

2020 -- S 2856

LC005389

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2020

A N A C T

AUTHORIZING THE TOWN OF JAMESTOWN TO FINANCE LIBRARY RENOVATIONS, REPAIRS AND/OR EXPANSION AND/OR RELATED EQUIPMENT BY THE ISSUANCE OF NOT MORE THAN \$1,500,000 BONDS AND NOTES THEREFOR

Introduced By: Senator Dawn M. Euer

Date Introduced: June 10, 2020

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. The Town of Jamestown is hereby empowered, in addition to authority
2 previously granted, to issue bonds to an amount not exceeding one million five hundred thousand
3 dollars (\$1,500,000) from time to time under its corporate name and seal or a facsimile of such
4 seal. The bonds of each issue may be issued in the form of serial bonds or term bonds or a
5 combination thereof and shall be payable either by maturity of principal in the case of serial bonds
6 or by mandatory serial redemption in the case of term bonds, in annual installments of principal,
7 the first installment to be not later than five (5) years and the last installment not later than thirty
8 (30) years after the date of the bonds. For each issue the amounts payable annually for principal
9 and interest combined either shall be as nearly equal from year to year as is practicable in the
10 opinion of the officers authorized to issue the bonds, or shall be arranged in accordance with a
11 schedule providing for a more rapid amortization of principal.

12 SECTION 2. The bonds shall be signed by the manual or facsimile signatures of the finance
13 director of the town and the president of the town council and shall be issued and sold in such
14 amounts as the town council may authorize by resolution. The manner of sale, denominations,
15 maturities, interest rates and other terms, conditions and details of any bonds or notes issued under
16 this act may be fixed by the resolution of the town council authorizing the issue or by separate
17 resolution of the town council or, to the extent provisions for these matters are not so made, they
18 may be fixed by the officers authorized to sign the bonds or notes. The proceeds derived from the

1 sale of the bonds shall be delivered to the finance director, and such proceeds exclusive of
2 premiums and accrued interest shall be expended for: (1) The renovation, repair and/or expansion
3 of the Jamestown Philomenian Library included related equipment therefor; (2) In payment of the
4 principal of or interest on temporary notes issued under section 3 of this act; or (3) In repayment of
5 advances under section 4 of this act. No purchaser of any bonds or notes under this act shall be in
6 any way responsible for the proper application of the proceeds derived from the sale thereof. The
7 project shall be carried out and all contracts made therefor on behalf of the town by the town
8 council, or as may be heretofore or hereafter otherwise directed by the town council. The proceeds
9 of bonds or notes issued under this act, any applicable federal or state assistance and the other
10 monies referred to in section 6 of this act shall be deemed appropriated for the purposes of this act
11 without further action than that required by this act. The bond issue authorized by this act may be
12 consolidated for the purposes of issuance and sale with any other bond issue of the town heretofore
13 or hereafter authorized, provided that, notwithstanding any such consolidation, the proceeds from
14 the sale of the bonds authorized by this act shall be expended for the purposes set forth above.

15 SECTION 3. The town council may by resolution authorize the issue from time to time of
16 interest bearing or discounted notes in anticipation of the authorization or issue of bonds or in
17 anticipation of the receipt of federal or state aid for the purposes of this act. The amount of original
18 notes issued in anticipation of bonds may not exceed the amount of bonds which may be issued
19 under this act and the amount of original notes issued in anticipation of federal or state aid may not
20 exceed the amount of available federal or state aid as estimated by the finance director. Temporary
21 notes issued hereunder shall be signed by the finance director and by the president of the town
22 council and shall be payable within five (5) years from their respective dates, but the principal of
23 and interest on notes issued for a shorter period may be renewed or paid from time to time by the
24 issue of other notes hereunder, provided the period from the date of an original note to the maturity
25 of any note issued to renew or pay the same debt or the interest thereon shall not exceed five (5)
26 years.

27 SECTION 4. Pending any authorization or issue of bonds hereunder or pending or in lieu
28 of any authorization or issue of notes hereunder, the finance director, with the approval of the town
29 council, may, to the extent that bonds or notes may be issued hereunder, apply funds in the treasury
30 of the town to the purposes specified in section 2, such advances to be repaid without interest from
31 the proceeds of bonds or notes subsequently issued or from the proceeds of applicable federal or
32 state assistance or from other available funds.

33 SECTION 5. Any proceeds of bonds or notes issued hereunder or of any applicable federal
34 or state assistance, pending their expenditure may be deposited or invested by the finance director,

1 in demand deposits, time deposits or savings deposits in banks which are members of the Federal
2 Deposit Insurance Corporation or in obligations issued or guaranteed by the United States of
3 America or by any agency or instrumentality thereof or as may be provided in any other applicable
4 law of the state of Rhode Island.

5 SECTION 6. Any accrued interest received upon the sale of bonds or notes hereunder shall
6 be applied to the payment of the first interest due thereon. Any premiums arising from the sale of
7 bonds or notes hereunder and any earnings or net profit realized from the deposit or investment of
8 funds hereunder shall, in the discretion of the finance director, be applied to the cost of preparing,
9 issuing and marketing bonds or notes hereunder to the extent not otherwise provided, to the
10 payment of the cost of the projects or to the cost of additional improvements coming within the
11 description of the projects in section 2 of this act, to the payment of the principal of or interest on
12 bonds or notes issued hereunder or to any one or more of the foregoing. The cost of preparing,
13 issuing and marketing bonds or notes hereunder may also, in the discretion of the finance director,
14 be met from bond or note proceeds exclusive of accrued interest or from other monies available
15 therefor. Any balance of bond or note proceeds remaining after payment of the cost of the projects
16 and said additional improvements and the cost of preparing, issuing and marketing bonds or notes
17 hereunder shall be applied to the payment of the principal of or interest on bonds or notes issued
18 hereunder. In exercising any discretion under this section, the finance director shall be governed by
19 any instructions adopted by resolution of the town council. The finance director is authorized to
20 take any action deemed by him or her necessary to ensure that interest on the bonds or notes issued
21 hereunder remains excludable from gross income of the recipients thereof for federal income tax
22 purposes, including, without limitation, (1) Paying to the federal government any rebate of earnings
23 derived from the deposit or investment of the proceeds of such bonds or notes that may be required
24 therefor; and (2) To comply with the requirements of federal law, including without being limited
25 to regulations and other requirements of the Securities and Exchange Commission and the
26 Municipal Securities Rulemaking Board, imposed directly on the town or on the underwriters of
27 such bonds and notes.

28 SECTION 7. All bonds or notes issued under this act and the debts evidenced thereby shall
29 be obligatory on the town in the same manner and to the same extent as other debts lawfully
30 contracted by it and shall be excepted from the operation of § 45-12-2. No such obligation shall at
31 any time be included in the debt of the town for the purpose of ascertaining its borrowing capacity.
32 The town shall annually appropriate a sum sufficient to pay the principal and interest coming due
33 within the year on bonds and notes issued hereunder to the extent that monies therefor are not
34 otherwise provided. If such sum is not appropriated, it shall nevertheless be added to the annual tax

1 levy. In order to provide such sum in each year and notwithstanding any provision of law to the
2 contrary, all taxable property in the town shall be subject to ad valorem taxation by the town without
3 limitation as to rate or amount.

4 SECTION 8. Any bonds or notes issued under the provisions of this act, if properly
5 executed by officers of the town in office on the date of execution, shall be valid and binding
6 according to their terms notwithstanding that before the delivery thereof and payment therefor any
7 or all of such officers shall for any reason have ceased to hold office.

8 SECTION 9. The town, acting by resolution of its town council is authorized to apply for,
9 contract for and expend any federal or state advances or other grants or assistance which may be
10 available for the purposes of this act, and any such expenditures may be in addition to other monies
11 provided in this act. To the extent of any inconsistency between any law of this state and any
12 applicable federal law or regulation, the latter shall prevail. Federal and state advances, with interest
13 where applicable, whether contracted for prior to or after the effective date of this act, may be
14 repaid as project costs under section 2.

15 SECTION 10. Bonds and notes may be issued under this act without obtaining the approval
16 of any governmental agency or the taking of any proceedings or the happening of any conditions
17 except as specifically required by this act for such issue. Without limiting the generality of the
18 foregoing, bonds and notes may be issued under this act without any action at the financial town
19 meeting. In carrying out any project financed in whole or in part under this act, including where
20 applicable the condemnation of any land or interest in land, and in the levy and collection of
21 assessments or other charges permitted by law on account of any such project, all action shall be
22 taken which is necessary to meet constitutional requirements whether or not such action is
23 otherwise required by statute; but the validity of bonds and notes issued hereunder shall in no way
24 depend upon the validity or occurrence of such action. To the extent of any inconsistency between
25 this act and the town charter, this act shall prevail.

26 SECTION 11. The question of the approval of this act shall be submitted to the electors of
27 the town at an election on a date to be determined by the town council which occurs at least sixty
28 (60) days after the passage of this act. The question shall be submitted in substantially the following
29 form: "Shall an act, passed at the 2020 session of the general assembly, entitled 'AN ACT
30 AUTHORIZING THE TOWN OF JAMESTOWN TO FINANCE LIBRARY RENOVATIONS,
31 REPAIRS AND/OR EXPANSION AND/OR RELATED EQUIPMENT BY THE ISSUANCE OF
32 NOT MORE THAN \$1,500,000 BONDS AND NOTES THEREFOR' be approved?" and the
33 warning for the election shall contain the question to be submitted. The town board of canvassers
34 may combine any two (2) or more voting districts for the election and when so combined shall be

1 treated as a voting district. If so combined, the town board of canvassers shall advertise the
2 combination of districts in a newspaper of general circulation in the town. From the time the
3 election is warned and until it is held, it shall be the duty of the town clerk to keep a copy of the act
4 available at his or her office for public inspection, but the validity of the election shall not be
5 affected by this requirement.

6 SECTION 12. This section and section 11 shall take effect upon passage. The remainder
7 of this act shall take effect upon the approval of this act by a majority of those voting on the question
8 at the election prescribed by section 11.

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EXPLANATION

OF

A N A C T

AUTHORIZING THE TOWN OF JAMESTOWN TO FINANCE LIBRARY RENOVATIONS,
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OF NOT MORE THAN \$1,500,000 BONDS AND NOTES THEREFOR

1 This act authorizes the town of Jamestown to issue not more than \$1,500,000 bonds and
2 notes to finance various improvements at the town of Jamestown's library and related equipment.

3 Sections 11 and 12 would take effect upon the passage. The remainder of this act would
4 take effect upon the approval by the electors of the town of the question provided in section 11.

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