other proceedings or the happening of any conditions or things other than those
14 proceedings, conditions, or things which are specifically required by this chapter and by the
15 provisions of the resolution authorizing the issuance of bonds or notes or the trust agreement
16 securing them.

17 (m) The corporation, subject to any agreements with note holders or bondholders as may
18 then be in force, shall have power out of any funds available therefor to purchase bonds or notes
19 of the corporation, which shall thereupon be cancelled, at a price not exceeding:

20 (1) If the bonds or notes are then redeemable, the redemption price then applicable plus
21 accrued interest to the next interest payment date; or

22 (2) If the bonds or notes are not then redeemable, the redemption price applicable on the
23 earliest date that the bonds or notes become subject to redemption, plus the interest that would
24 have accrued to that date.

25 (n) Whether or not the bonds and notes are of a form and character as to be negotiable
26 instruments under the terms of the Rhode Island Uniform Commercial Code, title 6A, the bonds
27 and notes are hereby made negotiable instruments within the meaning of and for all the purposes
28 of the Rhode Island Uniform Commercial Code, subject only to the provisions of the bonds and
29 notes for registration.

30 (o) If a director or officer of the corporation whose signature appears on bonds, notes, or
31 coupons shall cease to be a director or officer before the delivery of those bonds or notes, that
32 signature shall, nevertheless, be valid and sufficient for all purposes, the same as if the director or
33 officer had remained in office until the delivery.

34 **42-64-16. Short-term notes.** -- Money borrowed by the Rhode Island ~~economic~~

1 ~~development~~ commerce corporation for the purpose of providing temporary financing of a project
2 or projects or combination of projects pending the issuance of bonds or other notes, shall be
3 evidenced by notes or other obligations. The principal and interest of all notes or other obligations
4 of the corporation issued under the provisions of this section shall be payable no later than the
5 fourth anniversary of the date of their issue, and shall be payable from the following: (1) from the
6 proceeds of bonds subsequently issued; or (2) from the proceeds of subsequent borrowings which
7 comply with the provisions hereof; or (3) from general revenues of the corporation which may be
8 equal and proportionate with, but not superior to, that securing bonds then outstanding or
9 subsequently issued. Notwithstanding any other provisions of this chapter, all these notes shall be
10 deemed to be negotiable instruments under the laws of the state of Rhode Island subject only to
11 the provisions for registration contained in those laws. The notes or other obligations or any issue
12 of these shall be in a form and contain any other provisions as the corporation may determine and
13 the notes or resolutions or proceedings authorizing the notes or other obligations or any issue of
14 these may contain, in addition to any provisions, conditions, covenants, or limitations authorized
15 by this chapter, any provisions, conditions, covenants, or limitations which the corporation is
16 authorized to include in any resolution or resolutions authorizing bonds or notes or in any trust
17 indenture relating to bonds or notes. The corporation may issue the notes or other obligations in
18 any manner either publicly or privately on any terms as it may determine to be in its best
19 interests. These notes or other obligations may be issued under the provisions of this chapter
20 without obtaining the consent of any department, division, commission, board, body, or agency of
21 the state, without any other proceedings or the happening of any conditions or things other than
22 those proceedings, conditions, or things which are specifically required by this chapter and by the
23 provisions and resolutions authorizing the issuance of the notes or obligations.

24 **42-64-17. Security for bonds or notes.** -- (a) The principal of and interest on any bonds
25 or notes issued by the Rhode Island ~~economic-development~~ commerce corporation may be
26 secured by a pledge of any revenues and receipts of the corporation and may be secured by a
27 mortgage or other instrument covering all or any part of one or more projects, including all or part
28 of any additions, improvements, extensions to, or enlargements of projects thereafter made.

29 (b) Bonds or notes issued for the acquisition, construction, reconstruction, rehabilitation,
30 development, or improvement of one or more projects may also be secured by an assignment of
31 leases of, or mortgages on, or contracts of sale or loan agreements with regard to the project or
32 projects and by an assignment of the revenues, receipts, payments, or repayments derived by the
33 corporation from those leases, mortgages, sales agreements, or loan agreements.

34 (c) The resolution under which the bonds or notes are authorized to be issued and any

1 mortgage, lease, sales agreement, or loan agreement, or other instrument may contain agreements
2 and provisions respecting the maintenance of the projects covered thereby, the fixing and
3 collection of rents, payments or repayments or other revenues, including moneys received in
4 repayment of loans, and interest on the loans, the creation and maintenance of special funds from
5 rents or other revenues and the rights and remedies available in the event of default, all as the
6 corporation shall deem advisable.

7 (d) Each pledge, agreement, mortgage, or other instrument made for the benefit or
8 security of any of the bonds or notes of the corporation shall be valid and binding from the time
9 the pledge is made and shall continue in effect until the principal of and interest on the bonds or
10 notes for the benefit of which the pledge was made has been fully paid, or until provision has
11 been made for the payment in the manner provided in the resolutions under which those bonds or
12 notes were authorized. The revenues, moneys, or property pledged by the corporation shall
13 immediately be subject to the lien of that pledge without any physical delivery thereof or further
14 act, and the lien of the pledge shall be valid and binding as against all parties having claims of
15 any kind in tort, contract, or otherwise against the corporation, irrespective of whether the parties
16 have notice thereof. Neither the resolution nor any other instrument by which a pledge is created
17 need be recorded.

18 (e) The corporation may provide in any proceedings under which bonds or notes may be
19 authorized that any project or part of a project may be constructed, reconstructed, rehabilitated, or
20 improved by the corporation, or any lessee, vendee, obligor, or any designee of the corporation
21 and may also provide in those proceedings for the time and manner of and requisitions for
22 disbursements to be made for the cost of the construction, and for any certificates and approvals
23 of construction and disbursements that the corporation shall deem necessary and provide for in
24 those proceedings.

25 (f) Any resolution under which bonds or notes of the corporation are authorized to be
26 issued (and any trust indenture established thereby) may contain provisions for vesting in a
27 trustee or trustees those properties, rights, powers, and duties in trust that the corporation may
28 determine, including any or all of the rights, powers, and duties of the trustee appointed by the
29 holders of any issue of bonds or notes pursuant to section 42-64-25, in which event the provisions
30 of section 42-64-25 authorizing the appointment of a trustee by holders of bonds or notes shall
31 not apply.

32 **42-64-18. Reserve funds and appropriations.** -- To assure the continued operation and
33 solvency of the Rhode Island ~~economic development~~ [commerce](#) corporation for the carrying out
34 of its corporate purposes:

1 (1) The corporation may create and establish one or more special funds, "capital reserve
2 funds", and may pay into each capital reserve fund: (i) any moneys appropriated and made
3 available by the state for the purpose of the fund; (ii) proceeds from the sale of notes or bonds to
4 the extent provided in the resolution or resolutions of the corporation authorizing the issuance
5 thereof; and (iii) any other moneys that may be made available to the corporation for the purpose
6 of that fund from any other source. All moneys held in a capital reserve fund, except as provided,
7 shall be used solely for the payment of the principal of bonds secured in whole or in part by that
8 fund or of the sinking fund payments hereinafter mentioned with respect to the bonds, the
9 purchase or redemption of the bonds, the payment of interest on the bonds or the payment of any
10 redemption premium required to be paid when the bonds are redeemed prior to maturity;
11 provided, that moneys in the fund shall not be withdrawn (except for the purpose of making (with
12 respect to bonds secured in whole or in part by the fund) payment when due of principal, interest,
13 redemption premiums, and the sinking fund payments hereinafter mentioned, for the payment of
14 which other moneys of the corporation are not available) if the withdrawal would reduce the
15 amount of the fund to less than the minimum capital reserve requirement established for the fund
16 as provided in this section. Any income or interest earned by, or incremental to, any capital
17 reserve fund due to the investment of the funds may be transferred by the corporation to other
18 funds or accounts of the corporation if the transfer would not reduce the amount of the capital
19 reserve fund below the minimum capital reserve fund requirement for the fund;

20 (2) The corporation shall not at any time issue bonds secured in whole or in part by a
21 capital reserve fund if, upon the issuance of the bonds, the outstanding principal balance of such
22 bonds would exceed the sum of two hundred fifty million dollars (\$250,000,000), or the amount
23 of the capital reserve fund would be less than the minimum capital reserve required for the fund,
24 unless the corporation, at the time of issuance of the bonds, shall deposit in the fund from the
25 proceeds of the bonds to be issued, or from other sources, an amount that, together with the
26 amount then in the fund, is not less than the minimum capital reserve fund requirement for the
27 fund. For the purpose of this section, the term "minimum capital reserve fund requirement"
28 means, as of any particular date of computation, an amount of money, as provided in the
29 resolution or resolutions of the corporation authorizing the bonds or notes with respect to which
30 the fund is established, equal to not more than the greatest of the respective amounts, for the
31 current or any future fiscal year of the corporation, of annual debt service on the bonds of the
32 corporation secured in whole or in part by the fund, the annual debt service for any fiscal year
33 being the amount of money equal to the sum of: (i) the interest payable during the fiscal year on
34 all bonds secured in whole or in part by the fund outstanding on the date of computation plus; (ii)

1 the principal amount of all the bonds and bond anticipation notes outstanding on the date of
2 computation that mature during the fiscal year; plus (iii) all amounts specified in any resolution of
3 the corporation authorizing the bonds as payable during the fiscal year as a sinking fund payment
4 with respect to any of the bonds that mature after the fiscal year, all calculated on the assumption
5 that the bonds will after the date of computation cease to be outstanding by reason, but only by
6 reason, of the payment of bonds when due and application in accordance with the resolution
7 authorizing those bonds of all of the sinking fund payments payable at or after the date of
8 computation;

9 (3) In computing the amount of the capital reserve funds for the purpose of this section,
10 securities in which all or a portion of the funds shall be invested, shall be valued as provided in
11 the proceedings under which the bonds are authorized but in no event shall be valued at a value
12 greater than par;

13 (4) In order further to assure the continued operation and solvency of the corporation for
14 the carrying out of its corporate purposes, the executive director shall annually, on or before
15 December first, make and deliver to the governor a certificate stating the sum, if any, required to
16 restore each capital reserve fund to the minimum capital reserve fund requirement for the fund.
17 During each January session of the general assembly, the governor shall submit to the general
18 assembly printed copies of a budget including the total of the sums, if any, as part of the
19 governor's budget required to restore each capital reserve fund to the minimum capital reserve
20 fund requirement for the fund. All sums appropriated by the general assembly for this purpose,
21 and paid to the corporation, if any, shall be deposited by the corporation in the applicable capital
22 reserve fund;

23 (5) All amounts paid over to the corporation by the state pursuant to the provisions of
24 this section shall constitute and be accounted for as advances by the state to the corporation and,
25 subject to the rights of the holders of any bonds or notes of the corporation issued before or after,
26 shall be repaid to the state without interest from all available operating revenues of the
27 corporation in excess of amounts required for the payment of bonds, notes, or other obligations of
28 the corporation, the capital reserve funds and operating expenses;

29 (6) The corporation may create and establish any other fund or funds as may be
30 necessary or desirable for its corporate purposes;

31 (7) The corporation may by resolution permit the issuance of bonds and notes to carry
32 out the purposes of this chapter without establishing a capital reserve fund pursuant to this section
33 and without complying with the limitations set forth in this section. Bonds and notes issued
34 pursuant to this subdivision may be secured by any other funds or methods as the corporation

1 may in its discretion determine by resolution.;

2 (8) On or before January 1 of each year, the Rhode Island ~~economic development~~
3 commerce corporation shall issue a report on all such bonds issued by the corporations. The
4 report shall include at a minimum the following: a list of each bond issued; the purpose of each
5 bond issued; the amount of each bond issued; the amount of principal and interest of each bond
6 issued paid to date; the outstanding principal balance of each bond issued; and the total
7 outstanding principal balance of all such bonds issued subject to this section. The report shall be
8 transmitted to the chairpersons of the house and senate finance committees, with copies to the
9 house and senate fiscal advisors.

10 **42-64-19. Trust funds.** -- All moneys received pursuant to the authority of this chapter,
11 whether as proceeds from the sale of bonds or notes or as revenues, receipts, or income, and
12 moneys held by the Rhode Island ~~economic development~~ commerce corporation in the tire site
13 remediation account established pursuant to section 23-63-4.1, shall be trust funds to be held and
14 applied solely as provided in the proceedings under which the bonds or notes are authorized. Any
15 officer with whom or any bank or trust company with which the moneys shall be deposited as
16 trustee shall hold and apply the moneys for the purposes thereof, subject to the applicable
17 provisions of this chapter, the proceedings authorizing the bonds or notes and the trust agreement
18 securing the bonds or notes, if any.

19 **42-64-20. Exemption from taxation.** -- (a) The exercise of the powers granted by this
20 chapter will be in all respects for the benefit of the people of this state, the increase of their
21 commerce, welfare, and prosperity and for the improvement of their health and living conditions
22 and will constitute the performance of an essential governmental function and the corporation
23 shall not be required to pay any taxes or assessments upon or in respect of any project or of any
24 property or moneys of the Rhode Island ~~ECONOMIC DEVELOPMENT~~ COMMERCE
25 CORPORATION, levied by any municipality or political subdivision of the state; provided, that
26 the corporation shall make payments in lieu of real property taxes and assessments to
27 municipalities and political subdivisions with respect to projects of the corporation located in the
28 municipalities and political subdivisions during those times that the corporation derives revenue
29 from the lease or operation of the projects. Payments in lieu of taxes shall be in amounts agreed
30 upon by the corporation and the affected municipalities and political subdivisions. Failing the
31 agreement, the amounts of payments in lieu of taxes shall be determined by the corporation using
32 a formula that shall reasonably ensure that the amounts approximate the average amount of real
33 property taxes due throughout the state with respect to facilities of a similar nature and size. Any
34 municipality or political subdivision is empowered to accept at its option an amount of payments

1 in lieu of taxes less than that determined by the corporation. If, pursuant to section 42-64-13(f),
2 the corporation shall have agreed with a municipality or political subdivision that it shall not
3 provide all of the specified services, the payments in lieu of taxes shall be reduced by the cost
4 incurred by the corporation or any other person in providing the services not provided by the
5 municipality or political subdivision.

6 (b) The corporation shall not be required to pay state taxes of any kind, and the
7 corporation, its projects, property, and moneys and, except for estate, inheritance, and gift taxes,
8 any bonds or notes issued under the provisions of this chapter and the income (including gain
9 from sale or exchange) from these shall at all times be free from taxation of every kind by the
10 state and by the municipalities and all political subdivisions of the state. The corporation shall not
11 be required to pay any transfer tax of any kind on account of instruments recorded by it or on its
12 behalf.

13 (c) For purposes of the exemption from taxes and assessments upon or in respect of any
14 project under subsections (a) or (b) of this section, the corporation shall not be required to hold
15 legal title to any real or personal property, including any fixtures, furnishings or equipment which
16 are acquired and used in the construction and development of the project, but the legal title may
17 be held in the name of a lessee (including sublessees) from the corporation. This property, which
18 shall not include any goods or inventory used in the project after completion of construction, shall
19 be exempt from taxation to the same extent as if legal title of the property were in the name of the
20 corporation; provided that the board of directors of the corporation adopts a resolution confirming
21 use of the tax exemption for the project by the lessee. Such resolution shall not take effect until
22 thirty (30) days from passage. The resolution shall include findings that: (1) the project is a
23 project of the corporation under section 42-64-3(20), and (2) it is in the interest of the corporation
24 and of the project that legal title be held by the lessee from the corporation. In adopting the
25 resolution, the board of directors may consider any factors it deems relevant to the interests of the
26 corporation or the project including, for example, but without limitation, reduction in potential
27 liability or costs to the corporation or designation of the project as a "Project of Critical Economic
28 Concern" pursuant to Chapter 117 of this title.

29 (d) For purposes of the exemption from taxes and assessments for any project of the
30 corporation held by a lessee of the corporation under subsection (c) of this section, any such
31 project shall be subject to the following additional requirements:

32 (1) The total sales tax exemption benefit to the lessee will be implemented through a
33 reimbursement process as determined by the division of taxation rather than an up-front purchase
34 exemption;

1 (2) The sales tax benefits granted pursuant to RIGL 42-64-20(c) shall only apply to
2 project approved prior to July 1, 2011 and shall: (i) only apply to materials used in the
3 construction, reconstruction or rehabilitation of the project and to the acquisition of furniture,
4 fixtures and equipment, except automobiles, trucks or other motor vehicles, or materials that
5 otherwise are depreciable and have a useful life of one year or more, for the project for a period
6 not to exceed six (6) months after receipt of a certificate of occupancy for any given phase of the
7 project for which sales tax benefits are utilized; and (ii) not exceed an amount equal to the income
8 tax revenue received by the state from the new full-time jobs with benefits excluding project
9 construction jobs, generated by the project within a period of three (3) years from after the receipt
10 of a certificate of occupancy for any given phase of the project. "Full- time jobs with benefits"
11 means jobs that require working a minimum of thirty (30) hours per week within the state, with a
12 median wage that exceeds by five percent (5%) the median annual wage for the preceding year
13 for full-time jobs in Rhode Island, as certified by the department of labor and training with a
14 benefit package that is typical of companies within the lessee's industry. The sales tax benefits
15 granted pursuant to Rhode Island general laws subsection 42-64-20(c) shall not be effective for
16 projects approved on or after July 1, 2011.

17 (3) The corporation shall transmit the analysis required by RIGL 42-64-10(a)(2) to the
18 house and senate fiscal committee chairs, the department of labor and training and the division of
19 taxation promptly upon completion. Annually thereafter, the department of labor and training
20 shall certify to the house and senate fiscal committee chairs, the house and senate fiscal advisors,
21 the corporation and the division of taxation the actual number of new full-time jobs with benefits
22 created by the project, in addition to construction jobs, and whether such new jobs are on target to
23 meet or exceed the estimated number of new jobs identified in the analysis above. This
24 certification shall no longer be required when the total amount of new income tax revenue
25 received by the state exceeds the amount of the sales tax exemption benefit granted above.

26 (4) The department of labor and training shall certify to the house and senate fiscal
27 committee chairs and the division of taxation that jobs created by the project are "new jobs" in the
28 state of Rhode Island, meaning that the employees of the project are in addition to, and without a
29 reduction of, those employees of the lessee currently employed in Rhode Island, are not relocated
30 from another facility of the lessee's in Rhode Island or are employees assumed by the lessee as
31 the result of a merger or acquisition of a company already located in Rhode Island. Additionally,
32 the corporation, with the assistance of the lessee, the department of labor and training, the
33 department of human services and the division of taxation shall provide annually an analysis of
34 whether any of the employees of the project qualify for RIte Care or RIte Share benefits and the

1 impact such benefits or assistance may have on the state budget.

2 (5) Notwithstanding any other provision of law, the division of taxation, the department
3 of labor and training and the department of human services are authorized to present, review and
4 discuss lessee specific tax or employment information or data with the corporation, the house and
5 senate fiscal committee chairs, and/or the house and senate fiscal advisors for the purpose of
6 verification and compliance with this resolution; and

7 (6) The corporation and the project lessee shall agree that, if at any time prior to the state
8 recouping the amount of the sales tax exemption through new income tax collections from the
9 project, not including construction job income taxes, the lessee will be unable to continue the
10 project, or otherwise defaults on its obligations to the corporation, the lessee shall be liable to the
11 state for all the sales tax benefits granted to the project plus interest, as determined in RIGL 44-1-
12 7, calculated from the date the lessee received the sales tax benefits.

13 **42-64-21. Notes and bonds as legal investments.** -- The notes and bonds of the Rhode
14 Island ~~economic development~~ [commerce](#) corporation are made securities in which all public
15 officers and bodies of this state and all municipalities and municipal subdivisions, all insurance
16 companies and associations, and other persons carrying on an insurance business, all banks,
17 bankers, trust companies, saving banks and saving associations, including savings and loan
18 associations, building and loan associations, investment companies, and other persons carrying on
19 a banking business, all administrators, guardians, executors, trustees, and other fiduciaries, and all
20 other persons whatsoever who are now or may hereafter be authorized to invest in bonds or other
21 obligations of the state, may properly and legally invest funds, including capital, in their control
22 or belonging to them.

23 **42-64-22. Agreement of the state.** -- The state does pledge to and agree with the holders
24 of any bonds or notes issued under this chapter that the state will not limit or alter the rights
25 vested in the Rhode Island ~~economic development~~ [commerce](#) corporation to fulfill the terms of
26 any agreements made with the holders until the bonds or notes, together with the interest on these
27 bonds and notes, with interest on any unpaid installments of interest, and all costs and expenses in
28 connection with any action or proceeding by or on behalf of the holders, are fully met and
29 discharged. The corporation is authorized to include this pledge and agreement of the state in any
30 agreement with the holders of the bonds or notes.

31 **42-64-23. Credit of state.** -- (a) Obligations issued under the provisions of this chapter,
32 except those obligations secured by mortgages which are insured by the industrial building
33 authority, shall not constitute a debt, liability or obligation of the state or of any political
34 subdivision of the state other than the Rhode Island ~~economic development~~ [commerce](#)

1 corporation or a pledge of the faith and credit of the state or any political subdivision other than
2 the corporation but shall be payable solely from the revenues or assets of the corporation. Each
3 obligation issued under this chapter, except those obligations secured by mortgages which are
4 insured by the industrial building authority, shall contain on its face a statement to the effect that
5 the corporation shall not be obligated to pay the obligation or interest on the obligation except
6 from revenues or assets pledged therefor and that neither the faith and credit nor the taking power
7 of the state or any political subdivision of the state other than the corporation is pledged to the
8 payment of the principal of or the interest on the obligation.

9 (b) Obligations issued under the provisions of this chapter which are secured by
10 mortgages insured by the industrial building authority, in addition to being payable from the
11 revenues or assets of the corporation, shall be secured by a pledge of the faith and credit of the
12 state consistent with the terms and limitations of chapter 34 of this title.

13 **42-64-25. Remedies of bondholders and note-holders.** -- (a) In the event that the Rhode
14 Island ~~economic-development~~ [commerce](#) corporation shall default in the payment of principal of
15 or interest on any bonds or notes issued under this chapter after the bonds or notes shall become
16 due, whether at maturity or upon call for redemption, and the default shall continue for a period
17 of thirty (30) days, or in the event that the corporation shall fail or refuse to comply with the
18 provisions of this chapter, or shall default in any agreement made with the holders of an issue of
19 bonds or notes of the corporation the holders of twenty-five percent (25%) in aggregate principal
20 amount of the bonds or notes of an issue then outstanding, by instrument or instruments filed in
21 the office of the secretary of state and proved or acknowledged in the same manner as a deed to
22 be recorded, may appoint a trustee to represent the holders of the bonds or notes for the purposes
23 provided in this section.

24 (b) The trustee may, and upon written request of the holders of twenty-five percent
25 (25%) in principal amount of the bonds or notes then outstanding shall, in the trustee's own name:

26 (1) Enforce all rights of the bondholders or note-holders, including the right to require
27 the corporation to collect rent, interest repayments and payments on the leases, mortgages, loan
28 agreements and sales agreements held by it adequate to carry out any agreement as to, or pledge
29 of, rent, interest repayments and payments, and to require the corporation to carry out any other
30 agreements with the holders of the bonds or notes and to perform its duties under this chapter;

31 (2) Enforce all rights of the bondholders or note-holders so as to carry out any contract
32 as to, or pledge of, revenues, and to require the corporation to carry out and perform the terms of
33 any contract with the holders of its bonds or notes or its duties under the chapter;

34 (3) Bring suit upon all or any part of the bonds or notes;

1 (4) By action or suit, require the corporation to account as if it were the trustee of an
2 express trust for the holders of the bonds or notes;

3 (5) By action or suit, enjoin any acts or things which may be unlawful or in violation of
4 the rights of the holders of the bonds or notes;

5 (6) Declare all the bonds or notes due and payable and, if all defaults shall be made
6 good, then, with the consent of the holders of twenty-five percent (25%) of the principal amount
7 of the bonds or notes then outstanding, to annul the declaration and its consequences.

8 (c) The trustee shall, in addition to the foregoing, have and possess all the powers
9 necessary or appropriate for the exercise of any functions specifically set forth in this section or
10 incident to the general representation of bondholders or note-holders in the enforcement and
11 protection of their rights.

12 (d) Before declaring the principal of bonds or notes due and payable, the trustee shall
13 first give thirty (30) days' notice, in writing, to the governor of the state and to the corporation.

14 (e) The superior court of Providence County shall have jurisdiction of any suit, action, or
15 proceeding by the trustee on behalf of bondholders or note-holders.

16 **42-64-26. Authorization to accept appropriated moneys.** -- The Rhode Island
17 ~~economic-development~~ [commerce](#) corporation is authorized to accept any moneys as may be
18 appropriated from time to time by the general assembly for effectuating its corporate purposes
19 including, without limitation, the payment of the initial expenses of administration and operation
20 and the establishment of reserves or contingency funds to be available for the payment of the
21 principal of and the interest on any bonds, notes or other obligations of the corporation.

22 **42-64-27. Assistance by state officers, departments, boards and commission.** -- (a)
23 All state agencies may render any services to the Rhode Island ~~economic-development~~ [commerce](#)
24 corporation within their respective functions as may be requested by the corporation.

25 (b) Upon request of the corporation, any state agency is authorized and empowered to
26 transfer to the corporation any officers and employees as it may deem necessary from time to
27 time to assist the corporation in carrying out its functions and duties under this chapter. Officers
28 and employees so transferred shall not lose their civil service status or rights.

29 **42-64-28. Annual financial reports and performance report.** -- (a) The board shall
30 approve and the Rhode Island ~~economic-development~~ [commerce](#) corporation shall submit to the
31 governor, the president of the senate, the speaker of the house of representatives, and the
32 secretary of state, within eleven (11) months after the close of its fiscal year, complete and
33 detailed financial reports and a performance report. These reports shall cover the corporation and
34 its subsidiaries and shall be posted electronically on the general assembly and the secretary of

1 state's websites as prescribed in section 42-20-8.1.

2 (b) The financial reports shall set forth the corporation's:

3 (1) Operations;

4 (2) Receipts and expenditures during the fiscal year in accordance with the categories
5 and classifications established by the corporation for its operating and capital outlay purposes
6 including a listing of all private consultants engaged by the corporation on a contract basis and a
7 statement of the total amount paid to each private consultant, a listing of any staff supported by
8 these funds, and a summary of any clerical, administrative or technical support received;

9 (3) Assets and liabilities at the end of its fiscal year including a schedule of its leases and
10 mortgages and the status of the reserve, special or other funds;

11 (4) Schedule of the bonds and notes outstanding at the end of its fiscal year together with
12 a statement of amounts redeemed and incurred during the fiscal year;

13 (5) The reports shall be prepared by independent certified public accountants in
14 accordance with generally accepted principles of accounting.

15 (c) The performance report shall include:

16 (1) A summary of performance during the previous fiscal year including
17 accomplishments, shortcomings in general and relative to plan, and actions to be taken to remedy
18 such shortcomings;

19 (2) For all board meetings and public hearings held by the corporation: the subjects
20 addressed, decisions rendered, actions considered and their disposition; and, the minutes of these
21 meetings and hearings if requested by the governor, the president of the senate, the speaker of the
22 house of representatives, or the secretary of state;

23 (3) Rules or regulations promulgated by the board or corporation, a summary of studies
24 conducted, policies and plans developed, approved, or modified, and programs administered,
25 initiated or terminated;

26 (4) A synopsis of hearings, complaints, suspensions, or other legal matters related to the
27 authority of the board or corporation;

28 (5) A summary of any training courses held pursuant to subdivision 42-64-8(a)(4);

29 (6) A briefing on anticipated plans and activities in the upcoming fiscal year; and
30 findings and recommendations for improvements;

31 [\(7\) Compliance with the reporting requirements of the general laws.](#)

32 (d) The director of the department of administration shall be responsible for the
33 enforcement of the provisions of this section.

34 **42-64-29. Inventory of development sites.** -- (a) The Rhode Island **economic**

1 ~~development~~ commerce corporation, in coordination with the statewide planning program, shall
2 maintain an inventory of potential sites for development and act as a clearinghouse for investors
3 and businesses that want to expand or locate in Rhode Island.

4 (b) Further, the corporation, in coordination with Rhode Island municipalities and local
5 or regional development agencies, shall promote the re-use of abandoned and distressed industrial
6 properties in the State, specifically those designated as brownfields and certified mill buildings.

7 (c) The corporation shall create a program of marketing for underutilized or abandoned
8 sites as identified by the department of environmental management in section 23-19-14.5(d).

9 (d) The corporation shall, in cooperation with the department of environmental
10 management, assist prospective Brownfield redevelopment developers in identifying and securing
11 public and private funding sources for Brownfield redevelopment projects.

12 **42-64-31. Other statutes.** -- Nothing contained in this chapter shall restrict or limit the
13 powers of the Rhode Island ~~economic development~~ commerce corporation arising under any laws
14 of this state except where those powers are expressly contrary to the provisions of this chapter;
15 provided, however, that the corporation shall not have any power to create, empower or otherwise
16 establish any corporation, subsidiary corporation, corporate body, any form of partnership, or any
17 other separate entity, without the express approval and authorization of the general assembly.
18 Except as otherwise provided, this chapter shall be construed to provide a complete additional
19 and alternative method for doing the things authorized hereby and shall be regarded as
20 supplemental and in addition to the powers conferred by other laws. The issuance of all bonds,
21 notes, and other obligations of the corporation under the provisions of this chapter need not
22 comply with the requirements of any other statute applicable to the issuance of bonds, notes and
23 obligations, and contracts for the construction and acquisition of any project undertaken pursuant
24 to this chapter need not comply with any provision of any other state law applicable to contracts
25 for the construction and acquisition of state owned property, except that the provisions of section
26 37-13-1 et seq. (prevailing wage); section 37-16-2 et seq. (public works arbitration); and section
27 37-12-1 et seq. (contractors' bonds) for the construction and acquisition of state or municipally
28 owned property shall be applicable. No proceedings or notice of approval shall be required for the
29 issuance of any bonds, notes, and other obligations or any instrument of security except as
30 provided in this chapter.

31 **42-64-34. Appointment of small business advocate.** -- (a) The director of the Rhode
32 Island ~~economic development~~ commerce corporation shall appoint a staff person to serve as the
33 small business advocate.

34 (b) The small business advocate shall:

1 (1) Identify and convey specific concerns raised by small business in providing notice to
2 the state agency proposing the regulation;

3 (2) Inform businesses regarding proposed regulation that may have a significant adverse
4 economic impact; and

5 (3) Formulate policies and procedures in accordance with chapter 35 of this title.

6 (c) The small business advocate may request from any government agency, and the
7 agency is authorized and directed to provide, any cooperation and assistance, services, and data as
8 will enable the small business advocate to properly perform or exercise any of his or her
9 functions, duties, and powers under this chapter.

10 SECTION 4. Section 42-64.3-3.1 of the General Laws in Chapter 42-64.3 entitled
11 "Distressed Areas Economic Revitalization Act" is hereby amended to read as follows:

12 **42-64.3-3.1. Enterprise zone council.** -- (a) There is created within the Rhode Island
13 ~~economic development~~ [commerce](#) corporation the "enterprise zone council," which shall consist
14 of five (5) members to be appointed by the governor; one member shall be the executive director
15 of the Rhode Island ~~economic development~~ [commerce](#) corporation; one member shall represent
16 the urban league of Rhode Island; one member shall represent the Rhode Island League of Cities
17 and Towns; and two (2) members from the general public. The governor shall designate one
18 member to serve as chairperson of the enterprise zone council.

19 (b) The members shall be appointed for terms of five (5) years each; provided, however,
20 of the members originally appointed, one shall be appointed for a term of one year, one shall be
21 appointed for a term of two (2) years, one shall be appointed for a term of three (3) years, one
22 shall be appointed for a term of four (4) years and one shall be appointed for a term of five (5)
23 years.

24 (c) In carrying out its powers and duties under this chapter, the council shall utilize the
25 staffs and resources of the division of statewide planning and the Rhode Island economic
26 development corporation. Those agencies and other departments and agencies of state
27 government shall cooperate with the council in carrying out its mandate under this chapter.

28 (d) The council shall promulgate rules and regulations necessary to implement the intent
29 of this chapter.

30 [\(e\) Transfer of functions from the Rhode Island economic development corporation](#)
31 [enterprise zone council. – All functions formerly administered by the Rhode Island economic](#)
32 [development corporation's enterprise zone council are hereby transferred to the Rhode Island](#)
33 [commerce corporation.](#)

34 SECTION 5. Chapter 42-64 of the General Laws entitled "Rhode Island Economic

1 Development Corporation" is hereby amended by adding thereto the following sections:

2 **42-64-8.2. Role and responsibilities of board members.** – (a) Board members of the
3 corporation shall:

4 (1) Execute direct oversight of the corporation in the effective and ethical management of
5 the corporation;

6 (2) Understand, review, and monitor the implementation of fundamental financial and
7 management controls and operational decisions of the corporation;

8 (3) Adopt a code of ethics applicable to each officer, director and employee of the
9 corporation that, at a minimum, includes the standards established in chapter 36-14 ("Code of
10 Ethics");

11 (4) Adopt a mission statement expressing the purpose and goals of the corporation, a
12 description of the stakeholders of the corporation and their reasonable expectations from the
13 corporation;

14 (5) Adopt and periodically update an indemnification policy which shall be set forth in
15 the bylaws of the corporation; and

16 (6) Perform each of their duties as board members, including, but not limited to, those
17 imposed by this section, in good faith and with that degree of diligence, care, and skill which an
18 ordinarily prudent person in like position would use under similar circumstances and ultimately
19 apply independent judgment in the best interest of the corporation, its mission, and the public.

20 (b) Board members of the corporation shall establish and maintain written policies and
21 procedures for the following:

22 (1) Internal accounting and administrative controls in accordance with the provisions of
23 chapter 35-20 ("Public Corporation Financial Integrity and Accountability Act of 1995");

24 (2) Travel, including lodging, meals, and incidental expenses, provided that no
25 reimbursement shall exceed the allowable state employee reimbursement amount per day;

26 (3) Charitable and civic donations and/or contributions; provided, however, that all such
27 donations or contributions shall be voted by the full board during an open meeting and the vote
28 shall be recorded in the minutes of the meeting, together with:

29 (i) The citation to the specific state statute authorizing the action;

30 (ii) An explanation of how the donation or contribution relates to the mission of the
31 corporation;

32 (iii) The identity of any board member or employee of the corporation that will receive
33 any benefit from the donation or contribution;

34 (iv) Any disclosure required by chapter 36-14 ("Code of Ethics"); and

1 (v) Each such donation or contribution shall be clearly identified in the financial
2 statements of the corporation.

3 (4) Credit card use, provided, that pursuant to section 35-20-10, no credit card shall be
4 used for personal use;

5 (5) Employee reimbursement, including requests by management for business expenses,
6 and expenses classified as gifts or entertainment;

7 (6) Personnel, including hiring, dismissing, promoting, and compensating employees of
8 the corporation, and provided that no employee of the corporation shall be compensated for sick,
9 vacation, or other leave time to an extent greater than state employees;

10 (7) Severance pay;

11 (8) Marketing expenses; and

12 (9) Lobbyists' expenses.

13 (c) The written policies and procedures required by this section and any additional
14 written policies and procedures that the board may adopt shall be approved by the board during
15 an open meeting and the vote shall be recorded in the minutes of the meeting.

16 **42-64-8.3. Transparency requirements established.** – The following records deemed
17 public under chapter 38-2 shall be available to the public upon request and posted directly on the
18 website of the corporation:

19 (1) Job descriptions of the executive director and management;

20 (2) Employment contracts of the executive director and management;

21 (3) Quarterly financial statements produced in accordance with § 35-3-17.1;

22 (4) Capital improvement plans;

23 (5) Operating budgets;

24 (6) Strategic plans;

25 (7) Agendas and minutes of the open meetings of the board of the corporation and the
26 boards of the corporation's subsidiaries, provided, however, that this provision shall not apply to
27 the Quonset development corporation, the Rhode Island airport corporation, the I-195
28 redevelopment district and the East Providence waterfront district;

29 (8) Quarterly reporting required by section 42-90-1;

30 (9) All regulations of the corporation;

31 (10) Enabling legislation;

32 (11) Mission statement as required by subdivision 42-64-8.2(a)(4);

33 (12) Board members;

34 (13) Organizational chart;

1 (14) Bylaws of the corporation; and

2 (15) All reports and audits required by this chapter.

3 **42-64-31.1. Rules and regulations.** – When issuing rules and regulations or any
4 amendments to rules and regulations or when adopting bylaws or amendments to bylaws, the
5 corporation shall be subject to the provisions of chapter 42-35 ("Administrative Procedures").

6 **42-64-36. Program accountability.** -- The board of the Rhode Island commerce
7 corporation shall be responsible for establishing accountability standards, reporting standards and
8 outcome measurements for each of its programs to include, but not be limited to, the use of tax
9 credits, loans, loan guarantees and other financial transactions managed or utilized by the
10 corporation. Included in the standards shall be a set of principles and guidelines to be followed by
11 the board to include:

12 (1) A set of outcomes against which the board will measure each program's and offering's
13 effectiveness;

14 (2) A set of standards for risk analysis for all of the programs especially the loans and
15 loan guarantee programs; and

16 (3) A process for reporting out all loans, loan guarantees and any other financial
17 commitments made through the corporation that includes the purpose of the loan, financial data
18 as to payment history and other related information.

19 The board shall annually prepare a report starting in January 2015 which shall be
20 submitted to the house and senate. The report shall summarize the above listed information on
21 each of its programs and offerings and contain recommendations for modification, elimination or
22 continuation.

23 The board shall coordinate its efforts with the office of revenue to not duplicate
24 information on the use of tax credits and other tax expenditures.

25 **42-64-37. Loan and loan guarantee programs.** – (a) The board shall establish by
26 January, 2014 a risk management program for all loans, loan guarantees and all other financial
27 commitments into which the corporation enters. The program shall be established in conjunction
28 with the state's banking regulators and shall consist of at least the following components:

29 (1) A set of principles and guidelines for providing any financial commitments to be
30 made by the corporation; and

31 (2) A public process for providing financial commitments to include the formation of a
32 sub-committee of the board to review, analyze and approve all commitments. This process shall
33 include the formation of a sub-committee that consists of members of the board and other non-
34 board members that shall have no affiliation with the corporation or with the organization seeking

1 the financial commitment. The board shall appoint the non-board members. No employee of the
2 corporation shall be a member of the sub-committee. The sub-committee shall be required to
3 approve or reject the financial commitment in accordance with the set of principles established by
4 the board.

5 (b) The board shall approve in public session all financial commitments after the sub-
6 committee has rendered its opinion regarding the commitment. The board shall opine that the
7 commitment meets the principles and guidelines established by the board.

8 (c) The board shall annually audit and provide a risk analysis of all outstanding financial
9 commitments. The board shall engage an external firm qualified to conduct such analysis and
10 shall submit the report to the general assembly, chairs of the house finance committee and the
11 senate finance committee.

12 (d) The board shall establish a monitoring process for each financial commitment which
13 shall be a part of the risk analysis report,

14 (e) The board shall review the risk analysis report and make modifications to the financial
15 commitment as it deems necessary.

16 **42-64-38. Audit of the corporation.** – (a) Commencing July 1, 2014, and every five (5)
17 years thereafter, the corporation shall be subject to a performance audit, conducted in compliance
18 with the generally accepted governmental auditing standards, by the bureau of audits or a
19 certified public accounting firm qualified in performance audits.

20 (b) If the audit is not directly performed by his or her office, the selection of the auditor
21 and the scope of the audit shall be subject to the approval of the chief of the bureau of audits.

22 (c) The audit shall be conducted in conformance with subsections 35-7-3(b) through (d).

23 (d) The results of the audit shall be made public upon completion, posted on the websites
24 of the bureau of audits and the corporation.

25 (e) The corporation shall be responsible for all costs associated with the audit.

26 SECTION 6. This act shall take on January 1, 2014.

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LC02041/SUB B/2
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT - ECONOMIC DEVELOPMENT
CORPORATION

1 This act would eliminate the Rhode Island economic development corporation and
2 establish a new Rhode Island commerce corporation to take over the duties of the former
3 economic development corporation.

4 This act would take effect on January 1, 2014.

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LC02041/SUB B/2
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