

2016 -- S 2811

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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

AUTHORIZING THE TOWN OF NORTH KINGSTOWN TO FINANCE A COMMUNITY  
SEPTIC SYSTEM LOAN PROGRAM AND TO ISSUE NOT MORE THAN \$2,000,000  
NOTES THEREFOR

Introduced By: Senators Gee, Pagliarini, Sheehan, Algiere, and Morgan

Date Introduced: March 23, 2016

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1           SECTION 1. The town of North Kingstown is hereby empowered, in addition to  
2 authority previously granted, to borrow and/or issue notes to an amount not exceeding two  
3 million dollars (\$2,000,000) in the aggregate from time to time under its corporate name and seal  
4 or a facsimile of such seal. The notes shall be issued from time to time to the Rhode Island  
5 infrastructure bank (the "bank") pursuant to one or more loan agreements between it and the  
6 town.

7           SECTION 2. The notes shall be signed by the manual signatures of the town treasurer  
8 and the president of the town council. The manner of sale, denominations, maturities, interest  
9 rates and other terms, conditions and details of any notes issued under this act and of any loan  
10 agreement relating thereto may be fixed by the resolution of the town council authorizing the  
11 issue or by separate resolution of the town council or, to the extent provisions for these matters  
12 are not so made, they may be fixed by the officers authorized to sign the notes.

13           SECTION 3. The proceeds derived from the issuance of notes shall be used, under a  
14 community septic loan program with the bank, for loans to owners of real property in the town of  
15 North Kingstown for the repair or replacement of failed or failing septic systems or substandard  
16 systems within the town and all costs incidental thereto. The proceeds of notes issued under this  
17 act and any applicable federal or state assistance shall be deemed appropriated for the purposes of  
18 this act without further action than that required by this act.

1 SECTION 4. Notes issued hereunder shall be payable within twenty (20) years from  
2 their respective dates, and the principal of and interest on notes issued for a shorter period may be  
3 renewed or paid from time to time by the issue of other notes hereunder.

4 SECTION 5. The costs of issuing notes hereunder may also, in the discretion of the  
5 treasurer, be met from note proceeds. In exercising any discretion under this section, the treasurer  
6 shall be governed by any instructions adopted by resolution of the town council. The treasurer is  
7 authorized to take any action deemed by him or her necessary to comply with the requirements of  
8 the bank, the Rhode Island housing mortgage finance corporation and federal law, including  
9 without being limited to, regulations and other requirements of the Securities and Exchange  
10 Commission and the Municipal Securities Rulemaking Board, imposed directly on the town, on  
11 the bank or on the underwriters of the town or the bank's bonds and notes.

12 SECTION 6. All notes issued under this act and the debts evidenced thereby shall be  
13 obligatory on the town in the same manner and to the same extent as other debts lawfully  
14 contracted by it and shall be excepted from the operation of §45-12-2 of the general laws. No  
15 such obligation shall at any time be included in the debt of the town for the purpose of  
16 ascertaining its borrowing capacity. The town shall annually appropriate a sum sufficient to pay  
17 the principal and interest coming due within the year on notes issued hereunder to the extent that  
18 monies therefor are not otherwise provided or repaid by borrowers under the community septic  
19 loan program. If such sum is not appropriated, it shall nevertheless be added to the annual tax  
20 levy. In order to provide such sum in each year and notwithstanding any provision of law to the  
21 contrary, all taxable property in the town shall be subject to ad valorem taxation by the town  
22 without limitation as to rate or amount.

23 SECTION 7. Any notes issued under the provisions of this act, if properly executed by  
24 officers of the town in office on the date of execution, shall be valid and binding according to  
25 their terms notwithstanding that before the delivery thereof and payment therefor any or all of  
26 such officers shall for any reason have ceased to hold office.

27 SECTION 8. The town, acting by resolution of its town council is authorized to apply for,  
28 contract for and use any federal or state advances or other grants or assistance which may be  
29 available for the purposes of this act, and any such uses may be in addition to other monies  
30 provided in this act. To the extent of any inconsistency between any law of this state and any  
31 applicable federal law or regulation, the latter shall prevail.

32 SECTION 9. Notes may be issued and borrowings made under this act without obtaining  
33 the approval of any governmental agency or the taking of any proceedings or the happening of  
34 any conditions except as specifically required by this act for such issue.

1           SECTION 10. To the extent of any inconsistency between this act and the town charter,  
2 this act shall prevail.

3           SECTION 11. The provisions of chapter 24.5 of title 45 and chapter 12.2 of title 46, as  
4 amended, of the general laws shall apply to the issuance of notes and borrowings made under this  
5 act.

6           SECTION 12. The question of the approval of this act shall be submitted to the electors  
7 of the town at the general election on November 8, 2016. The question shall be submitted in  
8 substantially the following form: "Shall an act, passed at the 2016 session of the General  
9 Assembly, entitled 'AN ACT AUTHORIZING THE TOWN OF NORTH KINGSTOWN TO  
10 FINANCE A COMMUNITY SEPTIC SYSTEM LOAN PROGRAM AND TO ISSUE NOT  
11 MORE THAN \$2,000,000 NOTES THEREFOR' be approved?" and the warning for the election  
12 shall contain the question to be submitted. The town board of canvassers may combine any two or  
13 more voting districts for the election and when so combined shall be treated as a voting district.  
14 If so combined, the town board of canvassers shall advertise the combination of districts in a  
15 newspaper of general circulation in the town. From the time the election is warned and until it is  
16 held, it shall be the duty of the town clerk to keep a copy of the act available at his or her office  
17 for public inspection, but the validity of the election shall not be affected by this requirement.

18           SECTION 13. This section and section 12 shall take effect upon passage. The remainder  
19 of this act shall take effect upon the approval of this act by a majority of those voting on the  
20 question at the election prescribed by section 12.

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EXPLANATION

OF

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AUTHORIZING THE TOWN OF NORTH KINGSTOWN TO FINANCE A COMMUNITY  
SEPTIC SYSTEM LOAN PROGRAM AND TO ISSUE NOT MORE THAN \$2,000,000  
NOTES THEREFOR

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1           This act would authorize the town of North Kingstown to finance a community septic  
2 system loan program and to issue not more than two million dollars (\$2,000,000) in notes.

3           Section 12 and section 13 would take effect upon passage. The remainder of the act  
4 would take effect upon the approval of the act by a majority of those voting on the question at the  
5 election prescribed by section 12.

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