

2016 -- H 7431

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LC004337
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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 - INDEBTEDNESS OF TOWNS AND CITIES

Introduced By: Representatives Slater, and Hull

Date Introduced: January 29, 2016

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 45-12-33 of the General Laws in Chapter 45-12 entitled
2 "Indebtedness of Towns and Cities" is hereby amended to read as follows:

3 **45-12-33. Borrowing for road and bridge, infrastructure, and school building**
4 **projects.** -- (a) (1) In addition to other authority previously granted, during calendar ~~year 2014~~
5 years 2014 through 2016, a city or town may authorize the issuance of bonds, notes, or other
6 evidences of indebtedness to evidence loans from the municipal road and bridge revolving fund
7 administered by the Rhode Island clean water finance agency in accordance with chapter 18 of
8 title 24.

9 (2) In addition to other authority previously granted, from July 1, 2015 to June 30, 2016,
10 a city or town may authorize the issuance of bonds, notes, or other evidences of indebtedness to
11 evidence loans from the efficient buildings fund administered by the Rhode Island clean water
12 finance agency infrastructure bank in accordance with chapter 12.2 of title 46 of the general laws
13 or the school building authority capital fund administered by the Rhode Island health and
14 educational building corporation in accordance with chapter 38.2 of title 45.

15 (b) These bonds, notes, or other evidences of indebtedness are subject to the maximum
16 aggregate indebtedness permitted to be issued by any city or town under § 45-12-2.

17 (c) The denominations, maturities, interest rates, methods of sale, and other terms,
18 conditions, and details of any bonds or notes issued under the provisions of this section may be
19 fixed by resolution of the city or town council authorizing them, or if no provision is made in the

1 resolution, by the treasurer or other officer authorized to issue the bonds, notes or evidences of
2 indebtedness; provided, that the payment of principal shall be by sufficient annual payments that
3 will extinguish the debt at maturity, the first of these annual payments to be made not later than
4 three (3) years, and the last payment not later than twenty (20) years after the date of the bonds.

5 The bonds, notes, or other evidences of indebtedness may be issued under this section by
6 any political subdivision without obtaining the approval of its electors, notwithstanding the
7 provisions of §§ 45-12-19 and 45-12-20 and notwithstanding any provision of its charter to the
8 contrary.

9 SECTION 2. 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 - INDEBTEDNESS OF TOWNS AND CITIES

1 This act would authorize cities and towns to issue bonds during calendar years 2014
2 through 2016 to evidence loans from the municipal road and bridge revolving fund.

3 This act would take effect upon passage.

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