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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2016

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A N A C T

RELATING TO TOWNS AND CITIES -- INTERLOCAL CONTRACTING AND JOINT  
ENTERPRISES, AND REGIONAL EMERGENCY COMMUNICATION DISTRICTS

Introduced By: Senators DiPalma, Archambault, Nesselbush, Lombardo, and  
Sosnowski

Date Introduced: March 23, 2016

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 45-40.1-1, 45-40.1-3 and 45-40.1-4 of the General Laws in  
2 Chapter 45-40.1 entitled "Interlocal Contracting and Joint Enterprises" are hereby amended to  
3 read as follows:

4 **45-40.1-1. Legislative purpose.** -- It is the purpose of this chapter to permit local  
5 governmental units to make the most efficient use of their powers by enabling them to cooperate  
6 with other localities on a basis of mutual advantage, and, ~~thereby,~~ to enter into agreements to  
7 provide shared services, activities and facilities which any governmental unit is authorized by law  
8 to perform and facilities in a manner and pursuant to forms of governmental organization that will  
9 accord best with geographic, economic, population, and other factors influencing the needs and  
10 development of ~~local communities~~ cities and towns.

11 **45-40.1-3. "Public agency" defined "Governmental units" and "state" defined.** -- (a)  
12 For the purposes of this chapter, :

13 (1) ~~The~~ the term ~~"public agency"~~ "governmental unit" means any ~~political subdivision of~~  
14 ~~this state,~~ town, fire district, water district, school district, and taxing authority and any agency of  
15 ~~the~~ state government or of the United States, and any ~~political subdivision~~ city or town of another  
16 state; ~~and~~ and

17 ~~(b)~~ (2) The term "state" means a state of the United States.

18 **45-40.1-4. Interlocal agreements.** -- (a) Any power or powers, privileges, or authority,

1 exercised or capable of exercise by a ~~public-agency~~ governmental unit of this state, as defined in  
2 §45-40.1-3, may be exercised and enjoyed jointly with any other ~~public-agency~~ governmental unit  
3 or of any other state, ~~or of~~ the United States, and to the extent that laws of the other state or of the  
4 United States permit the joint exercise or enjoyment. Any governmental unit or agency of the  
5 state government, when acting jointly with any ~~public-agency~~ other governmental units, may  
6 exercise and enjoy all of the powers, privileges, and authority conferred by this chapter upon a  
7 ~~public-agency~~ governmental unit.

8 (b) (1) Any two (2) or more ~~public-agencies~~ governmental units may enter into  
9 agreements with one another for joint or cooperative action pursuant to the provisions of this  
10 chapter.

11 (2) Appropriate action by ordinance, resolution, or otherwise, pursuant to law of the  
12 governing bodies of the participating ~~public-agencies~~ governmental units, is necessary before any  
13 agreement may enter into force.

14 (c) Any agreement shall specify the following:

15 (1) Its duration- , not to exceed ten (10) years;

16 (2) The precise organization, composition, and nature of any separate legal or  
17 administrative entity created by it, together with the powers delegated to it, provided the entity  
18 may be legally created- ;

19 (3) Its purpose or purposes- ;

20 (4) The manner of financing the joint or cooperative undertaking, and of establishing and  
21 maintaining a budget for it- ;

22 (5) The permissible method or methods to be employed in accomplishing the partial or  
23 complete termination of the agreement and for disposing of property upon partial or complete  
24 termination- ;

25 (6) Provide sufficient financial safeguards for all participants, including, but not limited  
26 to: accurate and comprehensive records of services performed, costs incurred, and  
27 reimbursements and contributions received; the performance of regular audits of such records;  
28 and provisions for officers responsible for the agreement to give appropriate fidelity bonds or  
29 insurance coverage. The agreement shall also require that periodic financial statements be issued  
30 to all participants; and

31 ~~(6)~~(7) Any other necessary and proper matters.

32 (d) In the event that the agreement does not establish a separate legal entity to conduct  
33 the joint or cooperative undertaking, the agreement shall, pursuant to the requirements of  
34 ~~subsections (e)-(1)-(e)-(6)~~ §§(c)(1) through (c)(7) of this section, contain provisions for:

1 (1) An administrator or a joint board responsible for administering the joint or  
2 cooperative undertaking. In the case of a joint board, all ~~public agencies~~ governmental units that  
3 are a party to the agreement shall be represented- ; and

4 (2) The manner of acquiring, holding, and disposing of real and personal property used  
5 in the joint or cooperative undertaking.

6 (e) No agreement made pursuant to this chapter relieves any ~~public agency~~ governmental  
7 unit of any obligation or responsibility imposed upon it by law, except ~~that~~ with respect to the  
8 actual and timely performance of ~~it~~ an obligation or responsibility of ~~by~~ a joint board or other  
9 legal or administrative entity created by an agreement made under this chapter, ~~the performance~~  
10 ~~may be offered in satisfaction of the obligation or responsibility.~~

11 (f) Every agreement made under this chapter between a governmental unit of the state of  
12 Rhode Island and a governmental unit of any other state or of the United States shall, prior to and  
13 as a condition precedent to its entry into force, be submitted to the attorney general who shall  
14 determine whether the agreement is in proper form and in compliance with the laws of this state.  
15 The attorney general shall approve any agreement submitted to him or her unless he or she finds  
16 that it does not meet the conditions established by this chapter, and shall state, in writing,  
17 addressed to the governing bodies of the governmental units, state agencies or public agencies of  
18 other states concerned, the specific respects in which the proposed agreement fails to meet the  
19 requirements of law. Failure of the attorney general to disapprove an agreement submitted under  
20 this chapter within fifteen (15) days of its submission constitutes approval of the agreement.  
21 Every agreement entered into between two (2) or more governmental units, not inclusive of any  
22 agency of the state or public agency of any other state or of the United States, shall be submitted  
23 to the city or town council or other governing body for approval. The termination of an agreement  
24 made pursuant to this chapter shall require one year's notice of withdrawal by any member to  
25 allow for budget and operations adjustments by the remaining members.

26 SECTION 2. Chapter 45-40.1 of the General Laws entitled "Interlocal Contracting and  
27 Joint Enterprises" is hereby amended by adding thereto the following section:

28 **45-40.1-9. Conflicts with other laws. --** Notwithstanding any general or special law to  
29 the contrary, the provisions of this chapter shall supersede any conflicting provisions of a  
30 governmental unit's charter, enabling legislation, local ordinance, rule or regulation.

31 SECTION 3. Sections 45-43-2, 45-43-3 and 45-43-5 of the General Laws in Chapter 45-  
32 43 entitled "Regional Councils of Local Government" are hereby amended to read as follows:

33 **45-43-2. Membership. --** Membership of the council consists of ~~three (3)~~ representatives  
34 from each ~~city or town~~ governmental unit entering into the agreement. The ~~three (3)~~ regular

1 members from each ~~city and town are as follows:~~ governmental unit shall be appointed to the  
2 council by each participating governmental unit.

3 (1) ~~The chief executive or administrative head of the city or town.~~

4 (2) ~~The council president or designee of the city or town.~~

5 (3) ~~A third elected or appointed official in the city or town designated by the first two (2)~~  
6 ~~regular members.~~

7 **45-43-3. Powers.** -- (a) The council has the power to:

8 (1) Study area governmental problems common to two (2) or more members of the  
9 council as it deems appropriate, including, but not limited to, matters affecting health, safety,  
10 welfare, education, economic conditions, and regional development;

11 (2) Promote cooperative arrangements and coordinate action among its members; and

12 (3) Make recommendations for review and action to the members and other public  
13 agencies that perform functions within the region.

14 (b) The council may, by appropriate action of the governing bodies of the member  
15 ~~governments, exercise other powers that are exercised or capable of exercise by the member~~  
16 ~~governments and necessary or desirable for dealing with problems of mutual concern; provided,~~  
17 ~~that the exercise of power for the creation, construction, or operation of new regional solid waste~~  
18 ~~disposal facilities is contingent upon the approval of the solid waste management corporation.~~  
19 governmental units, enter into an agreement not to exceed ten (10) years to perform any service,  
20 activity or undertaking which any member governmental unit is authorized by law to perform.  
21 For the term of such agreement and subject to the terms thereof, said council shall be authorized  
22 to perform such service, activity or undertaking, and said council may designate a committee of  
23 its members to oversee such performance, provided such committee membership, functions and  
24 duties are set forth in the agreement.

25 **45-43-5. Staff.** -- The council may employ staff, and consult and retain experts, as it  
26 deems necessary. ~~The state department of administration may furnish research, secretarial, and~~  
27 ~~stenographic service to a council.~~

28 SECTION 4. Chapter 45-43 of the General Laws entitled "Regional Councils of Local  
29 Government" is hereby amended by adding thereto the following sections:

30 **45-43-2.1. "Governmental units" and "state" defined.** -- (a) For the purposes of this  
31 chapter:

32 (1) The term "governmental unit" means any city, town, fire district, water district, school  
33 district, and taxing authority, and any agency of state government or of the United States, and any  
34 city or town of another state.

1           (2) The term "state" means a state of the United States.

2           **45-43-8. Regional emergency communication districts -- Definitions and planning**

3           **committee.** -- (a) As used in §§45-43-8 through 45-43-13 inclusive: (1) The term "regional  
4 emergency communication district" or "RECD" means a cooperative regional body of  
5 municipalities, as approved and established pursuant to this chapter, that operates a facility  
6 housing or otherwise supporting a regional emergency communication center, as that term is  
7 defined herein.

8           (2) "Regional emergency communication center" means a facility operated by or on  
9 behalf of a regional emergency communication district approved and established pursuant to this  
10 chapter to provide for the regional dispatch and coordination of emergency services for the  
11 municipalities comprising such district.

12           (b) Two (2) or more municipalities (each sometimes referred to hereinafter as a  
13 "participating" or "member municipality"), by approval of the governing body in each  
14 municipality, may authorize the establishment of a regional emergency communication district  
15 (RECD) planning committee consisting of three (3) unpaid representatives of each municipality,  
16 who shall be appointed by the chief executive or administrative head in each participating  
17 municipality and approved by a vote of the governing body in each participating municipality.

18           (c) The RECD planning committee shall study the feasibility of establishing a regional  
19 emergency communication district and of constructing and operating a regional emergency  
20 communication center, and shall propose the district's organization, governance and structure, as  
21 well as the operation, location, estimate of construction or siting and operating costs,  
22 maintenance, and methods of financing the center. Each municipality comprising the RECD  
23 planning committee may appropriate sums to compensate the committee's expenses. The RECD  
24 planning committee may expend any sums so appropriated and may employ any expert assistance  
25 as it deems necessary. The RECD planning committee may apply for, accept and expend, without  
26 appropriation, grants or gifts of funds from the federal or state government or any other source.

27           **45-43-9. Regional emergency communication districts -- Written district agreement.**

28           -- (a) If the RECD planning committee recommends the establishment of a regional emergency  
29 communication district, it shall propose a written district agreement to establish, organize and  
30 govern the district, and to construct or site, equip, administer, operate, employ personnel, and  
31 maintain a regional emergency communication center.

32           (b) The proposed district agreement shall include, but not be limited to, terms and  
33 conditions, to achieve the following purposes:

34           (1) Provide for the district's conditions of membership and financial terms, identifying

1 construction or siting, and operating costs of the center;

2 (2) Establish a regional emergency communication district board (the "board") to oversee  
3 the construction or siting, administration, operation and financing of the center, and provide said  
4 board with the powers, duties and liabilities of a regional emergency communication district,  
5 which powers shall be vested in and exercised by the district board established in accordance with  
6 the agreement;

7 (3) Establish any subcommittees, including a finance advisory committee, necessary for  
8 the administration of the district and for the preparation and adoption of an annual operating  
9 budget; and

10 (4) Establish a procedure to invite and include additional municipalities into the district,  
11 to determine a process to amend the district agreement, to identify the terms and procedure by  
12 which a municipality may withdraw from the district, and to include any additional provisions the  
13 RECD planning committee deems necessary for the administration and operation of the district  
14 and its regional emergency communication center.

15 (c) A proposed district agreement shall include, but need not be limited to, provisions  
16 addressing the following:

17 (1) The term of the agreement, not to exceed ten (10) years, which may be renewed by  
18 approval of the participating municipalities;

19 (2) The number, selection process and length of terms of office of the district board  
20 members;

21 (3) The procedure for selection of a chair by ballot from the district board's membership;

22 (4) The appointment by the district board of a district secretary and treasurer, who may be  
23 the same person, and the designation, if any, of one or more of its members to approve payrolls or  
24 bills for salary or compensation of district board members or employees; provided, however, that  
25 the member or members approving such payroll or bill shall make available to the board at its  
26 next meeting the record of that action;

27 (5) The powers and duties of the treasurer, including the power to receive and take charge  
28 of all money belonging to the district and to pay any bill of the district which shall have been  
29 approved by the district board;

30 (6) The compensation of the treasurer for services rendered in the course of duty as may  
31 be granted by vote of the committee;

32 (7) The approval of fiscal matters by a finance advisory subcommittee, including  
33 approval of an annual operating budget as described in §45-43-12; provided that the finance  
34 advisory subcommittee shall consist of the chief executive (or administrative head) or chief

1 financial officer of member municipalities, as designated by each municipality's chief executive  
2 or administrative head; and provided, further, that no member of the finance advisory  
3 subcommittee shall also serve on any other board or subcommittee established under this chapter;  
4 and

5 (8) The recognition of labor contracts that will cover district employees and/or existing  
6 municipal employees to be affected by the creation of the district, the provisions of such  
7 contracts, including wages, benefits, and other terms and conditions of employment thereunder, to  
8 continue in full force and effect until their termination dates or until otherwise agreed by the  
9 affected parties or their legal successors.

10 (d) The RECD planning committee shall forward a report of its findings,  
11 recommendations and proposed district agreement, if any, to the governing body of each of the  
12 committee's participating municipalities.

13 **45-43-10. Regional emergency communication districts -- Municipal approval. --** (a)  
14 If an RECD planning committee recommends that a regional emergency communication district  
15 be established, the governing body of each member municipality shall vote on whether to accept  
16 the proposed district agreement. For each governing body, the question to be voted on shall be:  
17 "Shall the municipality accept the provisions of §§45-43-8 through 45-43-13, inclusive, providing  
18 for the establishment of a regional emergency communication district, together with the cities of  
19 \_\_\_\_\_ and the towns of \_\_\_\_\_, and the construction or siting,  
20 administration, operation and maintenance of a regional emergency communication center by the  
21 district in accordance with the provisions of the proposed district agreement filed with the  
22 municipality's governing body?"

23 (b) If a majority of the members of all the proposed municipalities' governing bodies  
24 voting on the question vote in the affirmative, the proposed regional emergency communication  
25 district shall be established in accordance with the terms of the proposed district agreement.

26 **45-43-11. Regional emergency communication districts -- Powers; Exemption from**  
27 **taxation. --** (a) A regional emergency communication district established under this chapter shall  
28 be a public employer and body politic and corporate with the power to:

29 (1) Adopt a name and a corporate seal;

30 (2) Construct or site, equip, administer, operate and maintain a regional emergency  
31 communication center for the benefit of the district's member municipalities;

32 (3) Purchase or lease land or building space for the center;

33 (4) Employ an executive director, who shall possess the education, training and  
34 experience to perform the duties required of the position; employ such other employees as the

1 board deems necessary to operate the center; and establish the duties, compensation, benefits and  
2 other terms and conditions of employment of additional personnel, in accordance with any  
3 collective bargaining agreements covering employees performing such duties;

4 (5) Adopt an annual operating budget that shall be approved by the finance advisory  
5 subcommittee and the board;

6 (6) Enter into any contracts and agreements necessary for the exercise of the district's  
7 powers and functions, which contracts and agreements may have a term of up to ten (10) years,  
8 including contracts and agreements to lease or purchase equipment, buildings, supplies, materials  
9 and services; provided, that the district may enter into contracts and agreements for emergency  
10 services with non-member municipalities and governmental bodies and other persons or entities;

11 (7) Incur debt in an amount that the district board determines to be necessary to lease or  
12 acquire land, buildings and equipment to site, construct, and maintain a regional emergency  
13 communication center, as follows:

14 (i) Written notice of the amount of the debt and of the general purposes for which it  
15 would be authorized shall first be given by the district board to the finance advisory  
16 subcommittee for approval, which shall require a majority vote;

17 (ii) The finance advisory subcommittee shall vote on the proposed debt within fourteen  
18 (14) days of receiving notice from the district board;

19 (iii) If the finance advisory subcommittee approves the debt, the debt may be authorized  
20 by the district board, and written notice of the amount of the debt and of its general purposes shall  
21 be given to the city or town council of each member municipality not later than seven (7) days  
22 after the date on which the debt was authorized by the district board;

23 (iv) No debt shall be incurred under this subsection until the expiration of sixty (60) days  
24 from the date the debt was authorized by the district board. If, prior to the expiration period, the  
25 city or town council of any member municipality votes to disapprove the amount authorized by  
26 the district board, the debt shall not be incurred;

27 (v) All debt incurred and approved in accordance with this subsection shall be repaid in  
28 accordance with the terms of any instruments evidencing such debt from sums appropriated  
29 therefor in the district budgets adopted annually in accordance with §45-43-12; and

30 (vi) Any debt incurred pursuant to this subsection shall not be subject to the limitation on  
31 indebtedness prescribed in §45-12-2;

32 (8) Issue from time to time bonds and notes in the name of the district as follows:

33 (i) The district may issue its negotiable bonds and notes in one or more series in any  
34 principal amounts as in the opinion of the district board shall be necessary to provide sufficient



1 funds for achieving the purposes of the district and for the making of all other expenditures of the  
2 district incident to and necessary or convenient to carrying out its corporate purposes and powers;

3 (ii) All bonds and notes issued by the district may be secured by the full faith and credit  
4 of the district or may be payable solely out of the revenues and receipts derived from  
5 appropriations from the participating municipalities in the district, all as may be designated in the  
6 proceedings of the district board under which the bonds or notes shall be authorized to be issued.  
7 The bonds or notes may be executed and delivered by the district at any time from time to time,  
8 and may be in registered form, as the district board may determine; provided, however, that  
9 written notice of the amount of the bonds or notes and of the general purposes for which they  
10 would be authorized shall be provided to the finance advisory subcommittee for approval, which  
11 shall require a majority vote; provided, further, that if the finance advisory subcommittee votes to  
12 approve the bonds or notes, the bonds or notes shall be signed by the chairperson and the  
13 treasurer of the district board; and provided further, that the board chairperson shall have also  
14 signed same by a writing bearing the chairperson's written signature and filed in the office of the  
15 district treasurer which writing shall be open to public inspection;

16 (iii) Bonds may be issued in the form of serial bonds or term bonds or a combination  
17 thereof and shall be payable in annual installments of principal, the first installment to be not later  
18 than five (5) years and the last installment to be not later than twenty-five (25) years from their  
19 date, as shall be determined by the district board;

20 (iv) Notes and any renewals may be payable in any installments and at any times not  
21 exceeding ten (10) years from the date of the original issue of the notes, as shall be determined by  
22 the district board;

23 (v) Bonds and notes may be payable at any places, whether within or without the state,  
24 may bear interest at any rate or rates payable at any time or times and at any place or places and  
25 evidenced in any manner, and may contain any provisions not inconsistent with this section, as  
26 shall be authorized in the proceedings of the district board under which they shall be authorized to  
27 be issued;

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

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

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

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

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

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

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

8 (xi) The board members, the executive director of the district board, and other persons  
9 executing bonds or notes shall not be subject to personal liability or accountability by reason of  
10 the issuance of these bonds and notes;

11 (xii) 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 or other proceedings of the district board authorizing the issuance of  
16 bonds or notes or the trust agreement securing them;

17 (xiii) The principal of and interest on any bonds or notes issued by the district may be  
18 secured by a pledge of any revenues and receipts of the district and may be secured by a mortgage  
19 or other instrument covering all or any part of regional emergency communication center to be  
20 constructed under this chapter, or one or more other projects of the district, if any, including all or  
21 part of any additions, improvements, extensions to, or enlargements of projects thereafter made;

22 (xiv) Each pledge, agreement, mortgage, or other instrument made for the benefit or  
23 security of any of the bonds or notes of the district shall be valid and binding from the time the  
24 pledge is made and shall continue in effect until the principal of and interest on the bonds or notes  
25 for the benefit of which the pledge was made has been fully paid, or until provision has been  
26 made for the payment in the manner provided in the resolutions or other proceedings of the  
27 district board under which those bonds or notes were authorized. The revenues, monies, or  
28 property pledged by the district shall immediately be subject to the lien of that pledge without any  
29 physical delivery thereof or further act, and the lien of the pledge shall be valid and binding as  
30 against all parties having claims of any kind in tort, contract, or otherwise against the corporation,  
31 irrespective of whether the parties have notice thereof. Neither the resolution nor any other  
32 instrument by which a pledge is created need be recorded;

33 (xv) All bonds, notes, and temporary notes issued under this chapter shall be obligatory  
34 on the district in the same manner and to the same extent as such debts are obligatory under the

1 laws of this state on municipalities of this state, and debt evidenced by said bonds or notes shall  
2 not be construed at any time to form a part of the debt of any individual municipality which is a  
3 member of the district for the purpose of ascertaining the borrowing capacity of such  
4 municipality, nor shall said debt contracted by the district under such bonds or notes in any way  
5 apply to the operation of §45-12-2, in respect to any participating municipality. The district board  
6 shall annually appropriate a sum in the budget adopted annually under §45-43-12 sufficient to pay  
7 the principal and interest on any bonds and notes until the bonds and notes and the interest  
8 thereon are paid in full;

9 (xvi) Any bonds or notes issued under the provisions of this chapter, and coupons on any  
10 bonds, if properly executed by the chairperson and treasurer of the district board, shall be valid  
11 and binding in accordance with their terms, notwithstanding that before the delivery thereof and  
12 payment therefor any or all of such officers shall have, for any reason, ceased to hold office; and

13 (xvii) Notwithstanding the foregoing provisions of this chapter, no bonds or notes shall  
14 be issued in excess of amounts approved from time to time by vote of all of the governing bodies  
15 of the participating municipalities;

16 (9) Incur short-term debt or borrow temporarily in anticipation of revenue to be received  
17 from member municipalities in any fiscal year, by the issuance of temporary notes of the district,  
18 in an amount which, together with any money borrowed in anticipation of funds due the district in  
19 any prior fiscal year which may remain unpaid, shall not exceed the total amounts due from the  
20 member municipalities during the then current fiscal year. Notes issued under the authority of this  
21 subsection shall be made and payable not later than one year from their date, but may be renewed  
22 or paid by the issue of new notes so renewed or paid. Said notes shall be signed by the  
23 chairperson and treasurer of the district board, and may not be sold at less than par, and shall bear  
24 interest at such rates or may be sold at discount as may be determined by the district board, the  
25 discount to be treated as interest paid in advance; and

26 (10) Receive and disburse funds for any district purpose, assess member municipalities  
27 for any district expenses and debt service, apply for and receive any grants or gifts for the district  
28 purposes, engage legal counsel, and submit an annual report to each member municipality, which  
29 report shall contain a detailed financial statement and a statement showing the method by which  
30 the annual charges assessed against each municipality were computed.

31 (b) The exercise of the powers granted by this chapter will be in all respects for the  
32 benefit of the people residing within the district, the increase of their welfare and prosperity, and  
33 for the improvement of their health and living conditions, and will constitute the performance of  
34 an essential governmental function, and the district shall not be required to pay any taxes or

1 assessments upon or in respect to the construction or operation of the center, or of any project or  
2 property or monies of the district levied by any municipality or political subdivision of the state.  
3 The corporation shall not be required to pay state taxes of any kind, and the district, its projects,  
4 property, and monies and any bonds or notes issued under the provisions of this chapter, and the  
5 income (including gain from sale or exchange) from these shall at all times be free from taxation  
6 of every kind by the state and by the municipalities and all political subdivisions of the state. The  
7 district shall not be required to pay any transfer tax of any kind on account of instruments  
8 recorded by it or on its behalf.

9 **45-43-12. Regional emergency communication districts -- Budget. --** The board shall  
10 annually determine the necessary amounts to maintain and operate the center during the ensuing  
11 fiscal year and the amounts required to pay any debt and interest incurred by the district. The  
12 board shall apportion the amount so determined among the member municipalities in accordance  
13 with the terms of the district agreement. The amounts apportioned for each member municipality  
14 shall be certified by the district treasurer to the chief executives or administrative heads,  
15 assessors, and treasurers of the participating municipalities not later than February 1 annually,  
16 and the amounts so certified shall be appropriated and paid to the district treasurer at the times  
17 specified in the district agreement.

18 **45-43-13. Regional emergency communication districts -- Records. --** The board shall  
19 maintain accurate and comprehensive records of services performed, costs incurred and  
20 reimbursements and contributions received. The board shall issue quarterly and annual financial  
21 statements to all member municipalities and to the finance advisory subcommittee. The annual  
22 report shall include the district's maintenance and operating budget, including the amounts  
23 assessed to each member municipality, and any debt and interest incurred by the district. The  
24 board shall perform regular audits of the accounts of the records of the district. Upon the  
25 completion of each audit, the board shall forward a copy of the audit to the local chief executive  
26 or administrative head and to the chairperson of the governing body of each member  
27 municipality, and to the finance advisory subcommittee.

28 **45-43-14. Conflicts with other laws. --** Notwithstanding any general or special law to  
29 the contrary, the provisions of this chapter shall supersede any conflicting provisions of a  
30 participating municipality's charter, enabling legislation, local ordinance, rule or regulation.

31 SECTION 5. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

RELATING TO TOWNS AND CITIES -- INTERLOCAL CONTRACTING AND JOINT  
ENTERPRISES, AND REGIONAL EMERGENCY COMMUNICATION DISTRICTS

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1           This act would amend existing provisions of Chapter 45-40.1 pertaining to Interlocal  
2 Contracting and Joint Enterprises to permit municipal and governmental units of this state,  
3 including cities, towns, fire districts, water districts, school districts, and taxing authorities, to  
4 contract with governmental units of this or other states with respect to matters which they are  
5 authorized by law to perform, on the terms and conditions set forth in said Chapter, as amended.

6           This act would also adopt new provisions of chapter 45-43 pertaining to Regional Councils of  
7 Local Government to authorize two or more municipalities to form regional emergency  
8 communication districts for the purpose of operating facilities housing a regional emergency  
9 communication center to provide for the regional dispatch and coordination of emergency  
10 services for the municipalities comprising such district, if the member municipalities approve  
11 such districts in accordance with the provisions of the chapter, such districts to be established,  
12 organized and governed, and such centers to be constructed, operated and maintained, pursuant to  
13 a written district agreement adopted by the member municipalities.

14           This act would take effect upon passage.

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