

2025 -- H 5985 SUBSTITUTE A

LC002189/SUB A/2

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

RELATING TO HEALTH AND SAFETY -- THE RHODE ISLAND LIFE SCIENCE HUB
ACT

Introduced By: Representatives Solomon, Hull, Casey, Casimiro, and Shanley

Date Introduced: February 28, 2025

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 23-99-3, 23-99-4, 23-99-5 and 23-99-6 of the General Laws in
2 Chapter 23-99 entitled "The Rhode Island Life Science Hub Act" are hereby amended to read as
3 follows:

4 **23-99-3. Definitions.**

5 As used in this chapter, the following words shall have the following meanings:

6 (1) "Affiliate" means any person or company who or that directly or indirectly controls or
7 is controlled by or is under direct or indirect common control of another company or person
8 including, but not limited to, any company that is merged or consolidated, or that purchases all or
9 substantially all of the assets of another company.

10 (2) "Board" means the board of directors of the hub.

11 (3) "Certification proposal" means a written proposal submitted by a life science company
12 for approval as a certified life sciences company.

13 (4) "Certified life sciences company" means a [life science](#) company that has been certified
14 by the board as being eligible to receive grants and incentives from the investment fund.

15 (5) "Commerce corporation" means the Rhode Island commerce corporation, established
16 pursuant to § 42-64-1 et seq.

17 (6) "Company" means a business corporation, partnership, firm, unincorporated
18 association, or other entity engaged or proposing to engage in economic activity within the state,

1 and any affiliate thereof.

2 (7) “Hub” means the Rhode Island life science hub established by § 23-99-4.

3 (8) “Investment fund” means the hub investment fund established by § 23-99-6.

4 (9) “Life science” means and shall include, but not be limited to, the science of: medical

5 devices, biomedical technology, ~~medical—therapeutic—therapies, biogenetics,~~ biomedical

6 engineering, biopharmaceuticals, genomics, biomanufacturing, cell and gene therapies, health

7 software and artificial intelligence, genomics, diagnostics, digital health, marine science,

8 agricultural science, veterinary science and ~~related fields~~ the broader life sciences to foster the

9 development of cutting-edge medical breakthroughs.

10 (10) “Life science company” means a company engaged in life science research,

11 development, manufacturing, incubation, or commercialization in Rhode Island, and any affiliate

12 thereof.

13 ~~(11) “Life sciences industry” means the fields of medical devices, biomedical technology,~~

14 ~~medical therapeutic therapies, biogenetics, biomedical engineering, biopharmaceuticals, genomics,~~

15 ~~biomanufacturing, diagnostics, digital health, and related fields.~~

16 ~~(12)~~(11) “Person” means a natural person, company, or other legal entity.

17 (12) “Revenue” means receipts, fees, rentals or other payments or income received or to be

18 received by the hub in the exercise of its corporate powers under this chapter including, but not

19 limited to, income on account of the leasing, mortgaging, sale or other disposition of property or

20 proceeds of a loan made by the hub, and amounts in reserves or held in other funds or accounts

21 established in connection with the issuance of bonds or notes and the proceeds of any investments

22 thereof, proceeds of foreclosure and other fees, charges or other income received or receivable by

23 the hub.

24 (13) “State” means the state of Rhode Island.

25 (14) “State public body” means the state, or any city or town or any other subdivision or

26 public body of the state or of any city or town.

27 ~~(14)~~(15) “Venture” means, without limitation, any contractual arrangement with any

28 person whereby the corporation obtains rights from or in an invention or product or proceeds

29 therefrom, or rights to obtain from any person any and all forms of equity instruments including,

30 but not limited to, common and preferred stock, warrants, options, convertible debentures, and

31 similar types of instruments exercisable or convertible into capital stock, in exchange for the

32 granting of financial aid to such person.

33 **23-99-4. Rhode Island life science hub established.**

34 (a) There is hereby constituted as an independent public a public corporation for the

1 purposes set forth in this chapter with a separate legal existence from the state to be known as the
2 Rhode Island life science hub hereinafter to be referred to as the “hub”. The exercise by the hub of
3 the powers conferred by this chapter shall be considered to be the performance of an essential
4 governmental function and the hub shall be considered a "constituted authority" and an
5 "instrumentality" of the state acting on behalf of the state for federal tax purposes.

6 (b) The hub shall be governed and its corporate powers exercised by a board of directors
7 consisting of ~~fifteen (15)~~ sixteen (16) directors: ~~seven (7)~~ fifteen (15) of whom shall be appointed
8 by the governor, and one of whom shall be the person the board hires from time to time as president
9 and chief executive officer of the hub. The president and chief executive officer of the hub shall
10 serve ex officio and, except as otherwise provided in § 23-99-4(k), shall not be a voting member of
11 the board of directors. The fifteen (15) directors appointed by the governor shall consist of seven
12 (7) public directors and eight (8) institutional directors. The seven (7) public directors shall have
13 the following qualifications: one ~~of whom~~ shall be a senior executive with extensive background
14 in the banking, grant making, ~~and or~~ fundraising fields, or his or her designee; one ~~of whom~~ shall
15 be a member of a life science trade association, or his or her designee; one ~~of whom~~ shall be the
16 president or a senior executive of a Rhode Island based life science company, or his or her
17 designee; two (2) ~~of whom~~ shall be senior executives of Rhode Island based life science companies
18 specializing in biomanufacturing, or his or her designees; one ~~of whom~~ shall be a representative
19 of organized labor, or his or her designee; and one ~~of whom~~ shall be a member of the public who
20 shall be a certified public accountant and a member of the Rhode Island society of certified public
21 accountants, or his or her designee; The eight (8) institutional directors shall have the following
22 qualifications: one ~~of whom~~ shall be the secretary of commerce, ex officio; three (3) ~~of whom~~ shall
23 be the president of Rhode Island college, ex officio, or his or her designee, the president of the
24 university of Rhode Island, ex officio, or his or her designee, and the president of Brown university,
25 ex officio, or his or her designee; one ~~of whom~~ shall be the dean of the Warren Alpert Medical
26 School of Brown university, ex officio, or his or her designee; one ~~of whom~~ shall be the president
27 and chief executive officer of ~~the Lifespan Corporation~~ Brown university health, ex officio, or his
28 or her designee; one ~~of whom~~ shall be the president and chief executive officer of Care New
29 England Health System, ex officio, or his or her designee; and one ~~of whom~~ shall be ~~an ex officio~~
30 ~~director who shall also be~~ the director of economic development for the city of Providence, ex
31 officio, or his or her designee. To the extent that an institution takes on a new legal name, the
32 institutional director shall continue to serve as an institutional director without the need for
33 reappointment. To the extent that an institution merges, converts, consolidates with, or sells or
34 transfers all or substantially all of its assets to another company and such company retains its

1 primary operations in the state, the chief executive officer of such company shall be qualified for
2 appointment as an institutional director in accordance with this section.

3 (c) The chair of the board shall be appointed by the governor, with the advice and consent
4 of the senate, and shall be an individual who served in the capacity as a senior executive with
5 extensive background in the banking, grant making, ~~and~~ or fundraising fields. The vice-chair of the
6 board shall be the secretary of commerce. All directors, including ex officio directors, shall be
7 voting members of the board of directors, except for the director serving as president and chief
8 executive officer of the hub, who shall not be a voting member of the board. Eight (8) voting
9 directors shall constitute a quorum, and any action to be taken by the board under the provisions of
10 this chapter may be authorized by resolution approved by a majority of the directors present and
11 entitled to vote at any regular or special meeting at which a quorum is present. No votes on the
12 certification of any life science company nor on the allocation or award of any investment fund
13 resources to any certified life science company shall be taken unless the chair is present and voting.
14 A vacancy in the membership of the board of directors shall not impair the right of a quorum to
15 exercise all of the rights and perform all of the duties of the board. Pursuant to § 42-46-5(b)(6),
16 board directors are authorized to participate remotely using videoconferencing technology in open
17 public meetings of the board; provided, however, that:

18 (1) The remote director(s) and all persons present at the meeting location are clearly audible
19 and visible to each other;

20 (2) A quorum of the body is participating, either in person or by the use of remote
21 videoconferencing technology;

22 (3) A ~~member of the board~~ voting director who participates in a meeting of the board
23 remotely shall be considered present for purposes of a quorum and voting;

24 (4) If videoconferencing is used to conduct a meeting, the public notice for the meeting
25 shall inform the public that videoconferencing will be used and include instructions on how the
26 public can access the virtual meeting; and

27 (5) The board shall adopt rules defining the requirements of remote participation including
28 its use for executive session, and the conditions by which a director is authorized to participate
29 remotely.

30 (d) Each ~~board member~~ public director shall serve ~~a~~ an initial term of four (4) years. At the
31 expiration of the initial terms of public directors in January 2028, the governor shall appoint two
32 (2) directors for a term of four (4) years, two (2) directors for a term of three (3) years, two (2)
33 directors for a term of two (2) years, and one director for a term of one year. Thereafter, the
34 governor shall appoint a new public director or directors to succeed the public director or directors

1 whose terms then next expire, to serve a term of four (4) years. The president and chief executive
2 officer shall have a board term coextensive with such person's employment contract with the hub.

3 In the event that the chair of the board position becomes vacant for any reason, or the chair is not
4 able to perform the duties of that position for any reason, the vice chair shall serve as the interim
5 chair until the chair is able to resume the chair's duties; provided, however, in the event that the
6 chair is not able to resume the chair's duties in that position, the governor shall appoint a new chair
7 and, in making this appointment, the governor shall give due consideration to appointing an
8 individual from a list of six (6) candidates, three (3) of whom shall be provided to the governor by
9 the speaker of the house and three (3) of whom shall be provided to the governor by the president
10 of the senate. Any person appointed to fill a vacancy in the office of ~~an appointed~~ a public director
11 of the board shall be appointed in a like manner and shall serve for the unexpired term of such
12 public director. Any director shall be eligible for reappointment.

13 (e) The public director ~~of the board who is a member of the public and~~ who is a certified
14 public accountant and a member of the Rhode Island society of certified public accountants shall
15 serve as treasurer and shall be charged with keeping the funds, books of account, and accounting
16 records of the hub. No grants, ~~tax credits,~~ loans or other financings, or incentives shall be issued by
17 the hub to any certified life science company without the approval of the board ~~and the signature~~
18 ~~of the treasurer.~~ The board shall annually elect a secretary who shall keep a record of the
19 proceedings of the board and shall be custodian of all books, documents, and papers.

20 (f) Board directors, other than the director who serves as the president and chief executive
21 officer of the hub, shall serve without compensation, but each director shall be entitled to
22 reimbursement for actual, reasonable, and necessary expenses while engaged in the performance
23 of official duties. Board directors, officers, and employees shall not be liable to the state, the hub,
24 or to any other person as a result of their activities except for malfeasance in office or intentional
25 violations of law.

26 (g) The board shall establish an application review committee consisting of not less than
27 three (3) directors of the board, which shall review certification proposals submitted by life sciences
28 companies that shall be supported by independently verifiable information, and the board shall
29 make a record of findings based on the certification proposal, documents submitted therewith, and
30 any additional evidence that the life science company meets all criteria that the hub may prescribe.

31 (h) Certified life science companies shall be eligible to receive funding from the hub, upon
32 a majority vote of the board, for the following benefits which shall be awarded by the board on a
33 competitive basis:

34 (1) Grants, loans, or other investments;

1 (2) Assistance from the hub in obtaining federal, state, and nonprofit monies; or

2 (3) Assistance from the hub in facilitating clinical trials.

3 (i) Notwithstanding any other provisions of law in relation to their tenure of office, the
4 governor may remove any ~~board~~ director, including institutional directors, for the neglect of any
5 duty required by law, incompetence, unprofessional conduct, or willful misconduct. If an
6 institutional director is so removed, such institutional director's designee shall serve on the board
7 in his or her place for the remainder of his or her term.

8 (j) Each director shall make full disclosure, in accordance with §§ 36-14-1 — 36-14-7, of
9 any financial interest, if any, in any matter before the board. Such interest must be disclosed in
10 advance to the directors of the board, recorded in the minutes of the board, and the director having
11 such an interest shall recuse themselves and shall not participate in any decision of the board
12 relating to such interest.

13 (k) With the advice and consent of the senate, the board shall have the power to hire a
14 president, who shall also serve as the chief executive officer of the hub and who shall be a non-
15 voting member of the board of directors, but who shall be entitled to vote as a member of any
16 advisory committee to which the president/chief executive officer is appointed. The board also shall
17 have the power to establish compensation and conditions of employment for the president and chief
18 executive officer; provided, further, the board shall have the power to hire other employees and
19 establish compensation and conditions of employment for such employees.

20 (l) The commerce corporation shall provide operating quarters for the hub for, at a
21 minimum, the first year of the hub's operation.

22 (m) In addition to the application review committee, the board may establish one or more
23 advisory committees, each consisting of not less than three (3) and not more than seven (7)
24 directors, which may also include persons who are not directors, which committees shall support
25 the board on science, technology and other matters. Such advisory committees shall keep records
26 of their findings and recommendations.

27 (n) The hub shall continue as long as it shall have bonds outstanding and until its existence
28 is terminated by law. Upon the termination of the existence of the hub, all right, title and interest in
29 and to all of its assets and all of its obligations, duties, covenants, agreements and obligations shall
30 vest in and be possessed, performed and assumed by the state and no part of the earnings of the hub
31 shall inure to the benefit of any private person.

32 **23-99-5. Hub powers.**

33 The hub shall have the following powers and all powers necessary to carry out and
34 effectuate its purposes, including, without limitation, all powers necessary for the performance of

1 the following:

2 (1) To have perpetual succession as a public corporate body and agency of the state and to

3 adopt bylaws, rules, regulations, and procedures for its governance and conduct of its business;

4 (2) To act as the central entity and coordinating organization of life sciences initiatives on

5 behalf of the state and to work in collaboration with governmental entities, persons, companies,

6 state public bodies, ~~centers, hubs,~~ academic institutions, healthcare systems and facilities to

7 promote ~~life-sciences~~ such initiatives;

8 (3) To engage accountants, architects, attorneys, engineers, planners, real estate experts,

9 and other consultants as may be necessary in its judgment to carry out the purposes of this chapter;

10 (4) To obtain insurance coverage including, but not limited to, director and officer

11 insurance for board directors, officers, and employees in order to indemnify said persons against

12 the claims of others;

13 (5) To administer the investment fund in accordance with § 23-99-6, and such other funds

14 and accounts as the hub may establish from time to time, for the purposes of making appropriations,

15 allocations, investments, grants, research and other funding, or loans;

16 (6) To apply for and accept revenues including, but not limited to, contributions of any

17 source of money, property, labor, or any other things of value, and to invest, disburse, appropriate,

18 grant, loan, or allocate any funds to the purposes of this chapter including, but not limited to, ~~for~~

19 the purpose of investing in any life science initiative;

20 (7) To create access to capital, funding, and business attraction, retention and support

21 programs and to enter into all contracts and agreements necessary or convenient thereto;

22 (8) To enter into venture agreements with persons, upon such terms and on such conditions

23 as are consistent with the purposes of this chapter, for the advancement of financial aid to such

24 persons for the research, development, and application of specific technologies, products,

25 procedures, services, and techniques, to be developed and produced in this state, and to condition

26 such agreements upon contractual assurances that the benefits of increasing or maintaining

27 employment and tax revenues shall remain in this state and shall accrue to it;

28 (9) To enter into contracts and agreements, whether governmental or proprietary, to further

29 scientific research in the state, aid in the promotion of the health of residents, foster life sciences

30 jobs ~~in the life sciences, and~~ promote overall economic growth in the field of life sciences ~~industry~~

31 and to carry out the purposes of this chapter, and all such contracts and agreements of the hub

32 entered into under the authority of this chapter are authorized to have a term not to exceed twenty

33 (20) years; and

34 (10) To borrow money and to issue and refund bonds, notes, and any other obligations, and

1 apply the proceeds thereof for any of its corporate purposes as provided in this chapter, which
2 bonds, notes, or other obligations may be issued at fixed or variable rates, with a maximum maturity
3 of thirty (30) years and which bonds, notes and obligations of the hub, shall be subject to the
4 provisions of chapter 18 of title 35 ("Rhode Island public corporation debt management"); to the
5 extent that such bonds, notes, or other obligations finance "essential public facilities" or are secured
6 by a "financing lease" or "guarantee" of the state, as such terms are defined in the Rhode Island
7 public corporation debt management act;

8 (11) In connection with the issuance of bonds and notes, to enter into indentures, trust
9 agreements, credit facilities, liquidity facilities or other agreements providing for:

10 (i) A mortgage, pledge or assignment of, or security interest in, any property of the hub,
11 including, but not limited to, hub revenues, funds and accounts; and

12 (ii) Any additional covenants and provisions, including, without limiting the generality of
13 the foregoing, provisions defining defaults and providing for remedies in the event thereof, that are
14 deemed desirable or necessary by the hub for the security of the holders of the bonds and notes;

15 (12) To have a seal, which may be altered at pleasure and to use the seal by causing it, or
16 a facsimile of the seal, to be impressed or affixed, or in any other manner reproduced;

17 (13) To sue and be sued, to prosecute and defend actions relating to its properties and
18 affairs, and to be liable in tort in the same manner as a private person; provided, however, that the
19 hub is not authorized to become a debtor under the United States Bankruptcy Code or receivership
20 laws of the state;

21 (14) To acquire real and personal property, or any interest in real or personal property, by
22 gift, purchase, transfer, foreclosure, lease, or otherwise including rights or easements; to hold, sell,
23 assign, lease, encumber, mortgage, grant or otherwise dispose of any real or personal property, or
24 any interest therein, or mortgage any interest owned by it or under its control, custody or in its
25 possession; to improve, maintain, equip and furnish such real or personal property or such interest;
26 to release, relinquish or forgive, any right, title, claim, lien, interest, easement or demand however
27 acquired, including any equity or right of redemption in property foreclosed by it; to take
28 assignments of leases and rentals, proceed with foreclosure actions, or take any other actions in
29 furtherance of, or necessary or convenient to the performance of its corporate powers and purposes;

30 (15) To invest any funds held in reserves or sinking funds, or the hub investment fund, or
31 any funds not required for immediate disbursement, in such investments as the state investment
32 commission is authorized to invest pursuant to chapter 10 of title 35;

33 (16) To appear on its own behalf before boards, commissions, departments or other
34 agencies of municipal, state or federal government;

1 (17) To establish and collect such rents, fees and charges as the hub without further
2 appropriation shall determine to be reasonable; and to receive and apply revenues from rents, fees
3 and charges to the purposes of the hub or allotment by the state or any political subdivision thereof;
4 (18) To prepare, publish and distribute such studies, reports and bulletins and other material
5 as the hub deems appropriate;
6 (19) To lease or sell any property to, or purchase any property from, a state public body.
7 Any lease by the hub to a state public body may be for a period, upon terms and conditions, with
8 or without an option to purchase, that the hub may determine. In connection with any such lease,
9 sale or purchase;
10 (i) The provisions of any charter, other laws, general, special, or local, ordinances or of any
11 rule or regulation of any state public body, restricting or regulating in any manner the power of any
12 state public body to lease (as lessee or lessor) or sell property, real, personal, or mixed, shall not
13 apply to leases and sales made with the hub pursuant to this chapter; and
14 (ii) Any municipality, notwithstanding any contrary provision of any charter, other laws or
15 ordinances, general, special or local, or of any rule or regulations of the state or any municipality,
16 is authorized and empowered to lease, lend, pledge, grant, or convey to the hub, at its request, upon
17 terms and conditions that the chief executive officer of the municipality, if any, or where no chief
18 executive officer exists, the city or town council of the municipality, may deem reasonable and fair
19 and without the necessity for any advertisement, order of court, or other action or formality, any
20 real property or personal property which may be necessary or convenient to the effectuation of the
21 authorized purpose of the hub, including public roads and other real property already devoted to
22 public use; and, subject to what has been stated, the municipality consents to the use of all lands
23 owned by the municipality which are deemed by the hub to be necessary or convenient for its
24 purposes;
25 (20) To organize and operate venture capital funds to provide capital to early-stage life
26 science companies in the state in exchange for equity and pro rate distributions of net profits, which
27 venture capital funds may be structured as general partnerships and/or limited partnerships with the
28 hub as a general and/or limited partner, and limited liability companies, with the hub as a member
29 or manger; provided that, no state funds appropriated to the hub, and no net profits received on
30 such state funds, may be paid to any for-profit company or person investing in such venture capital
31 funds;
32 (21) To contract for the acquisition of any of its properties by the federal government; and
33 to contract with any state, federal, or municipal agencies for the performance of any services
34 essential or convenient to its purposes under this chapter;

1 (22) To create, empower or otherwise establish one or more nonprofit corporations for the
2 purpose of receiving charitable contributions for the benefit of the hub supporting the hub's
3 corporate purposes and lessening the burdens of government, and whose organizational documents
4 shall:

5 (i) Include a conflict of interest policy; and

6 (ii) Provide that, upon termination of such nonprofit corporation's existence, all right, title
7 and interest in and to all such nonprofit corporation's assets shall vest in the hub, in another
8 nonprofit corporation, or in the state; and

9 (23) To take any actions necessary or convenient to the exercise of any power or the
10 discharge of any duty provided for by this act.

11 **23-99-6. Hub investment fund.**

12 (a) There shall be established and placed within the hub, a fund or funds to be known as
13 the Rhode Island life science investment fund, ~~hereinafter referred to as the "fund"~~, to be held by
14 the hub to finance the operations and initiatives of the hub. The investment fund shall be credited
15 any appropriations, bond proceeds, federal grants, or loans, or other such additional funds as are
16 subject to the direction and control of the hub, which may properly be applied in furtherance of the
17 objectives of the hub.

18 (b) The investment fund shall be held and applied by the hub to make ~~qualified~~ investments,
19 grants, research and other funding, ~~and or~~ loans designed to advance ~~public purposes for~~ the field
20 of life science ~~industry~~ in the state ~~and shall use the fund for such purposes.~~

21 (c) The state shall not be liable for the payment of the principal of, or interest on, any bonds
22 or notes of the hub, or for the performance of any pledge, mortgage, obligation, or agreement of
23 any kind whatsoever that may be undertaken by the hub, and none of the bonds or notes of the hub
24 nor any of its agreements or obligations shall be construed to constitute an indebtedness of the state.
25 Payments related to any transaction involving, or investment by, the hub shall be payable solely
26 from the ~~fund~~ assets, property or revenues of the hub.

27 (d) All monies received by the hub pursuant to the authority of this chapter, whether as
28 proceeds from the sale of bonds or as revenues, are deemed to be trust funds to be held and applied
29 solely as provided in this chapter. Any officer with whom, or any bank or trust company with
30 which, the monies are deposited, shall act as trustee of the monies and shall hold and apply the
31 monies for the purposes of this chapter, subject to regulations as this chapter and the resolution
32 authorizing the bonds of any issue or the trust agreement securing the bonds may provide.

33 ~~(d)~~(e) The board shall promulgate rules, regulations, or guidelines necessary to carry out
34 the provisions of this section.

1 SECTION 2. Chapter 23-99 of the General Laws entitled "The Rhode Island Life Science
2 Hub Act" is hereby amended by adding thereto the following sections:

3 **23-99-10. Exemption from taxation.**

4 (a) The exercise of the powers granted by this chapter shall be, in all respects, for the benefit
5 of the people of this state, the increase of their commerce, welfare, and prosperity and for the
6 improvement of their health and living conditions and will constitute the performance of an
7 essential governmental function and the hub shall not be required to pay any taxes or assessments
8 upon or in respect of any property or monies of the hub, levied by any municipality or political
9 subdivision of the state;

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

16 **23-99-11. Agreement of the state.**

17 The state does pledge to and agree with the holders of any bonds or notes issued under this
18 chapter that the state will not limit or alter the rights vested in the Rhode Island life science hub to
19 fulfill the terms of any agreements made with the holders until the bonds or notes, together with
20 the interest on these bonds and notes, with interest on any unpaid installments of interest, and all
21 costs and expenses in connection with any action or proceeding by or on behalf of the holders, are
22 fully met and discharged. The hub is authorized to include this pledge and agreement of the state
23 in any agreement with the holders of the bonds or notes.

24 **23-99-12. Bonds eligible for investment.**

25 The notes and bonds of the hub shall be legal investments in which all public officers and
26 public bodies of this state, its political subdivisions, all municipalities and municipal subdivisions,
27 all insurance companies and associations and other persons carrying on an insurance business, all
28 banks, bankers, banking institutions including savings and loan associations, building and loan
29 associations, trust companies, savings banks and savings associations, investment companies and
30 other persons carrying on a banking business, all administrators, guardians, executors, trustees, and
31 other fiduciaries, and all other persons who are now or may hereafter be authorized to invest in
32 bonds or in other obligations of the state, may properly and legally invest funds, including capital,
33 in their control or belonging to them. The notes and bonds are also made securities which may
34 properly and legally be deposited with and received by all public officers and bodies of the state or

1 any agency or political subdivision of the state and all municipalities and public corporations for
2 any purpose for which the deposit of bonds or other obligations of the state is now or may hereafter
3 be authorized by law.

4 **23-99-13. Lien status -- Recording.**

5 Notwithstanding any provision of any other law, including the uniform commercial code:

6 (1) Any pledge or assignment of revenues of any kind, funds, property, or assets made
7 pursuant to the provisions of this chapter by the hub shall be valid and binding against all parties
8 having claims of any kind in tort, contract, or otherwise, whether or not the parties have notice
9 thereof, and shall be deemed continuously perfected from the time it is made.

10 (2) The revenues, funds, property, or assets, rights therein and thereto and proceeds so
11 pledged and then held or thereafter acquired or received by the hub shall immediately be subject to
12 the lien of such pledge without any physical delivery or segregation thereof or further act;

13 (3) No filing of any kind with respect to a pledge or assignment need be made under the
14 uniform commercial code, as amended, or otherwise; and

15 (4) For the purposes of this section, the word "pledge" shall be construed to include the
16 grant of a security interest under the uniform commercial code.

17 SECTION 3. This act shall take effect upon passage and shall apply retroactively to
18 September 1, 2023.

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LC002189/SUB A/2
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO HEALTH AND SAFETY -- THE RHODE ISLAND LIFE SCIENCE HUB
ACT

1 This act would make technical amendments to the Rhode Island life science hub regarding
2 the terms of the directors, advisory committees, powers, disposition of hub assets upon termination,
3 and tax status as a governmental unit which is a separate legal entity from the state. The
4 amendments would make the hub, its property, and its bonds exempt from federal, state and local
5 taxes and would authorize the hub to form venture capital funds and nonprofits to accept donations
6 for the hub's purposes. The amendments would make the president and CEO an ex officio member
7 of the board of directors.

8 This act would take effect upon passage and would apply retroactively to September 1,
9 2023.

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