

2024 -- S 2579

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LC005267
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

A N A C T

RELATING TO THE CAPITAL DEVELOPMENT PROGRAM

Introduced By: Senators DiPalma, Sosnowski, Ciccone, Zurier, Britto, and Euer

Date Introduced: March 01, 2024

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Proposition to be submitted to the people. -- At the general election to be held
2 on the Tuesday next after the first Monday in November 2024, there shall be submitted to the people
3 ("people") of the State of Rhode Island ("state"), for their approval or rejection, the following
4 proposition:

5 "Shall the action of the general assembly, by an act passed at the January 2024 session,
6 authorizing the issuance of bonds, refunding bonds, and temporary notes of the State of Rhode
7 Island for the capital projects and in the amount with respect to each such project listed below be
8 approved, and the issuance of bonds, refunding bonds, and temporary notes authorized in
9 accordance with the provisions of said act?"

10 Project

11 (1) Higher Education Facilities \$135,000,000

12 Approval of this question will allow the State of Rhode Island to issue general obligation
13 bonds, refunding bonds, and/or temporary notes in an amount not to exceed one hundred and thirty-
14 five million dollars (\$135,000,000) for capital improvements to higher education facilities, to be
15 allocated as follows:

16 (a) University of Rhode Island Biomedical Sciences Building \$80,000,000

17 Provides eighty million dollars (\$80,000,000) for the construction of a biomedical sciences
18 building to accelerate the education, research, and workforce development of life sciences for the
19 State.

1 (b) Rhode Island College Cybersecurity Building \$55,000,000

2 Provides fifty-five million dollars (\$55,000,000) to fund the renovation of Whipple Hall
3 and other improvements to support the Institute for Cybersecurity & Emerging Technologies.

4 (2) State Archives and History Center \$60,000,000

5 Approval of this question will allow the State of Rhode Island to issue general obligation
6 bonds, refunding bonds, and/or temporary notes in an amount not to exceed sixty million dollars
7 (\$60,000,000) for the construction of a new Rhode Island State Archives and History Center.

8 (3) Housing and Community Opportunity \$100,000,000

9 Approval of this question will allow the State of Rhode Island to issue general obligation
10 bonds, refunding bonds, and/or temporary notes in an amount not to exceed one hundred million
11 dollars (\$100,000,000) to increase affordable and middle-income housing production and
12 infrastructure, support community revitalization, and promote home ownership.

13 (4) Green Economy Bonds \$50,000,000

14 Approval of this question will allow the State of Rhode Island to issue general obligation
15 bonds, refunding bonds, and/or temporary notes in an amount not to exceed fifty million dollars
16 (\$50,000,000) for environmental and recreational purposes, to be allocated as follows:

17 (a) Port of Davisville Infrastructure at Quonset \$20,000,000

18 Provides twenty million dollars (\$20,000,000) for infrastructure projects that will support
19 the continued growth and modernization at the Port of Davisville. This investment will finance the
20 Port master plan. The work will include new port access roads, laydown area improvements, and
21 security upgrades to support the new Terminal Five Pier. These projects will upgrade World War
22 II-era infrastructure and position Davisville to accommodate offshore wind project cargo and
23 logistics staging while continuing to support the Port's existing businesses.

24 (b) Climate Resiliency and Public Access Projects \$2,000,000

25 Provides two million dollars (\$2,000,000) for up to seventy-five percent (75%) matching
26 grants to public and nonprofit entities for restoring and/or improving resiliency of vulnerable
27 coastal habitats and restoring rivers and stream floodplains. These funds are expected to leverage
28 significant matching funds to support local programs to improve community resiliency and public
29 safety in the face of increased flooding, major storm events, and environmental degradation.

30 (c) Brownfields Remediation and Economic Development \$5,000,000

31 Provides five million dollars (\$5,000,000) for up to eighty percent (80%) matching grants
32 to public, private, and/or nonprofit entities for brownfield remediation projects.

33 (d) Local Recreation Projects \$5,000,000

34 Provides five million dollars (\$5,000,000) for up to eighty percent (80%) matching grants

1 for municipalities to acquire, develop, or rehabilitate local recreational facilities to meet the
2 growing needs for active outdoor recreational facilities.

3 (e) Municipal Resiliency \$10,000,000

4 Provides ten million dollars (\$10,000,000) to provide financial assistance to municipalities
5 for restoring and/or improving resiliency of infrastructure, vulnerable coastal habitats, and restoring
6 rivers and stream floodplains. These funds will be prioritized to leverage significant matching funds
7 to support local programs to improve community resiliency and public safety in the face of
8 increased flooding, major storm events, and environmental degradation.

9 (f) Newport Cliff Walk \$8,000,000

10 Provides eight million dollars (\$8,000,000) for restoring and improving the resiliency of
11 the historic statewide tourism infrastructure of the public access walkway known as the Newport
12 Cliff Walk located in Newport, Rhode Island.

13 (5) Cultural Economy Initiatives Bond \$8,000,000

14 Approval of this question will allow the State of Rhode Island to issue general obligation
15 bonds, refunding bonds, and/or temporary notes in an amount not to exceed eight million dollars
16 (\$8,000,000) for purposes of funding for 1:1 matching grants to continue the Cultural Arts and the
17 Economy Grant Program administered by the Rhode Island state council on the arts (RISCA) for
18 capital improvement, preservation and renovation projects for public and nonprofit artistic,
19 performance centers, museums and cultural art centers located throughout the State of Rhode
20 Island, to be allocated as follows:

21 (a) Tomaquag Museum \$2,000,000

22 Provides two million dollars (\$2,000,000) to the Tomaquag Museum in Kingston on the
23 URI campus.

24 (b) Newport Contemporary Ballet \$2,000,000

25 Provides two million dollars (\$2,000,000) to support the Newport Contemporary Ballet to
26 build Newport's Center for Arts, Dance & Education.

27 (c) Rhode Island state council on the arts \$4,000,000

28 Provides four million dollars (\$4,000,000) in funding for 1:1 matching grants to continue
29 the Cultural Arts and the Economy Grant Program administered by the Rhode Island State Council
30 on the Arts (RISCA) for capital improvement, preservation and renovation projects for public and
31 nonprofit artistic, performance centers, museums and cultural art centers located throughout the
32 State of Rhode Island.

33 SECTION 2. Ballot labels and applicability of general election laws. -- The secretary of
34 state shall prepare and deliver to the state board of elections ballot labels for each of the projects

1 provided for in section 1 hereof with the designations "approve" or "reject" provided next to the
2 description of each such project to enable voters to approve or reject each such proposition. The
3 general election laws, so far as consistent herewith, shall apply to this proposition.

4 SECTION 3. Approval of projects by the people. -- If a majority of the people voting on
5 the proposition in section 1 hereof shall vote to approve any project stated therein, said project shall
6 be deemed to be approved by the people. The authority to issue bonds, refunding bonds and/or
7 temporary notes of the state shall be limited to the aggregate amount for all such projects as set
8 forth in the proposition, which has been approved by the people.

9 SECTION 4. Bonds for the capital development program. -- The general treasurer is hereby
10 authorized and empowered, with the approval of the governor, and in accordance with the
11 provisions of this act to issue capital development bonds in serial form, in the name of and on behalf
12 of the State of Rhode Island, in amounts as may be specified by the governor in an aggregate
13 principal amount not to exceed the total amount for all projects approved by the people and
14 designated as "capital development loan of 2024 bonds." Provided, however, that the aggregate
15 principal amount of such capital development bonds and of any temporary notes outstanding at any
16 one time issued in anticipation thereof pursuant to section 7 hereof shall not exceed the total amount
17 for all such projects approved by the people. All provisions in this act relating to "bonds" shall also
18 be deemed to apply to "refunding bonds."

19 Capital development bonds issued under this act shall be in denominations of one thousand
20 dollars (\$1,000) each, or multiples thereof, and shall be payable in any coin or currency of the
21 United States which at the time of payment shall be legal tender for public and private debts. These
22 capital development bonds shall bear such date or dates, mature at specified time or times, but not
23 mature beyond the end of the twentieth State fiscal year following the fiscal year in which they are
24 issued; bear interest payable semi-annually at a specified rate or different or varying rates: be
25 payable at designated time or times at specified place or places; be subject to express terms of
26 redemption or recall, with or without premium; be in a form, with or without interest coupons
27 attached; carry such registration, conversion, reconversion, transfer, debt retirement, acceleration
28 and other provisions as may be fixed by the general treasurer, with the approval by the governor,
29 upon each issue of such capital development bonds at the time of each issue. Whenever the
30 governor shall approve the issuance of such capital development bonds, the governor's approval
31 shall be certified to the secretary of state; the bonds shall be signed by the general treasurer and
32 countersigned by the secretary of state and shall bear the seal of the State. The signature approval
33 of the governor shall be endorsed on each bond.

34 SECTION 5. Refunding bonds for the 2024 capital development program. -- The general

1 treasurer is hereby authorized and empowered, with the approval of the governor, and in accordance
2 with the provisions of this act, to issue bonds to refund the 2024 capital development program
3 bonds, in the name of and on behalf of the state, in amounts as may be specified by the governor in
4 an aggregate principal amount not to exceed the total amount approved by the people, to be
5 designated as "capital development program loan of 2024 refunding bonds" (hereinafter "refunding
6 bonds").

7 The general treasurer with the approval of the governor shall fix the terms and form of any
8 refunding bonds issued under this act in the same manner as the capital development bonds issued
9 under this act, except that the refunding bonds may not mature more than twenty (20) years from
10 the date of original issue of the capital development bonds being refunded.

11 The proceeds of the refunding bonds, exclusive of any premium and accrual interest and
12 net the underwriters' cost, and cost of bond issuance, shall, upon their receipt, be paid by the general
13 treasurer immediately to the paying agent for the capital development bonds which are to be called
14 and prepaid. The paying agent shall hold the refunding bond proceeds in trust until they are applied
15 to prepay the capital development bonds. While such proceeds are held in trust, the proceeds may
16 be invested for the benefit of the State in obligations of the United States of America or the State
17 of Rhode Island.

18 If the general treasurer shall deposit with the paying agent for the capital development
19 bonds the proceeds of the refunding bonds, or proceeds from other sources, amounts that, when
20 invested in obligations of the United States or the State of Rhode Island, are sufficient to pay all
21 principal, interest, and premium, if any, on the capital development bonds until these bonds are
22 called for prepayment, then such capital development bonds shall not be considered debts of the
23 State of Rhode Island for any purpose starting from the date of deposit of such monies with the
24 paying agent. The refunding bonds shall continue to be a debt of the state until paid.

25 The term "bond" shall include "note," and the term "refunding bonds" shall include
26 "refunding notes" when used in this act.

27 SECTION 6. Proceeds of the capital development program. -- The general treasurer is
28 directed to deposit the proceeds from the sale of capital development bonds issued under this act,
29 exclusive of premiums and accrued interest and net the underwriters' cost, and cost of bond
30 issuance, in one or more of the depositories in which the funds of the state may be lawfully kept in
31 special accounts (hereinafter cumulatively referred to as "such capital development bond fund")
32 appropriately designated for each of the projects set forth in section 1 hereof which shall have been
33 approved by the People to be used for the purpose of paying the cost of all such projects so
34 approved.

1 All monies in the capital development bond fund shall be expended for the purposes
2 specified in the proposition provided for in section 1 hereof under the direction and supervision of
3 the director of administration (hereinafter referred to as "director"). The director, or designee shall
4 be vested with all power and authority necessary or incidental to the purposes of this act including,
5 but not limited to, the following authority: (1) To acquire land or other real property or any interest,
6 estate or right therein as may be necessary or advantageous to accomplish the purposes of this act;
7 (2) To direct payment for the preparation of any reports, plans and specifications, and relocation
8 expenses and other costs such as for furnishings, equipment designing, inspecting and engineering,
9 required in connection with the implementation of any projects set forth in section 1 hereof; (3) To
10 direct payment for the costs of construction, rehabilitation, enlargement, provision of service
11 utilities, and razing of facilities, and other improvements to land in connection with the
12 implementation of any projects set forth in section 1 hereof; and (4) To direct payment for the cost
13 of equipment, supplies, devices, materials and labor for repair, renovation or conversion of systems
14 and structures as necessary for the 2024 capital development program bonds or notes hereunder
15 from the proceeds thereof. No funds shall be expended in excess of the amount of the capital
16 development bond fund designated for each project authorized in section 1 hereof. With respect to
17 the bonds and temporary notes described in section 1, the proceeds shall be used for the following
18 purposes:

19 Question 1, relating to bonds in the amount of one hundred and thirty-five million dollars
20 (\$135,000,000) to provide funding for higher education facilities to be allocated as follows:

21 (1) University of Rhode Island Biomedical Sciences Building \$80,000,000

22 Provides eighty million dollars (\$80,000,000) for the construction of a biomedical sciences
23 building to accelerate the education, research, and workforce development of life sciences for the
24 State.

25 (2) Rhode Island College Cybersecurity Building \$55,000,000

26 Provides fifty-five million dollars (\$55,000,000) to fund the renovation of Whipple Hall
27 and other improvements to support the Institute for Cybersecurity & Emerging Technologies.

28 Question 2, relating to bonds in the amount of sixty million dollars (\$60,000,000) for the
29 construction of a new Rhode Island State Archives and History Center.

30 Question 3, relating to bonds in the amount of one hundred million dollars (\$100,000,000)
31 to increase affordable and middle-income housing production and infrastructure, support
32 community revitalization, and promote home ownership.

33 Question 4, relating to bonds in the amount of fifty million dollars (\$50,000,000) for
34 environmental and recreational purposes, to be allocated as follows:

1 (1) Port of Davisville Infrastructure at Quonset \$20,000,000

2 Provides twenty million dollars (\$20,000,000) for infrastructure projects that will support
3 the continued growth and modernization at the Port of Davisville. This investment will finance the
4 Port master plan. The work will include new port access roads, laydown area improvements, and
5 security upgrades to support the new Terminal Five Pier. These projects will upgrade World War
6 II-era infrastructure and position Davisville to accommodate offshore wind project cargo and
7 logistics staging while continuing to support the Port's existing businesses.

8 (2) Climate Resiliency and Public Access Projects \$2,000,000

9 Provides two million dollars (\$2,000,000) for up to seventy-five percent (75%) matching
10 grants to public and nonprofit entities for restoring and/or improving resiliency of vulnerable
11 coastal habitats and restoring rivers and stream floodplains. These funds are expected to leverage
12 significant matching funds to support local programs to improve community resiliency and public
13 safety in the face of increased flooding, major storm events, and environmental degradation.

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15 Provides five million dollars (\$5,000,000) for up to eighty percent (80%) matching grants
16 to public, private, and/or nonprofit entities for brownfield remediation projects.

17 (4) Local Recreation Projects \$5,000,000

18 Provides five million dollars (\$5,000,000) for up to eighty percent (80%) matching grants
19 for municipalities to acquire, develop, or rehabilitate local recreational facilities to meet the
20 growing needs for active outdoor recreational facilities.

21 (5) Municipal Resiliency \$10,000,000

22 Provides ten million dollars (\$10,000,000) to provide financial assistance to municipalities
23 for restoring and/or improving resiliency of infrastructure, vulnerable coastal habitats, and restoring
24 rivers and stream floodplains. These funds will be prioritized to leverage significant matching funds
25 to support local programs to improve community resiliency and public safety in the face of
26 increased flooding, major storm events, and environmental degradation.

27 (6) Newport Cliff Walk \$8,000,000

28 Provides eight million dollars (\$8,000,000) for restoring and improving the resiliency of
29 the historic statewide tourism infrastructure of the public access walkway known as the Newport
30 Cliff Walk located in Newport, Rhode Island.

31 Question 5, relating to bonds in the amount of eight million dollars (\$8,000,000) to fund
32 the Cultural Arts and the Economy Grant Program and the State Preservation Grants Program, to
33 be allocated as follows:

34 (1) Tomaquag Museum \$2,000,000

1 Provides two million dollars (\$2,000,000) to the Tomaquag Museum in Kingston on the
2 URI campus.

3 (2) Newport Contemporary Ballet \$2,000,000

4 Provides two million dollars (\$2,000,000) to support the Newport Contemporary Ballet to
5 build Newport's Center for Arts, Dance & Education.

6 (3) Rhode Island State Council on the Arts \$4,000,000

7 Provides four million dollars (\$4,000,000) in funding for 1:1 matching grants to continue
8 the Cultural Arts and the Economy Grant Program administered by the Rhode Island state council
9 on the arts (RISCA) for capital improvement, preservation and renovation projects for public and
10 nonprofit artistic, performance centers, museums and cultural art centers located throughout the
11 State of Rhode Island.

12 SECTION 7. Sale of bonds and notes. -- Any bonds or notes issued under the authority of
13 this act shall be sold at not less than the principal amount thereof, in such mode and on such terms
14 and conditions as the general treasurer, with the approval of the governor, shall deem to be in the
15 best interests of the State.

16 Any premiums and accrued interest, net of the cost of bond issuance and underwriter's
17 discount, which may be received on the sale of the capital development bonds or notes shall become
18 part of the Rhode Island capital plan fund of the state, unless directed by federal law or regulation
19 to be used for some other purpose.

20 In the event that the amount received from the sale of the capital development bonds or
21 notes exceeds the amount necessary for the purposes stated in section 6 hereof, the surplus may be
22 used to the extent possible to retire the bonds as the same may become due, to redeem them in
23 accordance with the terms thereof or otherwise to purchase them as the general treasurer, with the
24 approval of the governor, shall deem to be in the best interests of the state.

25 Any bonds or notes issued under the provisions of this act and coupons on any capital
26 development bonds, if properly executed by the manual or electronic signatures of officers of the
27 state in office on the date of execution, shall be valid and binding according to their tenor,
28 notwithstanding that before the delivery thereof and payment therefor, any or all such officers shall
29 for any reason have ceased to hold office.

30 SECTION 8. Bonds and notes to be tax exempt and general obligations of the state. -- All
31 bonds and notes issued under the authority of this act shall be exempt from taxation in the state and
32 shall be general obligations of the state, and the full faith and credit of the state is hereby pledged
33 for the due payment of the principal and interest on each of such bonds and notes as the same shall
34 become due.

1 SECTION 9. Investment of monies in fund. -- All monies in the capital development fund
2 not immediately required for payment pursuant to the provisions of this act may be invested by the
3 investment commission, as established by chapter 10 of title 35, entitled "state investment
4 commission," pursuant to the provisions of such chapter; provided, however, that the securities in
5 which the capital development fund is invested shall remain a part of the capital development fund
6 until exchanged for other securities; and provided, further, that the income from investments of the
7 capital development fund shall become a part of the general fund of the state and shall be applied
8 to the payment of debt service charges of the State, unless directed by federal law or regulation to
9 be used for some other purpose, or to the extent necessary, to rebate to the United States treasury
10 any income from investments (including gains from the disposition of investments) of proceeds of
11 bonds or notes to the extent deemed necessary to exempt (in whole or in part) the interest paid on
12 such bonds or notes from federal income taxation.

13 SECTION 10. Appropriation. -- To the extent the debt service on these bonds is not
14 otherwise provided, a sum sufficient to pay the interest and principal due each year on bonds and
15 notes hereunder is hereby annually appropriated out of any money in the treasury not otherwise
16 appropriated.

17 SECTION 11. Advances from general fund. -- The general treasurer is authorized, with the
18 approval of the director and the governor, in anticipation of the issue of notes or bonds under the
19 authority of this act, to advance to the capital development bond fund for the purposes specified in
20 section 6 hereof, any funds of the state not specifically held for any particular purpose; provided,
21 however, that all advances made to the capital development bond fund shall be returned to the
22 general fund from the capital development bond fund forthwith upon the receipt by the capital
23 development fund of proceeds resulting from the issue of notes or bonds to the extent of such
24 advances.

25 SECTION 12. Federal assistance and private funds. -- In carrying out this , the director, or
26 designee, is authorized on behalf of the State, with the approval of the governor, to apply for and
27 accept any federal assistance which may become available for the purpose of this act, whether in
28 the form of loan or grant or otherwise, to accept the provision of any federal legislation therefor, to
29 enter into, act and carry out contracts in connection therewith, to act as agent for the federal
30 government in connection therewith, or to designate a subordinate so to act. Where federal
31 assistance is made available, the project shall be carried out in accordance with applicable federal
32 law, the rules and regulations thereunder and the contract or contracts providing for federal
33 assistance, notwithstanding any contrary provisions of state law. Subject to the foregoing, any
34 federal funds received for the purposes of this act shall be deposited in the capital development

1 bond fund and expended as a part thereof. The director, or designee may also utilize any private
2 funds that may be made available for the purposes of this act.

3 SECTION 13. Effective Date. -- Sections 1, 2, 3, 11, 12, and 13 of this act shall take effect
4 upon passage. The remaining sections of this act shall take effect when and if the state board of
5 elections shall certify to the secretary of state that a majority of the qualified electors voting on the
6 proposition contained in section 1 hereof have indicated their approval of all or any projects
7 thereunder.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO THE CAPITAL DEVELOPMENT PROGRAM

1 This act would authorize the submission of proposals for several bonds to the people of the
2 state at the general election to be held in November, 2024. These bonds relate to capital
3 development and the "cultural economy initiatives."

4 Sections 1, 2, 3, 11, 12, and 13 of this act would take effect upon passage. The remaining
5 sections of this act would take effect when and if the state board of elections shall certify to the
6 secretary of state that a majority of the qualified electors voting on the proposition contained in
7 section 1 hereof have indicated their approval of all or any projects thereunder.

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