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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2020

A N A C T

RELATING TO WATERS AND NAVIGATION

Introduced By: Senators Sosnowski, Coyne, Ruggerio, Conley, and Lynch Prata

Date Introduced: February 27, 2020

Referred To: Senate Environment & Agriculture

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 46-15 of the General Laws entitled "Water Resources Management"
2 is hereby repealed in its entirety.

3 ~~CHAPTER 46-15~~

4 ~~Water Resources Management~~

5 ~~**46-15-1. Legislative declaration.**~~

6 ~~The general assembly hereby finds and declares that:~~

7 ~~(1) The state of Rhode Island and Providence Plantations has been endowed with many~~
8 ~~and abundant sources of water supplies located advantageously, for the most part, throughout the~~
9 ~~state. The proper development, protection, conservation, and use of these water resources are~~
10 ~~essential to the health, safety, and welfare of the general public, and to the continued growth and~~
11 ~~economic development of the state;~~

12 ~~(2) In recent years it has become increasingly apparent that water supply management,~~
13 ~~protection, development, and use must be fully integrated into all statewide planning, and rivers~~
14 ~~and watershed planning and management processes, and that the allocation of the state's water~~
15 ~~resources to all users, purposes, and functions, including water to sustain our natural river and~~
16 ~~stream systems and natural biotic communities, must be equitably decided and implemented under~~
17 ~~a process which emphasizes efficiency of use and management, minimization of waste, protection~~
18 ~~of existing supplies, demand management, drought management, conservation, and all other~~
19 ~~techniques to ensure that our water resources serve the people of Rhode Island for the longest time,~~

1 ~~in the most efficient use, and in an environmentally sound manner;~~

2 ~~(3) The character and extent of the problems of water resource development, utilization,~~
3 ~~and control, and the widespread and complex interests which they affect, demand action by the~~
4 ~~government of the state of Rhode Island in order to deal with these problems in a manner which~~
5 ~~adequately protects the general welfare of all the citizens of the state;~~

6 ~~(4) In order to retain and encourage the expansion of our present industries, and to attract~~
7 ~~new industries, and to promote the proper growth and desirable economic growth of the entire state,~~
8 ~~and to sustain the viability of water resource dependent natural systems, agriculture, and recreation,~~
9 ~~state government must play an active role in fostering and guiding the management of water~~
10 ~~resources;~~

11 ~~(5) There are state and municipal departments, special districts, private firms, and other~~
12 ~~agencies in the state who have capabilities and experience in the design, construction, operation,~~
13 ~~and financing of water supply and transmission facilities, which capabilities and experience must~~
14 ~~be brought to bear on the total problem of water resources development in a coordinated manner if~~
15 ~~the proper development, conservation, apportionment, and use of the water resources of the state~~
16 ~~are to be realized; and~~

17 ~~(6) It shall be the duty of the water resources board to regulate the proper development,~~
18 ~~protection, conservation and use of the water resources of the state.~~

19 ~~**46-15-1.1. "Water supply system" defined.**~~

20 ~~"Water supply system" means, but is not limited to, a system which sells water registered~~
21 ~~through a metering device or pumps over fifty (50) million gallons of water per year.~~

22 ~~**46-15-2. Approval of public water supply facilities.**~~

23 ~~(a) No municipal water department or agency, public water system, including special water~~
24 ~~districts or private water company, engaged in the distribution of water for potable purposes shall~~
25 ~~have any power:~~

26 ~~(1) To acquire or take a water supply or an additional water supply from an existing~~
27 ~~approved source;~~

28 ~~(2) To take or condemn lands for any new or additional sources of water supply or for the~~
29 ~~utilization of supplies;~~

30 ~~(3) To extend its supply or distribution mains into a municipality or special water district~~
31 ~~wherein it has not heretofore legally supplied water;~~

32 ~~(4) To construct any extension of its transmission mains;~~

33 ~~(5) To extend the boundaries of a special water district; or~~

34 ~~(6) To supply water in or for use in any other municipality or civil division of the state~~

1 ~~which owns and operates a water supply system therein, or in any duly organized special water~~
2 ~~district supplied with water by another municipal water department or agency, special water district,~~
3 ~~or private water company, until the municipal water department or agency, special water district,~~
4 ~~or private water company has first submitted the maps and plans therefor to the director of the~~
5 ~~department of health, the state planning council and the board, as hereinafter provided, and until~~
6 ~~the water resources board, after receiving the recommendations of the director of the department~~
7 ~~of health and the division of statewide planning, shall have approved the recommendations or~~
8 ~~approved the recommendation with modifications as it may determine to be necessary; provided,~~
9 ~~however, this subsection shall not apply to any area presently served by any municipal water~~
10 ~~department or agency, or special water district.~~

11 ~~(b) Approval shall not be necessary of any plan or work for the extension of supply or~~
12 ~~distributing mains or pipes of a municipal water supply plant or special district or private water~~
13 ~~company into and for the purpose of supplying water in any territory within the limits of the~~
14 ~~municipality or special district or within the franchise area of the private water company, owning~~
15 ~~the plant, including territory within the municipal special district or franchise limits which has not~~
16 ~~been heretofore supplied with the water by the plant, nor for the reconstruction or replacement of~~
17 ~~existing facilities in connection with an existing plant, wherein the capacity of the plant is in no~~
18 ~~way increased, nor for the construction of filtration or other treatment facilities which will not in~~
19 ~~any way increase the amount of water which can be made available from the present sources of~~
20 ~~supply.~~

21 ~~(c) The water resources board shall enforce the provisions of this section, and the superior~~
22 ~~court by injunction may, upon application of the water resources board, prevent any action to be~~
23 ~~taken by any municipal water agency or department, special district, or private water company~~
24 ~~without the approval of the water resources board as required by this section.~~

25 **46-15-3. Review of public water supply facilities.**

26 ~~The water resources board shall review all proposals and plans for public water supply~~
27 ~~systems in accordance with the procedures established in this chapter and shall, with respect to each~~
28 ~~proposal:~~

29 ~~(1) Make findings concerning the location of existing and potential sources of~~
30 ~~contamination of the public water supply system;~~

31 ~~(2) Assess the actual and potential impact of existing and potential sources of~~
32 ~~contamination of the public water supply system;~~

33 ~~(3) Prepare recommendations concerning the location, construction, and treatment of the~~
34 ~~public water supply system; and~~

1 ~~(4) Report its findings, assessment, and recommendation to the directors of health and the~~
2 ~~division of planning.~~

3 **46-15-4. Procedure for approval of maps and plans.**

4 ~~(a) Whenever the approval of any project as provided in this chapter is required, the~~
5 ~~application shall be made by the petitioner in writing, the application shall be accompanied by proof~~
6 ~~of adequate authorization for the project, and such exhibits as may be necessary clearly to indicate~~
7 ~~the scope of the proposed project, including, but not limited to, a map of the lands to be acquired,~~
8 ~~if any, and preliminary plans of the works proposed to be constructed. The application shall also~~
9 ~~show, where applicable, the need for the particular source or sources of supply and the reasons~~
10 ~~therefor, and shall also indicate the method of determining and providing for the payment of the~~
11 ~~proper compensation for any and all legal damages to persons or property, whether direct or~~
12 ~~indirect, which will result from the acquiring of the lands and the execution of the plans. The~~
13 ~~petition shall also be accomplished by such proof as to the character and purity of the water supply~~
14 ~~proposed to be acquired or used as the director of the department of health shall require and any~~
15 ~~proposed method of treatment of the supply.~~

16 ~~(b) The water resources board shall thereupon cause public notice to be given in a~~
17 ~~newspaper of general circulation, at least seven (7) days prior, that on a day and at a place therein~~
18 ~~specified it will hold a public hearing for the purpose of receiving evidence and hearing arguments~~
19 ~~from all persons and organizations that may be affected by the proposed project, including the~~
20 ~~recommendations of the director of the department of health and of the state planning council.~~

21 ~~(c) The water resources board shall, upon the day specified in the notice, or upon such~~
22 ~~subsequent day or days to which it may adjourn the hearing, proceed to examine the maps and plans~~
23 ~~and to hear the proofs and arguments submitted in support of and in opposition to the proposed~~
24 ~~project. The water resources board, after a hearing, shall determine whether the plans proposed are~~
25 ~~justified by public necessity, whether they provide for the proper and safe construction of all work~~
26 ~~connected therewith, whether they provide for the proper protection of the supply and the watershed~~
27 ~~from contaminations or provide for the proper treatment of an additional supply, whether the plans~~
28 ~~are just and equitable to the other municipalities affected thereby and to the inhabitants thereof,~~
29 ~~particular consideration being given to their present and future necessities for sources of water~~
30 ~~supply, and whether the plans make fair and equitable provisions for the determination and payment~~
31 ~~of any and all legal damages to persons and property, both direct and indirect, which will result~~
32 ~~from the execution of the plans or the acquiring of those lands.~~

33 ~~(d) The water resources board shall within ninety (90) days after the close of the hearing,~~
34 ~~and after consideration of the recommendations of the director of the department of health and of~~

1 ~~the state planning council, make a final decision in writing, either approving the application, maps,~~
2 ~~and plans as presented, or under such conditions or with such modifications in the application,~~
3 ~~maps, and plans as may be determined to be necessary to provide satisfactory compliance by the~~
4 ~~applicant with any and all of the subjects and matters required to be determined by the water~~
5 ~~resources board in this subsection, or to bring into cooperation all persons, municipal water~~
6 ~~departments or agencies, special water districts, or private water companies which may be affected~~
7 ~~by the project; or it may reject the application entirely or permit another to be filed in lieu thereof,~~
8 ~~but it shall, however, make a reasonable effort to meet the needs of the applicant, with due regard~~
9 ~~to the actual or prospective needs, interests, and rights of others which may be affected by the~~
10 ~~proposed projects.~~

11 **46-15-5. Water supply to other states.**

12 (a) ~~No municipal water departments or agencies, special water districts, or private water~~
13 ~~companies shall transport or carry through pipes, conduits, ditches, or canals, the waters of any~~
14 ~~fresh water lake, pond, brook, river, stream, or creek in this state or any well, subsurface, or~~
15 ~~percolating waters of this state into any other state for use therein except where the consent in~~
16 ~~writing of the water resources board has been obtained.~~

17 (b) ~~A petition in writing for that consent must be filed with the water resources board~~
18 ~~accompanied by such plans and documents as the water resources board may require. The~~
19 ~~provisions of § 45-15-4 shall, so far as practicable, apply to all proceedings to be had subsequent~~
20 ~~to the filing of the petition as if the petition were one filed pursuant to the provision of § 46-15-4.~~

21 (c) ~~The water resources board shall enforce the provisions of this section, and the superior~~
22 ~~court, by injunction, may, upon an application of the director, prevent any unauthorized diversion~~
23 ~~or transportation.~~

24 (d) ~~Nothing contained herein shall be construed to affect any contracts or other~~
25 ~~arrangements in existence on September 1, 1990, wherein a municipal water department or agency,~~
26 ~~special water district, or private water company is supplying to and/or purchasing water from any~~
27 ~~agency or other entity in another state.~~

28 **46-15-6. Supply of water to other water supply systems.**

29 (a) ~~On any application for a new or additional water supply or source of water supply, the~~
30 ~~water resources board, after obtaining the recommendations of the director of the department of~~
31 ~~health and the division of planning, may require or authorize any applicant to make provisions for~~
32 ~~the supply and to supply water to any area of the state which, as determined by the water resources~~
33 ~~board in its decision on that application, properly should be supplied with water from the source or~~
34 ~~sources of water supply sought by the applicant.~~

1 ~~(b) Any municipal water department or agency, special water district, or private water~~
2 ~~company within the area may apply to the water resources board for the right to take water from~~
3 ~~that source of water supply or from any part of the water supply system of the applicant supplied~~
4 ~~in whole or in part from that source. If the water resources board requires, or if it approves the~~
5 ~~application, it shall be the duty of the applicant to supply water, subject to such requirements as the~~
6 ~~water resources board may impose.~~

7 ~~(c) The amount of water to be taken and the price to be paid therefor may be agreed upon~~
8 ~~between the applicant and the taker of the water, or if they cannot agree, fair and reasonable~~
9 ~~amounts and rates shall be fixed by the administrator of public utilities and carriers; provided,~~
10 ~~further, that nothing contained in this section shall be construed as diminishing the powers of the~~
11 ~~administrator of public utilities and carriers in respect to rates of water suppliers subject to his or~~
12 ~~her jurisdiction.~~

13 ~~**46-15-6.1. Repealed.**~~

14 ~~**46-15-7. Authority to enter upon lands and waters for purpose of survey.**~~

15 ~~The water resources board, its assistants, consultants, employees, subordinates, engineers,~~
16 ~~surveyors, or other agents or servants, upon giving due notice of intent and purpose, without being~~
17 ~~liable for trespass, shall have the right, with the consent of the landowner, to enter in, over, and~~
18 ~~onto any lands or waters in the state along with the equipment and devices as may be necessary and~~
19 ~~appurtenant for the conducting of examinations, investigations, appraisals, surveys, or other studies~~
20 ~~and for the making of test pits, pumping tests, borings, and other forms of geologic investigations;~~
21 ~~provided, however, that in the event the landowner refuses to consent to the entry, the water~~
22 ~~resources board may petition the superior court for the county in which the lands and waters are~~
23 ~~located for such authorization which shall be granted upon a showing by the water resources board~~
24 ~~that the entry is necessary for the implementation of the plans and programs of the board. The~~
25 ~~petition shall be granted priority on the miscellaneous court calendar. Any landowner whose~~
26 ~~property is damaged by virtue of the authorization granted herein shall have all of the rights, and~~
27 ~~shall be subject to all of the limitations, set forth in chapter 31 of title 9.~~

28 ~~**46-15-8. Rules and regulations.**~~

29 ~~The water resources board is hereby authorized and empowered to make general rules and~~
30 ~~regulations and to take such actions and issue such orders as may be required for the enforcement~~
31 ~~of this chapter, and the rules and regulations, in addition hereto and not inconsistent herewith.~~

32 ~~**46-15-9. Powers of health department and department of environmental management**~~
33 ~~**not affected.**~~

34 ~~Nothing contained herein shall be construed to affect the powers granted to the department~~

1 of health and the department of environmental management pursuant to chapters 12—14 and
2 chapter 16 of this title.

3 **46-15-10. Public nuisances -- Abatement.**

4 (a) ~~Any violation of any provision of this chapter, any rule or regulation promulgated~~
5 ~~pursuant to this chapter, or any term or condition of any permit, shall constitute a public nuisance.~~
6 ~~Any person, municipality, municipal water department or agency, special water district, or private~~
7 ~~water company, committing a violation shall be liable for the costs of abatement of any pollution~~
8 ~~and any public nuisance caused by the violation. The superior court is hereby given jurisdiction~~
9 ~~over actions to recover the costs of the abatement.~~

10 (b) ~~Any activity or condition declared by this chapter to be a nuisance or which is otherwise~~
11 ~~in violation of this chapter, shall be abatable in the manner provided by law or equity for the~~
12 ~~abatement of public nuisances. In addition, the water resources board may proceed in equity to~~
13 ~~abate nuisances or to restrain or prevent any violation of this chapter.~~

14 **46-15-11. Penalties and remedies.**

15 (a) ~~It shall be the duty of any person to comply with any order issued pursuant to this~~
16 ~~chapter. If the person fails to comply with the order within such time, if any, as may be specified,~~
17 ~~the order may be enforced by the superior court, upon application made by the water resources~~
18 ~~board.~~

19 (b) ~~Any person who willfully or negligently violates any provision of this chapter, or any~~
20 ~~rule or regulation or other order promulgated by the water resources board, or any condition of any~~
21 ~~permit issued pursuant to the chapter, is guilty of a misdemeanor and, upon conviction, shall be~~
22 ~~subject to a fine of not more than five hundred (\$500) dollars for each separate offense or to~~
23 ~~imprisonment for a period of not more than one year, or both.~~

24 (c) ~~In addition to proceeding under any other remedy available at law or in equity for a~~
25 ~~violation of any provision of this chapter, any rule or regulation pursuant to this chapter, or any~~
26 ~~term or condition of any permit issued pursuant to this chapter, the water resources board may~~
27 ~~assess a civil penalty upon a person for the violation. The penalty may be assessed whether or not~~
28 ~~the violation was willful or negligent. When the water resources board assesses a civil penalty, it~~
29 ~~shall inform the person of the amount of the penalty. The person charged with the penalty shall~~
30 ~~then have thirty (30) days to pay the penalty in full or, if the person wishes to contest either the~~
31 ~~amount of the penalty or the fact of the violation, the person shall, within the thirty (30) day period,~~
32 ~~file an appeal of the action with the water resources board. Failure to appeal within thirty (30) days~~
33 ~~shall result in a waiver of all legal rights to contest the violation or the amount of the penalty. The~~
34 ~~maximum civil penalty which may be assessed pursuant to this section is five thousand dollars~~

1 ~~(\$5,000) per day for each violation. Each violation for each separate day and each violation of any~~
2 ~~provision of this chapter, any rule or regulation under this chapter, any order of the water resources~~
3 ~~board, or any term or condition of a permit shall constitute a separate and distinct offense under~~
4 ~~this section.~~

5 ~~(d) The penalties and remedies prescribed shall be deemed concurrent, and the existence~~
6 ~~of or exercise of any remedy shall not prevent the water resources board from exercising any other~~
7 ~~remedy hereunder.~~

8 ~~(e) Violations on separate days shall constitute separate offenses for purposes of this~~
9 ~~chapter.~~

10 ~~**46-15-12. Cemeteries affecting water supply.**~~

11 ~~(a) In the event that any sites, lands, or other property acquired by the board pursuant to~~
12 ~~chapter 15.1 of this title, and/or in accordance with chapter 6 of title 37, as amended, for the purpose~~
13 ~~of constructing or maintaining a reservoir or other terraneous or subterraneous supply,~~
14 ~~transmission, or distribution of potable water, contain any burial ground, cemetery, historic~~
15 ~~cemetery, graves, or places of human burial, and if these places are to be flowed by water or are~~
16 ~~located so near to the reservoir or other water source as to be likely to pollute or reduce the quality~~
17 ~~or value of the waters as a potable water supply, the water resources board shall remove the remains~~
18 ~~found in the burial places.~~

19 ~~(b) The removal is to be under the direction of a qualified funeral director and with the~~
20 ~~approval of the next of kin of the deceased, and at the expense of the water resources board.~~
21 ~~However, notwithstanding the foregoing, the board shall only be liable for those expenses~~
22 ~~associated with removal of the remains and existing headstone, and transfer and reinterment of the~~
23 ~~remains within the state of Rhode Island. In the event that the next of kin desires to have the remains~~
24 ~~transported or reinterred outside of the boundaries of the state of Rhode Island, any and all expenses~~
25 ~~related to the transportation and reinterment outside of the state of Rhode Island shall be the~~
26 ~~responsibility of the next of kin.~~

27 ~~(c) No cadaver or remains shall be removed by the water resources board unless the water~~
28 ~~resources board shall give notice by certified mail to the nearest of kin known to the water resources~~
29 ~~board, and/or, in the case where no kin is known to the water resources board, by advertising in one~~
30 ~~or more daily newspapers having circulation within the town or city wherein the cemetery is~~
31 ~~located, at least once a week for three (3) successive weeks. The advertisement shall set forth the~~
32 ~~names of the deceased and the date of death, if the information is known or otherwise reasonably~~
33 ~~discernible from available records, as well as, the present location of the cemetery or burial site.~~

34 ~~(d) In the event that no kin is known or that the nearest of kin shall neglect or refuse to~~

1 ~~approve the removal and reinterment, the water resources board shall cause the cadavers or remains~~
2 ~~to be removed, transferred, and interred in such other cemetery in accordance with the laws, rules,~~
3 ~~and regulations of the religious denomination, if any shall be known or ascertained, to which the~~
4 ~~deceased subscribed. The water resources board may, at its option, furnish a place or places for~~
5 ~~these burials, and may establish a general burial ground or grounds therefor, and may acquire by~~
6 ~~purchase or condemnation any lands needed therefor. No general burial ground or grounds shall be~~
7 ~~established in any town without the prior approval of the town council of the town of the location~~
8 ~~or locations thereof.~~

9 **46-15-13. Water supply planning.**

10 ~~The division of planning shall study and evaluate the needs of the state for current and~~
11 ~~future water supply and shall have the following powers:~~

12 ~~(1) To formulate and maintain a long range guide plan and implementing program for~~
13 ~~development of major water resources and transmission systems needed to furnish water to regional~~
14 ~~or local public water systems as part of the state guide plan adopted pursuant to § 42-11-10.~~

15 ~~(2) To provide for cooperative development, conservation, and use of water resources by~~
16 ~~the state, municipal agencies or departments, water resources board, and public water systems,~~
17 ~~including special water districts and privately owned public water systems, the division of planning~~
18 ~~may:~~

19 ~~(i) Divide the state into areas for the purpose of providing water supply facilities;~~

20 ~~(ii) Designate municipal water departments or agencies, special districts, or privately~~
21 ~~owned public water systems to perform area wide water supply operations within each area.~~

22 ~~(3) To review all plans and proposals for construction or installation of facilities for water~~
23 ~~supply for conformance with the state guide plan in accordance with § 46-15-2 and report its~~
24 ~~findings to the water resources board.~~

25 **46-15-14. Emergencies and imminent hazards.**

26 ~~The division of planning, subject to the approval of the governor, shall promulgate an~~
27 ~~adequate plan for the provision of safe drinking water for the inhabitants of the state when a water~~
28 ~~emergency has been declared by the governor. A water emergency shall include floods or situations~~
29 ~~in which water supplies are insufficient to meet the needs of the inhabitants of the state either~~
30 ~~through a water shortage or contamination of water supplies. In a water emergency, the governor~~
31 ~~may take such actions and issue such orders as may be necessary to implement the plan, including~~
32 ~~the imposition of conservation measures and the allocation of water supplies. The actions and~~
33 ~~orders may be directed to state agencies, municipalities, or entities engaged in the sale of water to~~
34 ~~the public. Notwithstanding the foregoing, the responsibility for setting rates for the purchase and~~

1 ~~sale of water shall not be affected by this section.~~

2 ~~**46-15-15. Consultants.**~~

3 ~~The water resources board is authorized to employ such technical consultants as may be~~
4 ~~required by the board for the proper performance of its powers and duties within the limit of funds~~
5 ~~provided therefor.~~

6 ~~**46-15-16. Examination of books, records, and accounts.**~~

7 ~~For the purpose of ascertaining material information relevant to the function of the powers~~
8 ~~and duties of the water resources board, the water resources board may freely examine at any time~~
9 ~~the books, records, and accounts of any municipal water department, special water district, or~~
10 ~~private water company.~~

11 ~~**46-15-17. Filing reports.**~~

12 ~~The water resources board, on behalf of the board, may require any municipal water~~
13 ~~department, special water district, or private water company at a designated time or times, to file~~
14 ~~with its statements and reports, in such form as it may prescribe, covering any data or information~~
15 ~~which it deems necessary or proper to enable it to carry into effect the applicable provisions of this~~
16 ~~chapter.~~

17 ~~**46-15-18. Relations with other governmental bodies and agencies.**~~

18 ~~In order to adequately protect the interests of the state in its water resources, the water~~
19 ~~resources board is hereby authorized to:~~

20 ~~(1) Cooperate with the appropriate agencies of the federal government, of the state or other~~
21 ~~states, or any interstate bureau, group, division, or agency with respect to the use of ground and~~
22 ~~surface waters, which are without or wholly or partially contained within this state, and to endeavor~~
23 ~~to harmonize any conflicting claims which may arise therefrom.~~

24 ~~(2) Appear, represent, and act for the state in respect to any proceeding before either a~~
25 ~~federal or state governmental body or agency where the water resources of the state may be~~
26 ~~affected, and may do and perform such acts in connection therewith as it deems proper to protect~~
27 ~~the interests of the state.~~

28 ~~(3) Present for the consideration of the congress or officers of the federal government, as~~
29 ~~occasion requires, the just rights of the state in relation to its waters, and institute and prosecute~~
30 ~~appropriate actions and proceedings to secure those rights, and defend any action or proceeding~~
31 ~~calculated to impair those rights.~~

32 ~~(4) Facilitate, encourage and support water resources management on a watershed basis, in~~
33 ~~a manner that supports systems level planning.~~

34 ~~**46-15-19. Construction of references.**~~

1 ~~Whenever in any general or public law the words, "water resources coordinating board" or~~
2 ~~"the director of the department of the environment" shall appear, the same shall be deemed to refer~~
3 ~~to and to mean the "water resources board".~~

4 **46-15-20. Exemption from taxation.**

5 ~~The exercise of the powers granted by this chapter will be in all respects for the benefit of~~
6 ~~the people of the state, for the increase of their commerce, welfare, and prosperity, and for the~~
7 ~~improvement of their health and living conditions, and will constitute the performance of an~~
8 ~~essential government function, and neither the water resources board nor any municipal water~~
9 ~~agency, or department, or special water district to whom the water resources board has leased any~~
10 ~~of its properties or other facilities, shall or may be required to pay taxes or assessments upon or in~~
11 ~~respect of those properties or facilities acquired, leased, or used by the water resources board under~~
12 ~~the provisions of this chapter, or upon any improvements constructed on property owned by the~~
13 ~~board by any municipal water agency, or department, or special water district, or upon the income~~
14 ~~therefrom; provided, however, the general assembly may direct payments in lieu of taxes to be paid~~
15 ~~to a city or town in which those properties or facilities are located.~~

16 **46-15-21. Reporting requirements.**

17 ~~(a) Within ninety (90) days after the end of each fiscal year, the board shall approve and~~
18 ~~submit an annual report to the governor, the speaker of the house of representatives, and the~~
19 ~~president of the senate and the secretary of state of its activities during that fiscal year. The report~~
20 ~~shall provide:~~

21 ~~(i) A summary of the board's meetings including when the board and its committees met,~~
22 ~~subjects addressed, decisions rendered and meeting minutes; a summary of the board's actions~~
23 ~~including a listing of the proposals and plans for public water supply systems received; hearings~~
24 ~~held, findings, assessments, recommendations, and decisions rendered concerning proposed~~
25 ~~projects for public water supply systems; water supply studies conducted; consents issued for~~
26 ~~transport of water to another state; decisions rendered requiring or authorizing a water supplier to~~
27 ~~provide water to other water supply systems; rules and regulations promulgated; violations and~~
28 ~~penalties assessed; actions taken to abate nuisances or restrain or prevent violations, and any actions~~
29 ~~taken to investigate the activities of municipal water departments, special water districts or private~~
30 ~~water companies; a synopsis of the hearings, complaints, suspensions, or other legal matters related~~
31 ~~to the authority of the board; a summary of any training courses held pursuant to subdivision 46-~~
32 ~~15.1-5.2(2); a consolidated financial statement of all funds received and expended by the board~~
33 ~~including the source of the funds; a listing of the staff and/or consultants employed by the board;~~
34 ~~and a listing of findings and recommendation derived from board activities.~~

1 ~~(ii) The report shall be posted electronically as prescribed in § 42-20-8.2. The director of~~
2 ~~the department of administration shall be responsible for the enforcement of the provisions of this~~
3 ~~subsection.~~

4 ~~(b) Forthwith upon passage of this act, and within ninety (90) days of the end of the fiscal~~
5 ~~year 2006, the board shall submit to the governor, the speaker of the house of representatives, and~~
6 ~~the president of the senate an annual work plan for the upcoming fiscal year. Said annual work plan~~
7 ~~shall list the tasks the board plans on working on over the course of the upcoming fiscal year~~
8 ~~including a description of how the elements are consistent with and supportive of the systems level~~
9 ~~plan developed and implemented by the Rhode Island Bays, Rivers, and Watersheds Coordination~~
10 ~~Team, as prescribed in § 46-31-5.~~

11 ~~(c) Within ninety (90) days of the end of the fiscal year 2006, and within ninety (90) days~~
12 ~~after the end of each fiscal year thereafter, the board shall submit to the governor, the speaker of~~
13 ~~the house of representatives, the president of the senate and the secretary of state an annual~~
14 ~~performance report for that fiscal year. Said report shall describe and evaluate the successes and~~
15 ~~shortcomings of the implementation of the annual work plan pertaining to that fiscal year, and shall~~
16 ~~include a summary of progress made in the following areas: formulation and maintenance of a long~~
17 ~~range guide plan and implementing program for the development of major water resources and~~
18 ~~transmission systems, as prescribed in § 46-15-13; promulgation of an emergency plan for water~~
19 ~~supplies in the event of a water emergency declaration by the governor, as prescribed in § 46-15-~~
20 ~~14; and actions undertaken for the cooperative development, conservation, and use of state water~~
21 ~~resources, as prescribed in § 46-15-13. The report shall be posted electronically as prescribed in §~~
22 ~~42-20-8.2. The director of the department of administration shall be responsible for the enforcement~~
23 ~~of the provisions of this subsection.~~

24 ~~**46-15-22. Transfer of powers and functions to the water resources board.**~~

25 ~~There are hereby transferred to the water resources board:~~

26 ~~(1) Those functions of the department of administration which were administered through~~
27 ~~or with respect to board programs in the performance of strategic planning as defined in § 42-11-~~
28 ~~10(e);~~

29 ~~(2) All officers, employees, agencies, advisory councils, committees, commissions, and~~
30 ~~task forces who were performing strategic planning functions as defined in § 42-11-10(e); and~~

31 ~~(3) Those duties and functions of the statewide planning program for support to the Rhode~~
32 ~~Island rivers council.~~

33 ~~**46-15-23. Coastal resources management council.**~~

34 ~~Nothing contained in this chapter shall abrogate or affect the powers and duties of the~~

1 ~~coastal resources management council under chapter 23 of this title.~~

2 SECTION 2. Chapter 46-15.1 of the General Laws entitled "Water Supply Facilities" is
3 hereby repealed in its entirety.

4 CHAPTER 46-15.1

5 Water Supply Facilities

6 ~~**46-15.1-1. Legislative declaration -- Water resources board (corporate) -- Applicable**~~
7 ~~**sections.**~~

8 ~~The findings and declarations made by § 46-15-1 are hereby made applicable to this~~
9 ~~chapter.~~

10 ~~The water resources board (corporate) under this chapter constitutes a body politic and~~
11 ~~corporate and a public instrumentality of the state having a distinct legal existence from the state~~
12 ~~and not constituting a department of state government.~~

13 ~~The following sections also apply to the water resources board, the state agency: §§ 46-~~
14 ~~15.1-2(a), 46-15.1-2.2, 46-15.2-3, 46-15.1-2.4, 46-15.1-4.1, 46-15.1-5(15) -- (25), 46-15.1-20 and~~
15 ~~46-15.1-21.~~

16 ~~**46-15.1-1.1. Repealed.**~~

17 ~~**46-15.1-2. Board created -- Appointment of members.**~~

18 (a) ~~There is hereby authorized, created and established a water resources board consisting~~
19 ~~of fifteen (15) members as follows:~~

20 (1) ~~Eleven (11) members shall represent the public and shall be appointed by the governor~~
21 ~~with the advice and consent of the senate as herein provided;~~

22 (i) ~~One of whom shall be a person who is actively engaged in the agricultural business,~~
23 ~~preferably an owner and/or operator of an agricultural business, with respect to which appointment~~
24 ~~the governor shall give due consideration to the recommendation of the Rhode Island Agricultural~~
25 ~~Council established pursuant to the provisions of chapter 3 of title 2;~~

26 (ii) ~~One of whom shall be a representative of a conservation organization, with respect to~~
27 ~~which appointment the governor shall give due consideration to the recommendation of the~~
28 ~~Environment Council of Rhode Island;~~

29 (iii) ~~One of whom shall be a professional with expertise in geology and/or hydrology;~~

30 (iv) ~~One of whom shall be a professional with expertise in engineering with relevance to~~
31 ~~water supply;~~

32 (v) ~~One of whom shall be a professional with expertise in financial planning and/or~~
33 ~~investment;~~

34 (vi) ~~One of whom shall be a professional with expertise in land and/or watershed~~

1 ~~management;~~

2 ~~(vii) One of whom shall be a representative of a public water system that withdraws more~~
3 ~~than one hundred thousand (100,000) gallons per day, primarily from a surface water supply;~~

4 ~~(viii) One of whom shall be a representative of a public water system that withdraws more~~
5 ~~than one hundred thousand (100,000) gallons per day, primarily from a ground water supply;~~

6 ~~(ix) One of whom shall be a representative of a water user that withdraws more than one~~
7 ~~hundred thousand (100,000) gallons per day; and~~

8 ~~(x) Two (2) of whom shall be members of the general public.~~

9 ~~(2) No person shall be eligible for appointment to the board unless he or she is a resident~~
10 ~~of this state. The remaining four (4) members are the director of environmental management, the~~
11 ~~director of the Rhode Island commerce corporation, the associate director of the division of~~
12 ~~planning within the department of administration, and the director of the department of health.~~

13 ~~(3) Members shall serve until their successors are appointed and qualified and shall be~~
14 ~~eligible to succeed themselves. In the month of February in each year, the governor, with the advice~~
15 ~~and consent of the senate, shall appoint successors to the public members of the board whose terms~~
16 ~~shall expire in such year, to hold office commencing on the day they are qualified and until the first~~
17 ~~day of March in the third year after their respective appointments and until their respective~~
18 ~~successors are appointed and qualified.~~

19 ~~(b) Those members of the board as of the effective date of this act shall continue to serve~~
20 ~~until their term expires or they resign, whether or not they meet the criteria set out in subsection~~
21 ~~(a);~~

22 ~~(c) Any vacancy which may occur in the board for a public member shall be filled by the~~
23 ~~governor, with the advice and consent of the senate, for the remainder of the unexpired term in the~~
24 ~~manner as prescribed in (a) of this subsection. Each ex officio member of the board may designate~~
25 ~~a subordinate within his or her department to represent him or her at all meetings of the board.~~

26 ~~(d) Members of the board shall be removable by the governor pursuant to § 36-1-7 of the~~
27 ~~general laws and for cause only, and removal solely for partisan or personal reasons unrelated to~~
28 ~~capacity or fitness for the office shall be unlawful.~~

29 ~~(e) The water resources board is designated to carry out the provisions of this chapter. In~~
30 ~~exercising its powers under this chapter, the board constitutes a body politic and corporate and a~~
31 ~~public instrumentality of the state having a distinct legal existence from the state and not~~
32 ~~constituting a department of the state government. The board may take action under this chapter at~~
33 ~~any meeting of the board. A member of the board who is affiliated with a public water system in~~
34 ~~Rhode Island, as provided in § 46-15-2, shall not thereby be disqualified from acting as a member~~

1 ~~of the board on a transaction under this chapter with a public water system. Upon the enactment of~~
2 ~~this chapter, and annually in the month of March thereafter, the board shall choose a treasurer to~~
3 ~~act as such under this chapter. The treasurer need not be a member of the board or of its staff and~~
4 ~~shall serve until his or her successor is chosen and takes office, unless sooner removed by the board~~
5 ~~with or without cause. In the event of a vacancy in the office of treasurer, the board shall fill the~~
6 ~~vacancy for the unexpired term.~~

7 ~~(f) Nothing contained herein shall be construed as terminating or discontinuing the~~
8 ~~existence of the water resources board as it exists prior to July 1, 1993, for purposes of chapters~~
9 ~~15.1, 15.2, and 15.3 of this title, and the water resources board created hereby shall be and shall be~~
10 ~~deemed to be a continuation of the water resources board as it existed prior to July 1, 1993, for the~~
11 ~~purposes enumerated in chapters 15.1, 15.2, and 15.3 of this title. Nothing contained herein shall~~
12 ~~affect the bonding or financing authority of the water resources board as it exists prior to July 1,~~
13 ~~1993, nor shall anything contained herein be construed as terminating, altering, discontinuing, or~~
14 ~~in any way impairing the bonding or financing power of the water resources board as it exists under~~
15 ~~chapters 15.1, 15.2, and 15.3 of this title prior to July 1, 1993.~~

16 **46-15.1-2.2. Qualifications of members.**

17 ~~(a) Each public member of the board, before entering upon his or her duties, shall take an~~
18 ~~oath to administer the duties of his or her office faithfully and impartially, and the oath shall be~~
19 ~~filed in the office of the secretary of state.~~

20 ~~(b) No member of the board shall be in the employ of, or own any stock in, or be in any~~
21 ~~way directly or indirectly financially interested in any private corporation or company engaged in~~
22 ~~the supply, storage, distribution, or sale of water. No member shall, either personally or through a~~
23 ~~partner or agent, render any professional service or make or perform any business contract with or~~
24 ~~for any such corporation or company; nor shall any member, directly or indirectly, receive a~~
25 ~~commission, bonus, discount, present, or reward from any such corporation or company; provided,~~
26 ~~however, that the limitation set forth herein shall not apply in the case of those public members~~
27 ~~affiliated with public water systems who receive directors' fees or other payments for their services~~
28 ~~with a public water system.~~

29 **46-15.1-2.3. Officers of the board -- Quorum and vote required for action.**

30 ~~Forthwith, and upon the enactment of this chapter, and annually in the month of March,~~
31 ~~thereafter, the board shall elect one of its public members as chairperson, one of its public members~~
32 ~~as vice chairperson, and shall also elect a secretary either from its membership or its technical staff.~~
33 ~~The board may elect from among its members such other officers as it deems necessary. Nine (9)~~
34 ~~voting members of the board constitutes a quorum. A majority vote of those present and voting~~

1 shall be required for action. No vacancy in the membership of the board shall impair the right of a
2 quorum to exercise all of the rights and perform all of the duties of the board.

3 **46-15.1-2.4. Compensation of members.**

4 (a) The members of the board shall serve without compensation.

5 (b) The members of the board may also be reimbursed for their actual expenses necessarily
6 incurred in the performance of their duties.

7 **46-15.1-3. Repealed.**

8 **46-15.1-4. Purposes.**

9 The purposes of the water resources board under this chapter shall be to carry out the
10 powers and duties of the board set forth in this chapter, including, without limitation, to establish
11 water supply facilities and lease those facilities to cities, towns, districts, and other municipal, quasi
12 municipal or private corporations or companies engaged in the water supply business in Rhode
13 Island, or contract for the use of the facilities by the parties, or sell to those parties the water derived
14 from, carried by, or processed in the facilities.

15 **46-15.1-4.1. "Water supply facilities" defined.**

16 The phrase "water supply facilities" wherever appearing in this chapter and chapter 15 of
17 this title means water reservoirs, wells and well sites, treatment, transmission or distribution
18 systems, stream gauging stations, any and all real estate or interests in real estate held in connection
19 with those, all equipment and improvements held in connection with those, and any and all other
20 property or interests in them, real, personal or mixed, used or held to be used in connection with
21 those.

22 **46-15.1-5. Powers.**

23 (a) The board shall carry out its functions and shall have the following powers:

24 (1) To adopt a seal and to alter the seal from time to time;

25 (2) To sue and be sued;

26 (3) To purchase, hold, and dispose of real and personal property, or interests therein, and
27 to lease the property as lessee or lessor;

28 (4) To make or cause to be made such surveys and borings as it may deem necessary;

29 (5) To engage engineering, legal, accounting, and other professional services;

30 (6) To make contracts;

31 (7) To employ personnel and fix their rates of compensation;

32 (8) To borrow money and issue its bonds and notes as hereinafter provided;

33 (9) To apply and contract for and to expend assistance from the United States or other
34 sources, whether in the form of a grant or loan or otherwise;

1 ~~(10) To adopt and amend bylaws for the regulation of its affairs and the conduct of its~~
2 ~~business;~~

3 ~~(11) To invest or deposit funds in demand deposits, savings deposits, and time deposits in~~
4 ~~any bank or trust company which is a member of the Federal Deposit Insurance Corporation or in~~
5 ~~any obligations issued or guaranteed by the United States or any agency or instrumentality thereof,~~
6 ~~or as provided in § 35-10-11;~~

7 ~~(12) To establish, operate, and maintain or lease to others, or contract with others for the~~
8 ~~use of, such water supply facilities as may be reasonably required for the fulfillment of its purposes;~~

9 ~~(13) To purchase and sell water;~~

10 ~~(14) To exercise such other powers as may be necessary or incidental to the exercise of the~~
11 ~~foregoing powers or to the accomplishment of the purposes of the board;~~

12 ~~(15) To acquire, within the limitation of funds therefor, the sites, appurtenant marginal~~
13 ~~lands, dams, waters, water rights, rights of way, easements, and other property in interests in~~
14 ~~property for reservoirs, groundwater wells, well sites, and for such pipe lines, aqueducts, pumping~~
15 ~~stations, filtration plants, and auxiliary structures as may be necessary or desirable for the treatment~~
16 ~~and distribution of water from those reservoirs, groundwater wells, and well sites. Lands acquired~~
17 ~~under the provisions of this section shall be acquired with the approval of the governor by purchase,~~
18 ~~gift, devise, or otherwise on such terms and conditions as the board shall determine, or by the~~
19 ~~exercise of eminent domain, in accordance with the provisions of chapter 6 of title 37, as amended,~~
20 ~~insofar as those provisions are consistent with the provisions hereof;~~

21 ~~(16) To construct or purchase water reservoirs, wells and well sites, processing facilities,~~
22 ~~transmission or distribution systems, and other facilities, including existing facilities of municipal~~
23 ~~water agencies or departments, special water districts, or private water companies, necessary to~~
24 ~~accomplish the purposes of this chapter and to implement its plans and program;~~

25 ~~(17) To acquire the assets, assume the liabilities, or to effect the merger into itself of any~~
26 ~~corporation or other organization, including public or private water supply systems incorporated or~~
27 ~~organized under the laws of this state, which corporation or organization has as its principal~~
28 ~~business the establishment of water supply facilities or provision of related services, all upon such~~
29 ~~terms and for such consideration as the board shall deem to be appropriate;~~

30 ~~(18) To lease, sell, or otherwise convey any reservoir sites or other water supply or~~
31 ~~distribution facilities acquired, constructed, or purchased by the board to any municipal water~~
32 ~~agency or department or special water district or private water company, upon such terms as the~~
33 ~~board shall deem appropriate;~~

34 ~~(19) To provide for cooperative development, conservation, and use of water resources by~~

1 ~~the state, municipal agencies or departments, special water districts or privately owned water~~
2 ~~systems, the board may:~~

3 ~~(i) Authorize publicly or privately owned water supply agencies to build structures or~~
4 ~~install equipment on land owned or leased by the board.~~

5 ~~(ii) Enter into contracts with publicly or privately owned water supply agencies for~~
6 ~~operation of any facilities owned or leased by the board or operate any such facility by itself.~~

7 ~~(20) To enter into contracts to supply raw or processed water to publicly or privately owned~~
8 ~~water supply agencies, which shall be approved as to substance by the director of administration~~
9 ~~and as to form by the attorney general;~~

10 ~~(21) To review all plans and proposals for construction or installation of facilities for water~~
11 ~~supply in accordance with the applicable sections of chapter 15 of this title;~~

12 ~~(22) To make loans to publicly owned water supply agencies for acquisition, construction,~~
13 ~~and renovation of water supply facilities from funds which may be appropriated for this purpose~~
14 ~~by the general assembly, from bonds issued for this purpose, or from other funds which may~~
15 ~~become available to the board for this purpose;~~

16 ~~(23) To borrow money temporarily from the water development fund, for the purposes of~~
17 ~~this chapter, and to implement its plans and programs relating to reservoir development, exclusive~~
18 ~~of the acquisition of sites for the development of surface reservoirs, in anticipation of revenue or~~
19 ~~federal aid;~~

20 ~~(24) To enter into contracts and/or agreements with such departments, divisions, agencies,~~
21 ~~or boards of the state as are directed by the governor to regulate, manage, or perform related~~
22 ~~functions on any lands or waters acquired under the provisions of the Big River — Wood River~~
23 ~~Reservoir Site Acquisition Act (P.L. of 1964, chapter 133); and~~

24 ~~(25) To compensate the departments, divisions, agencies, or boards from the water~~
25 ~~development fund in an amount equal to the cost of providing the functions or services as are~~
26 ~~directed to be performed by the governor. The compensation shall be mandatory and shall be~~
27 ~~provided according to procedures established by the department of administration.~~

28 ~~(b) The board as a body politic and corporate and public instrumentality created pursuant~~
29 ~~to this chapter is subject to § 46-15.1-5(1) — (25). The board as the state agency pursuant to chapter~~
30 ~~15 of this title is subject to § 46-15.1-5(15) — (25).~~

31 **46-15.1-5.1. Powers in support of the Rhode Island rivers council.**

32 Upon the request of the Rhode Island rivers council, the board may exercise any powers
33 set forth in § 46-15.1-5 on behalf of the Rhode Island rivers council in order to accomplish the
34 purposes of the council.

1 **46-15.1-5.2. Duties of the board.**

2 (a) ~~The board shall have the following additional duties:~~

3 ~~(1) Within ninety (90) days after the end of each fiscal year, the board (corporate) shall~~
4 ~~submit an annual report to the governor, the speaker of the house of representatives, the president~~
5 ~~of the senate, and the secretary of state of its activities during that fiscal year. The report shall~~
6 ~~provide:~~

7 ~~(i) A summary of the board's (corporate) meetings including when the board (corporate)~~
8 ~~met, subjects addressed, and decisions rendered; a summary of the board's (corporate) actions~~
9 ~~including a listing of entities for which water supply facilities were established, leased, contracted~~
10 ~~for the use of, or which received water sold from such facilities; bonds and notes issued; grants or~~
11 ~~loans applied or contracted for; funds invested or deposited; assets acquired; assets sold, leased, or~~
12 ~~conveyed to municipal water agencies, departments, special water districts, or private water~~
13 ~~companies; contracts entered into to supply raw or processed water; trust agreements entered into~~
14 ~~with corporate trustees; actions taken in support of the work of the Rhode Island Rivers Council; a~~
15 ~~synopsis of any law suits or other legal matters related to the authority of the board (corporate); a~~
16 ~~consolidated financial statement of all funds received and expended by the board (corporate)~~
17 ~~including the source of the funds; a listing of the staff and/or consultants employed by the board~~
18 ~~(corporate); a summary of performance during the previous fiscal year including accomplishments,~~
19 ~~shortcomings and remedies; and a listing of findings and recommendation derived from board~~
20 ~~(corporate) activities.~~

21 ~~(ii) The report shall be posted electronically on the general assembly and the secretary of~~
22 ~~state's website as prescribed in § 42-20-8.2. The director of the department of administration shall~~
23 ~~be responsible for the enforcement of the provisions of this section.~~

24 ~~(2) The board shall conduct a training course for newly appointed and qualified members~~
25 ~~and new designees of ex officio members within six (6) months of their qualification or~~
26 ~~designation. The course shall be developed by the general manager, approved by the board, and~~
27 ~~conducted by the general manager. The board may approve the use of any board or staff members~~
28 ~~or other individuals to assist with training. The training course shall include instruction in the~~
29 ~~following areas: the provisions of chapters 46-13, 46-14, 46-15, 46-15.1, 46-15.2, 46-15.3, 46-15.4,~~
30 ~~46-15.5, 46-15.6, 46-15.7, 42-46, 38-2 and 36-14; and the board's rules and regulations.~~

31 ~~(b) The director of the department of administration shall, within ninety (90) days of the~~
32 ~~effective date of this act [June 16, 2006], prepare and disseminate training materials relating to the~~
33 ~~provisions of chapters 42-46, 36-14 and 38-2.~~

34 **46-15.1-6. Purchase or lease from state.**

1 ~~The state properties committee is authorized on behalf of the state, from time to time, to~~
2 ~~sell and convey or lease to the board, for the purposes of this chapter, any property (which may~~
3 ~~include water sources or the right to take water) held by the state for water supply purposes, or any~~
4 ~~interest therein. Any such sale of property shall be for fair market value as determined by the board~~
5 ~~and the state properties committee. Any such lease shall be for a term not exceeding fifty (50) years~~
6 ~~and shall be for such fair rental value as may be set forth in the lease or determined in accordance~~
7 ~~with the lease.~~

8 ~~**46-15.1-7. Purchases from and leases, pledges and sales to others.**~~

9 ~~(a) Any city, town, district, or other municipal, quasi-municipal, or public or private~~
10 ~~corporation or company engaged in the water supply business in Rhode Island is authorized, from~~
11 ~~time to time, to sell or otherwise convey to the board any water supply facilities held by that entity,~~
12 ~~and to lease from the board with or without an option to purchase, or contract with the board for~~
13 ~~the use of any water supply facilities, or any interest therein, held by the board under this chapter,~~
14 ~~or to contract to purchase water to be supplied by the board under this chapter. Any city, town,~~
15 ~~district, or other municipal, quasi-municipal, or public or private corporation or company engaged~~
16 ~~in the water supply business in Rhode Island and constituting a "public utility" within the meaning~~
17 ~~of § 39-1-2(20) is further authorized to pledge to the board water fees and charges. The provisions~~
18 ~~of any other laws or ordinances, general, special, or local, or of any rule or regulation of the state~~
19 ~~or any municipality, or of any municipal charter provision, restricting or regulating in any manner~~
20 ~~the power of the state or any municipality to lease (as lessee or lessor) or sell or convey property,~~
21 ~~real, personal, or mixed, or to pledge water fees and charges shall not apply to leases and sales~~
22 ~~made with the board pursuant to this chapter.~~

23 ~~(b) Any city, town, district, or other municipal, quasi-municipal, or public or private~~
24 ~~corporation or company which so leases water facilities from the board, or so contracts with the~~
25 ~~board for the use thereof, is authorized, from time to time, to contract with any other public or~~
26 ~~private water system for the purchase or sale of water to be conveyed or processed through or in~~
27 ~~such facilities, and the latter is similarly authorized to enter into a contract with the former.~~

28 ~~(c) Any lease, pledge agreement or contract under this section shall be for a term not~~
29 ~~exceeding fifty (50) years. A lease, pledge agreement, or contract may be made by a city, town, or~~
30 ~~district hereunder, either prior or subsequent to the making of any appropriations which may be~~
31 ~~needed to carry out the obligations of the city, town, or district under the lease, pledge agreement,~~
32 ~~or contract. Any such lease, pledge agreement, or contract shall provide for cooperative~~
33 ~~undertakings between the city, town or district and the board regarding the construction or~~
34 ~~installation of facilities for water supply being financed.~~

1 ~~(1) Notwithstanding any contrary provisions of any other laws or ordinances, general,~~
2 ~~special or local, or of any rule or regulation of the state or any municipality, or any municipal~~
3 ~~charter provision, restricting in any manner the power of a municipality to incur debt, the~~
4 ~~obligations of any city, town, or district, under any lease, pledge agreement or contract shall not be~~
5 ~~considered indebtedness within the meaning of any limitation of indebtedness or of any provision~~
6 ~~relating to the manner of authorizing or incurring indebtedness.~~

7 ~~(2) Pledges or grants of security interests by a city, town or district hereunder shall be valid~~
8 ~~and binding from the time when the pledge or grant in security interest is made; the water fees and~~
9 ~~charges or other monies so pledged and then held or thereafter received by such city, town or district~~
10 ~~shall be immediately subject to the lien of the pledge without any physical delivery thereof, or~~
11 ~~further act; and the lien of any such pledge or grant of a security interest shall be valid and binding~~
12 ~~as against all parties having claims of any kind in tort, contract, or otherwise against such city, town~~
13 ~~or district, irrespective of whether the parties have notice thereof.~~

14 ~~(3) The agreement by which a pledge or grant of a security interest is created need not be~~
15 ~~filed or recorded except in the records of the board, and no filing need be made under the Uniform~~
16 ~~Commercial Code.~~

17 **46-15.1-8. Funds.**

18 ~~(a) Except as otherwise provided by the board, the funds of the board under this chapter~~
19 ~~shall be in the custody of the treasurer of the board. The fiscal year of the board under this chapter~~
20 ~~shall end on June 30 of each calendar year. All payments by the board under this chapter shall be~~
21 ~~made solely from the funds derived by the board from the exercise of its powers under this chapter.~~
22 ~~Payments to the state hereunder, in the nature of current expenses, shall be a first charge on the~~
23 ~~revenues of the project or projects to which the payments relate, and on such other funds as may be~~
24 ~~available hereunder to pay the current expenses of the project or projects. Payments to the state~~
25 ~~hereunder in the nature of capital costs shall be a first charge on the proceeds of bonds or notes~~
26 ~~issued by the board to finance the project or projects to which the payments relate, and on such~~
27 ~~other funds as may be available hereunder to pay the capital costs of the project or projects. A sale~~
28 ~~shall not be made by the state to the board under § 46-15.1-6 unless the necessary funds are~~
29 ~~available to pay the purchase price upon the conveyance.~~

30 ~~(b) The board may expend for any corporate purpose hereunder such sums as may be~~
31 ~~advanced to the board for the purpose by the state or by any city, town, district, or other municipal~~
32 ~~or quasi-municipal or public or private corporation or company engaged in the water supply~~
33 ~~business, and each of those entities (other than the state) is authorized to make advances to the~~
34 ~~board in connection with any project or proposed project in which it is interested. Each advance by~~

1 ~~the state shall be repaid as provided in the foregoing paragraph. Each advance by any other entity~~
2 ~~shall be repaid to the extent and subject to the terms specified in or otherwise agreed at the time of~~
3 ~~the advance.~~

4 ~~**46-15.1-9. Temporary borrowing.**~~

5 ~~The board may borrow money temporarily for the purposes of this chapter and chapter 15.3~~
6 ~~of this title in anticipation of revenue or federal aid or in anticipation of the issue of bonds, and~~
7 ~~issue notes therefor. Notes issued in anticipation of revenue may not mature or be refunded beyond~~
8 ~~one year from the date of their original issue, and notes issued in anticipation of federal aid or of~~
9 ~~the issue of bonds may not mature or be refunded beyond five (5) years from the date of their~~
10 ~~original issue. Notes shall be payable solely from such funds as are derived under this chapter or~~
11 ~~chapter 15.3 of this title and provided for payment under the applicable trust agreement or~~
12 ~~resolution described in § 46-15.1-11, and shall contain a statement to this effect on their face.~~

13 ~~**46-15.1-10. Bonds.**~~

14 ~~(a) The board may borrow money for capital purposes under this chapter and for the~~
15 ~~purposes of chapter 15.3 of this title and issue its bonds therefor. Those purposes may include all~~
16 ~~costs (whether incurred prior to or after the issue of bonds or notes hereunder) of purchase or lease~~
17 ~~of property, site development, construction, improvement, enlargement, reconstruction, alteration,~~
18 ~~equipment, furnishings, demolition, or removal of existing buildings or structures (including the~~
19 ~~cost of purchasing or leasing any lands to which those buildings or structures may be moved),~~
20 ~~financing charges, interest prior to and during the carrying out of any project, interest for up to one~~
21 ~~year after the completion or estimated completion date of any project, planning, engineering, and~~
22 ~~legal services, administrative expenses, the funding of notes issued by the board for those purposes,~~
23 ~~the refinancing of bonds or notes issued by any city, town, district or other municipal, quasi~~
24 ~~municipal, or public corporation for those purposes, the reserves for debt service or other capital or~~
25 ~~current expenses as may be required by a trust agreement or resolution securing notes or bonds,~~
26 ~~and all other expenses incidental to the determination of the feasibility of any project or to carrying~~
27 ~~out the project or to placing the project in operation.~~

28 ~~(b) Bonds shall be payable solely from such funds as are derived under this chapter or~~
29 ~~chapter 15.3 of this title including, without limiting the generality of the foregoing, revenues~~
30 ~~derived from pledges of water fees and charges from leasing any water supply facilities to any city,~~
31 ~~town, district, or other municipal, quasi-municipal or public or private corporation or company~~
32 ~~engaged in the water supply business in Rhode Island, or water quality protection charges imposed~~
33 ~~under chapter 15.3 of this title, or funds in the watershed protection fund established under chapter~~
34 ~~15.3 of this title and provided for payment under the applicable trust agreement or resolution~~

1 ~~described in § 46-15.1-11, and shall contain a statement to this effect on their face.~~

2 ~~(c) The bonds of each issue shall be dated, shall bear interest at such rate or rates, shall~~
3 ~~mature at such time or times not exceeding forty (40) years from their dates of issue, as may be~~
4 ~~determined by the board, and may be made redeemable before maturity at such price or prices and~~
5 ~~under such terms and conditions as may be fixed by the board prior to the issue of the bonds. The~~
6 ~~board shall determine the form of the bonds, including interest coupons to be attached thereto, and~~
7 ~~the manner of their execution, and shall fix the denomination or denominations of the bonds and~~
8 ~~the place or places of payment of the principal and interest, which may be at any bank or trust~~
9 ~~company within or without the state. The bonds shall bear the seal of the board or a facsimile~~
10 ~~thereof.~~

11 ~~(d) In case any officer whose signature or a facsimile of whose signature shall appear on~~
12 ~~any bonds, coupons, or notes issued by the board shall cease to be an officer before the delivery~~
13 ~~thereof, the signature or the facsimile shall nevertheless be valid and sufficient for all purposes the~~
14 ~~same as if the officer had remained in office until after the delivery.~~

15 ~~(e) The bonds may be issued in coupon or in registered form, or both, as the board may~~
16 ~~determine, the provision may be made for the registration of any coupon bonds as to principal alone~~
17 ~~and also as to both principal and interest, for the reconversion into coupon bonds of any bonds~~
18 ~~registered as to both principal and interest, and for the interchange of registered and coupon bonds.~~
19 ~~The board may sell its bonds and notes in such manner, either at public or private sale, and for such~~
20 ~~price, as it may determine will best effect the purposes of this chapter.~~

21 ~~(f) Prior to the preparation of definitive bonds, the board may issue interim receipts or~~
22 ~~temporary bonds, with or without coupons, exchangeable for definitive bonds when those bonds~~
23 ~~shall have been executed and are available for delivery. The board may also provide for the~~
24 ~~replacement of any bonds, notes, or coupons which shall become mutilated or shall be destroyed~~
25 ~~or lost.~~

26 ~~(g) Bonds and notes may be issued under this chapter without obtaining the consent of any~~
27 ~~other department, division, commission, board, bureau, or agency of the state, and without any~~
28 ~~other proceedings or the happening of any other conditions or things than those proceedings,~~
29 ~~conditions, or things which are specifically required by this chapter for the issue of those bonds or~~
30 ~~notes.~~

31 **46-15.1-11. Pledge of revenues and other funds.**

32 ~~(a)(1) In the discretion of the board, any bonds or notes issued by it may be secured by a~~
33 ~~trust agreement between the board and a corporate trustee, which may be any trust company or~~
34 ~~bank whose principal office is within or without the state. The trust agreement or the resolution~~

1 ~~providing for the issue of the bonds or notes may pledge or assign, in whole or in part, the revenues~~
2 ~~and other moneys held or to be received by the board under this chapter or chapter 15.3 of this title,~~
3 ~~and may convey, mortgage, or grant or assign a security interest in any water supply facilities~~
4 ~~pledge agreement or lease thereof in connection with which those bonds shall have been authorized.~~

5 ~~(2) The trust agreement or resolution may contain such provisions for protecting and~~
6 ~~enforcing the rights and remedies of the bondholders or noteholders as may be reasonable and~~
7 ~~proper and not in violation of law, including provisions defining defaults and providing for~~
8 ~~remedies in the event thereof (which may include the acceleration of maturities), and covenants~~
9 ~~setting forth the duties of, and limitations on, the board in acting under this chapter in relation to~~
10 ~~the purchase or leasing of property, construction, improvement, enlargement, alteration, equipping,~~
11 ~~furnishing, maintenance, operation, repair, insurance, and disposition of property, the custody,~~
12 ~~safeguarding, investment, and application of monies, the issue of additional bonds or notes, the~~
13 ~~fixing, revision, and collection of rates and rents, the use of any surplus bond or note proceeds, the~~
14 ~~establishment of reserves, and the making and amending of leases, pledge agreements and~~
15 ~~contracts.~~

16 ~~(3) The board is authorized to fix, revise, and collect rates and rents for water furnished by~~
17 ~~it or facilities leased by it to others. The rates and rents shall not be subject to supervision or~~
18 ~~regulation by any other commission, board, bureau, or agency of the state or of any municipality~~
19 ~~or other political subdivision of the state, but the rates and rents shall be subject to the terms of any~~
20 ~~applicable contracts and leases.~~

21 ~~(b)(1) It shall be lawful for any bank or trust company to act as a depository or trustee of~~
22 ~~the proceeds of bonds or notes or of revenues or other moneys under any such trust agreement or~~
23 ~~resolution, and to furnish such indemnifying bonds or to pledge such securities as may be required~~
24 ~~by the board. The trust agreement or resolution may set forth the rights and remedies of the~~
25 ~~bondholders or noteholders and of the trustee, and may restrict the individual right of action by~~
26 ~~bondholders or noteholders. In addition to the foregoing, the trust agreement or resolution may~~
27 ~~contain such other provisions as the board may deem reasonable and proper for the security of the~~
28 ~~bondholders or noteholders.~~

29 ~~(2) All expenses incurred in carrying out the provisions of the trust agreement or resolution~~
30 ~~may be treated as part of the board's cost of operation and maintenance under this chapter.~~

31 ~~(3) The pledge or mortgage or grant of a security interest by the trust agreement or~~
32 ~~resolution shall be valid and binding from the time when the pledge or mortgage or grant of a~~
33 ~~security interest is made; the revenues or other moneys so pledged and then held or thereafter~~
34 ~~received by the board shall immediately be subject to the lien of the pledge without any physical~~

1 ~~delivery thereof or further act; and the lien of any such pledge or mortgage or grant of a security~~
2 ~~interest shall be valid and binding as against all parties having claims of any kind in tort, contract,~~
3 ~~or otherwise against the board, irrespective of whether the parties have notice thereof.~~

4 ~~(4) Neither the resolution nor any trust agreement by which a pledge or mortgage or grant~~
5 ~~of a security interest is created need be filed or recorded except in the records of the board, and no~~
6 ~~filing need be made under the Uniform Commercial Code.~~

7 **46-15.1-12. Trust funds.**

8 ~~All money received by the board under this chapter, whether as proceeds from the sale of~~
9 ~~bonds or notes or as revenues or otherwise, shall be deemed to be trust funds to be held and applied~~
10 ~~solely as provided in this chapter.~~

11 **46-15.1-13. Remedies.**

12 ~~Any holder of bonds or notes issued under this chapter or of any of the coupons~~
13 ~~appertaining thereto, and the trustee under a trust agreement or resolution securing the same, except~~
14 ~~to the extent the rights herein given may be restricted by the trust agreement or resolution, may~~
15 ~~bring suit upon the bonds, notes, or coupons and may, either at law or in equity, by suit, action,~~
16 ~~mandamus, or other proceedings, protect and enforce any and all rights under the laws of the state~~
17 ~~or granted hereunder or under the trust agreement or resolution, and may enforce and compel the~~
18 ~~performance of all duties required by this chapter or by the trust agreement or resolution to be~~
19 ~~performed by the board or by any officer thereof, including the fixing, revising, and collecting of~~
20 ~~rates and rents. The court may appoint a receiver in any such proceedings.~~

21 **46-15.1-14. Exemption from taxation.**

22 ~~(a) The exercise of the powers granted by this chapter shall be in all respects for the benefit~~
23 ~~of the people of the state, and for the improvement of their health and living conditions, and the~~
24 ~~purchase, lease, operation, and maintenance of projects by the board under this chapter will~~
25 ~~constitute the performance of essential governmental functions. The board shall not be required to~~
26 ~~pay any taxes or assessments upon any property acquired or used by the board hereunder or upon~~
27 ~~its income, existence, or franchise hereunder, and the bonds and notes issued by the board hereunder~~
28 ~~and the interest thereon shall be exempt from taxation in the state. Sales to the board hereunder~~
29 ~~shall not be subject to any sales or similar tax, and the use of property by the board hereunder shall~~
30 ~~not be subject to any use or similar tax. The lease of property of the board to others hereunder for~~
31 ~~water supply purposes, contracts for the use by others, and the use thereof by the lessees or others~~
32 ~~contracting with the board, shall not be subject to any sales, use, or similar tax, and the lessees or~~
33 ~~other users under the contracts shall not be required to pay any property taxes or assessments on~~
34 ~~the property except as provided below.~~

1 ~~(b) Except as to property leased to others, the board shall pay annually from its revenues~~
2 ~~hereunder, after first providing for debt service and other expenses and reserve requirements~~
3 ~~required by an applicable trust agreement or bond or note resolution to be met from current~~
4 ~~revenues, to each city, town, or district, a sum of money, in lieu of property taxes on its property~~
5 ~~hereunder, equal to any property tax levied on the property by the city, town, or district during the~~
6 ~~year next preceding the acquisition of the property by the board. As to property leased to others,~~
7 ~~the lessee shall pay such amount, except to the extent that provision is made in the lease for payment~~
8 ~~by the board, under the terms set forth in the foregoing sentence.~~

9 **46-15.1-15. Bonds and notes eligible for investment.**

10 ~~Bonds and notes issued by the board hereunder are hereby made securities in which all~~
11 ~~public officers and public bodies of the state and its political subdivisions, all insurance companies,~~
12 ~~banks, trust companies, banking associations, investment companies, savings institutions,~~
13 ~~executors, administrators, trustees, and other fiduciaries may properly and legally invest funds,~~
14 ~~including capital in their control or belonging to them. The bonds and notes are hereby made~~
15 ~~securities which may properly and legally be deposited with and received by any state or municipal~~
16 ~~officer or any agency or political subdivision of the state for any purpose for which the deposit of~~
17 ~~bonds or obligations is now or may hereafter be authorized by law.~~

18 **46-15.1-16. Negotiable instruments.**

19 ~~Notwithstanding any of the foregoing provisions of this chapter or any recitals in any bonds~~
20 ~~and notes issued by the board hereunder, all the bonds and notes shall be deemed to be negotiable~~
21 ~~instruments under the laws of the state and investment securities under the Uniform Commercial~~
22 ~~Code.~~

23 **46-15.1-17. Refunding bonds.**

24 ~~(a) The board may issue refunding bonds for the purpose of paying any of its bonds issued~~
25 ~~hereunder at maturity or upon acceleration or redemption. The refunding bonds may be issued in~~
26 ~~sufficient amounts to pay or provide the principal of the bonds being refunded, together with any~~
27 ~~redemption premium thereon, any interest accrued or to accrue to the date of payment of the bonds,~~
28 ~~the expenses of issue of the refunding bonds, the expenses of redeeming the bonds being refunded,~~
29 ~~and such reserves for debt service or other capital or current expenses from the proceeds of the~~
30 ~~refunding bonds as may be required by a trust agreement or resolution securing bonds or notes. The~~
31 ~~refunding bonds may be issued at such time or times simultaneous with or prior to the maturity,~~
32 ~~acceleration, or redemption date of the bonds being refunded as the board may determine to be in~~
33 ~~the public interest.~~

34 ~~(b) The proceeds of bonds or notes issued for the purpose of refunding outstanding bonds~~

1 ~~or notes may be applied, in the discretion of the board, to the purchase, retirement at maturity, or~~
2 ~~redemption of those outstanding bonds or notes either on their earliest or a subsequent redemption~~
3 ~~date, and may, pending that application, be placed in escrow. Any escrowed proceeds may be~~
4 ~~invested and reinvested in obligations of or guaranteed by the United States, or in certificates of~~
5 ~~deposit, time deposits, or repurchase agreements fully secured or guaranteed by the state or the~~
6 ~~United States, or an instrumentality of either, maturing at such time or times as shall be appropriate~~
7 ~~to assure the prompt payment, as to principal, interest and redemption premium, if any, of the~~
8 ~~outstanding bonds and notes to be so refunded. The interest, income, and profits, if any, earned or~~
9 ~~realized on any investment may also be applied to the payment of the outstanding bonds or notes~~
10 ~~to be so refunded. After the terms of the escrow have been fully satisfied and carried out, any~~
11 ~~balance of the proceeds and interest, income, and profits, if any, earned or realized on the~~
12 ~~investments thereof may be returned to the board for use by it in furtherance of its purposes.~~

13 ~~(e) The issue of refunding bonds, the maturities and other details thereof, the security~~
14 ~~therefor, the rights of the holders thereof, and the rights, duties, and obligations of the board in~~
15 ~~respect of the same shall be governed by the provisions of this chapter relating to the issue of bonds,~~
16 ~~other than refunding bonds, insofar as the provisions may be applicable, but no bonds shall be~~
17 ~~refunded to a date more than forty (40) years from the date of their original issue.~~

18 **46-15.1-17.1. Dissolution.**

19 ~~If the board shall be dissolved all funds of the board not required for the payment of bonds~~
20 ~~shall be paid to the general treasurer for the use of the state, and all property belonging to the board~~
21 ~~shall be vested in the state and delivered to it.~~

22 **46-15.1-17.2. Inconsistent provisions.**

23 ~~Insofar as the provisions of this chapter are inconsistent with the provisions of any other~~
24 ~~law or ordinance, general, special or local, or of any municipal charter or of any rule or regulation~~
25 ~~of the state or any municipality, the provisions of this chapter shall be controlling.~~

26 **46-15.1-17.3. Limitation of powers.**

27 ~~The state does hereby pledge to and agree with the holders of any bonds issued by the board~~
28 ~~pursuant to this chapter that the state will not alter or limit the rights hereby vested in the board to~~
29 ~~fulfill the terms of any agreement made with or for the benefit of the holders of bonds, or in any~~
30 ~~way impair the rights and remedies of bondholders, until the bonds, together with the interest~~
31 ~~thereon, with interest on any unpaid installments of interest, and all costs and expenses in~~
32 ~~connection with any action or proceeding by or on behalf of the holders are fully met and~~
33 ~~discharged. The board is authorized to include this pledge and agreement of the state in any~~
34 ~~agreement with bondholders.~~

1 **46-15.1-18. Severability -- Constructions.**

2 ~~(a) If any provision of this chapter shall be held invalid in any circumstance, the invalidity~~
3 ~~shall not affect any other provisions or circumstances.~~

4 ~~(b) This chapter shall be construed in all respects so as to meet all constitutional~~
5 ~~requirements. In carrying out the purposes and provisions of this chapter, all steps shall be taken~~
6 ~~which are necessary to meet constitutional requirements whether or not those steps are required by~~
7 ~~statute.~~

8 ~~(c) This chapter shall be construed liberally in aid of its declared purposes. The powers~~
9 ~~granted hereby shall be in addition to, independent of, and not in substitution for any other powers~~
10 ~~granted by law.~~

11 **46-15.1-19. Surface reservoirs.**

12 ~~Notwithstanding the foregoing, no provision of this chapter, nor any language contained~~
13 ~~therein, shall allow or permit any funds, proceeds, revenues, or other sums of money derived by,~~
14 ~~through, or from the issuance of revenue bonds as authorized under this chapter, to be used for the~~
15 ~~design or construction of any surface reservoirs, without the approval of the general assembly, or~~
16 ~~to be used in connection with the acquisition of sites for the development of surface reservoirs~~
17 ~~through the exercise by the water resources board of the power of eminent domain as provided~~
18 ~~under § 46-15.1-5(15) and in accordance with the provisions of chapter 6 of title 37.~~

19 **46-15.1-19.1. Big River Reservoir -- Administration.**

20 ~~The Rhode Island water resources board, established pursuant to this chapter and chapter~~
21 ~~15 of this title, shall be the only designated agency which will administer those lands acquired for~~
22 ~~the Big River Reservoir as established under section 23 of chapter 133 of the Public Laws of 1964.~~
23 ~~The director of the department of environmental management and the director's authorized agents,~~
24 ~~employees, and designees shall, together with the water resources board in accordance with the Big~~
25 ~~River management area land use plan for the lands, protect the natural resources of the Big River~~
26 ~~Reservoir lands. The lands of the Big River Reservoir are subject to enforcement authority of the~~
27 ~~department of environmental management, as provided for in chapter 17.1 of title 42, and as~~
28 ~~provided for in title 20 of the General Laws.~~

29 **46-15.1-20. Water development account fund.**

30 ~~There is created a special fund called "water development fund", a general revenue fund~~
31 ~~within the general fund, which shall record any net proceeds which may be paid to the state as a~~
32 ~~result of the lease of any reservoir sites or other facilities as may be acquired or constructed by the~~
33 ~~state in accordance with the provisions of this chapter, or as otherwise authorized or permitted, or~~
34 ~~as a result of the sale of surplus property or any interest therein, including, without limiting the~~

1 ~~generality of the foregoing, the sale of excess gravel, timber, or other materials located on the~~
2 ~~reservoir sites or other facilities. Monies are to be deposited as general revenues. The amounts~~
3 ~~appropriated shall be made available for the purposes authorized by this chapter, and also hereby~~
4 ~~made available for borrowing from the board, in accordance with and pursuant to the provisions of~~
5 ~~this chapter exclusive of acquisition of reservoir sites, and the state controller is hereby authorized~~
6 ~~and directed to draw his or her orders upon the general treasurer for the payment or loan of such~~
7 ~~sums or such portions thereof as may be required, from time to time, upon receipt by him or her of~~
8 ~~properly authenticated vouchers.~~

9 **46-15.1-21. Annual report of water provider:**

10 ~~Each water providing and water supply company both public and private doing business in~~
11 ~~this state shall forward an annual report to the water resources board setting forth the status of any~~
12 ~~water supply within the company's jurisdiction and control, and progress made towards achieving~~
13 ~~the goals of the entity's water supply management plan as prescribed in §§ 46-15.3-5.1 and 46-~~
14 ~~15.3-7.~~

15 **46-15.1-22. Discontinuation of borrowing authority and abolishment of water**
16 **resources board (corporate):**

17 (a) ~~Notwithstanding any law to the contrary, including, but not limited to, § 46-15.1-10,~~
18 ~~upon the effective date of this section, the water resources board (corporate), established as a body~~
19 ~~politic and corporate and public instrumentality pursuant to this chapter, shall be prohibited from~~
20 ~~borrowing money or issuing bonds for any purpose.~~

21 (b) ~~The water resources board (corporate) shall continue to repay existing debt until all~~
22 ~~such debt is fully repaid. Upon the repayment by the water resources board (corporate) of all such~~
23 ~~existing obligations, the water resources board (corporate) shall be dissolved and all existing~~
24 ~~functions and duties of the water resources board (corporate) shall be transferred to the Rhode~~
25 ~~Island infrastructure bank, a body politic and corporate and public instrumentality of the state~~
26 ~~established pursuant to chapter 46-12.2.~~

27 SECTION 3. Chapter 46-15.2 of the General Laws entitled "Water Facilities Assistance
28 Program" is hereby repealed in its entirety.

29 ~~CHAPTER 46-15.2~~

30 ~~Water Facilities Assistance Program~~

31 **46-15.2-1. Short title:**

32 ~~This chapter shall be known as the "Rhode Island Water Facilities Assistance Program".~~

33 **46-15.2-2. Legislative findings:**

34 ~~The general assembly finds and declares that:~~

1 ~~(1) A number of Rhode Island municipalities periodically suffer water shortages severe~~
2 ~~enough to require usage curtailments as a result of droughts.~~

3 ~~(2) The limited water supply systems and sources of these municipalities, burdened by~~
4 ~~rising water usage caused by growth and development, will encounter increasing difficulties coping~~
5 ~~with short term climatologically caused shortages.~~

6 ~~(3) The quality of water supplies of a number of municipalities are threatened by~~
7 ~~development and by contamination.~~

8 ~~(4) Population growth, commercial and industrial development, and patterns of higher~~
9 ~~water consumption have forced some communities to abandon or supplement their inadequate or~~
10 ~~contaminated original sources of water, and to develop new supplies of water often located beyond~~
11 ~~their borders and outside their original service areas.~~

12 ~~(5) It has become evident that individual water systems serving the public often no longer~~
13 ~~have the financial resources to find and develop adequate new water supplies. The costs of~~
14 ~~constructing aqueducts, major transmission lines, and pumping stations to deliver water to~~
15 ~~communities from remote sources, and the difficulties in acquiring rights of way, overwhelm most~~
16 ~~communities and indicate the need for state involvement.~~

17 ~~(6) Water of high quality is a sufficiently abundant resource in Rhode Island that enough~~
18 ~~water can be made available to meet all the needs of each Rhode Islander through the foreseeable~~
19 ~~future provided that water can be conveyed to the communities and water systems in need from~~
20 ~~remote sources.~~

21 ~~(7) The water resources board was established in 1967 and charged with the responsibility~~
22 ~~of acquiring and developing new major water supplies for the people of Rhode Island. The Rhode~~
23 ~~Island water facilities assistance program enables the water resources board to assist public water~~
24 ~~systems in obtaining and delivering potable water to meet present and future needs throughout the~~
25 ~~state of Rhode Island.~~

26 ~~(8) The water resources board and other existing agencies of state government have~~
27 ~~adequate capability and authority to carry out this program without the creation of new agencies.~~

28 **46-15.2-3. Definitions.**

29 ~~As used in this chapter, the following words and terms shall have the following meanings~~
30 ~~unless the context shall indicate another or different meaning:~~

31 ~~(1) "Distribution facilities" means the pipes and appurtenant facilities employed~~
32 ~~specifically to deliver, to dispense, to render, or to circulate potable water directly for the benefit~~
33 ~~of a consumer or a community of consumers.~~

34 ~~(2) "Intersystem facilities" means transmission facilities designed and constructed by the~~

1 owner of any public water system having the capacity to serve two (2) or more water systems.

2 ~~(3) "Transmission facilities" means the pipes, pumping stations, and storage facilities~~
3 ~~required to carry potable water, or raw water to a treatment facility or storage facility for later~~
4 ~~treatment, from a water source to or throughout an area served or to be served by a public water~~
5 ~~system for the specific purpose of supplying water to support a general population. Transmission~~
6 ~~facilities shall not include the distribution system. Determinations concerning eligible transmission~~
7 ~~facilities for purposes of this program shall be made by the water resources board.~~

8 ~~**46-15.2-4. Water facilities assistance program established -- Eligibility.**~~

9 ~~(a) There is hereby established in the water resources board a Rhode Island water facilities~~
10 ~~assistance program. The board shall administer this program so as to ensure the proper and~~
11 ~~systematic development of coordinated water supply and transmission facilities and shall expend~~
12 ~~the funds available under this chapter in a manner that accomplishes this objective.~~

13 ~~(b) This program shall provide twenty five percent (25%) of the cost of approved water~~
14 ~~transmission facilities designed and constructed to serve a single water system, and shall provide~~
15 ~~fifty percent (50%) of the cost of approved intersystem facilities. Only the construction of water~~
16 ~~transmission and intersystem facilities and the acquisition of land or rights of way, together with~~
17 ~~necessary engineering and design, are eligible for assistance under this program. Costs of~~
18 ~~borrowing, amortization costs, legal, and all other costs attendant to the funding of water~~
19 ~~transmission and intersystem facilities are not eligible for financial assistance under this program~~
20 ~~and must be fully borne by the project applicant. The cost of distribution facilities as defined in this~~
21 ~~chapter are not eligible for financial assistance under this program. Determinations of project~~
22 ~~eligibility shall be made by the water resources board.~~

23 ~~(c) Only municipalities and quasi-municipal water agencies are eligible to apply for~~
24 ~~assistance under this program. Determinations of applicant eligibility shall be made by the water~~
25 ~~resources board.~~

26 ~~(d) Only projects reviewed and approved by the water resources board, the division of~~
27 ~~public utilities and carriers, and the state planning council may be funded. Each project supported~~
28 ~~by this program must be consistent with a plan adopted and kept current by the water resources~~
29 ~~board in accordance with § 46-15-6 and with applicable elements of the state guide plan, as adopted~~
30 ~~and kept current by the state planning council in accordance with § 42-11-10(c); provided, however,~~
31 ~~that with respect to any project which has been approved by the board and which thereafter becomes~~
32 ~~eligible to participate as an intersystem facilities project, the submission to, and approval by, the~~
33 ~~public utilities commission and statewide planning council shall not be required.~~

34 ~~(e) Each transmission facility supported by this program must link a water source with a~~

1 ~~water distribution system, both of which are complete and operational or will be so at the time that~~
2 ~~the transmission facility is completed or is projected for future construction. The capacity of both~~
3 ~~the water source and the distribution system must be adequate to meet present and future needs,~~
4 ~~considering all other demands that may be placed on the same sources and distribution systems.~~
5 ~~All determinations required under this subsection shall be made in a timely fashion by the water~~
6 ~~resources board.~~

7 ~~(f) The quality of water to be conveyed through the proposed transmission system must~~
8 ~~meet the Rhode Island department of health requirements for the most restrictive current or planned~~
9 ~~use. All reasonable measures to assure that this level of water quality will be maintained must have~~
10 ~~been taken.~~

11 ~~(g) The design and construction of an approved transmission facility must ensure that it~~
12 ~~will remain operational for its design life with routine maintenance, and that it will resist all external~~
13 ~~and internal forces that can be reasonably anticipated as determined by the water resources board.~~

14 ~~(h) The water resources board will ensure that maintenance of the transmission facility is~~
15 ~~performed in a manner that ensures that it will remain operational throughout its design life and is~~
16 ~~assured by a dedicated revenue such as a user fee or some other equally reliable means.~~

17 **46-15.2-5. Application to assistance program.**

18 ~~(a) Applicants shall submit projects proposed for assistance under this program to the water~~
19 ~~resources board, in the form and content prescribed by the board. The board shall coordinate the~~
20 ~~review and disposition of all applications by all agencies concerned in an expeditious manner. The~~
21 ~~board shall incorporate the information required by all agencies to conduct their review of proposals~~
22 ~~in its application documents.~~

23 ~~(b) Upon receipt of an application, the board shall determine whether the application is~~
24 ~~complete and contains all necessary information. Incomplete applications shall be returned to the~~
25 ~~applicants. Complete applications shall be formally acknowledged by the board.~~

26 ~~(c) The board shall forward a copy of each application accepted to the division of public~~
27 ~~utilities and carriers, to the state planning council, to the department of health and to the department~~
28 ~~of environmental management. Review of applications by these agencies shall be conducted~~
29 ~~concurrently.~~

30 ~~(d) The water resources board shall evaluate each application to determine whether all~~
31 ~~requirements of §§ 46-15-1 and 46-15-3 have been met, and shall further ensure that:~~

32 ~~(1) Design and engineering of the project are sound, as provided in § 46-15.2-4(g);~~

33 ~~(2) The applicant has adequately demonstrated that a need exists in its community for the~~
34 ~~water that would be provided by the project;~~

1 ~~(3) The project links a water source with a water distribution system, as set forth in § 46-~~
2 ~~15.2-4(e);~~

3 ~~(4) The distribution system owned or to be owned by the applicant has or will continue to~~
4 ~~have sufficient capacity to carry the projected volumes of water, as set forth in § 46-15.2-4(e);~~

5 ~~(5) The proposed water source is adequate to meet the applicant's needs and will have~~
6 ~~sufficient capacity to serve all future demands imposed by the applicant in combination with all~~
7 ~~other users, as set forth in § 46-15.2-4(e);~~

8 ~~(6) The quality of the water meets the standards established by the Rhode Island department~~
9 ~~of health water quality regulations for the purpose intended, as provided in § 46-15.2-4(f);~~

10 ~~(7) The project incorporates sound conservation techniques as provided in § 46-15.1-5; and~~

11 ~~(8) The project is properly related to all other water systems serving adjacent or nearby~~
12 ~~areas in terms of interconnections and mutual support.~~

13 ~~(e) The division of public utilities and carriers shall review the financing aspects of all~~
14 ~~projects, particularly with respect to costs that will be imposed on water users as a result of the~~
15 ~~project. The division shall perform an analysis of the proposed costs and benefits of the project and~~
16 ~~shall, on the basis of its findings, make a determination as to whether approval of the project is in~~
17 ~~the best interests of the water users. If the division determines the project is in the best interests of~~
18 ~~the water users, it shall approve the project. If the division determines that the project is not in the~~
19 ~~best interests of the water users, it shall disapprove the project. Since the division's review must be~~
20 ~~based on estimated costs and interest rates, the full financing costs will not be precisely known.~~
21 ~~The absence of specificity concerning the finance of costs must be considered by the division.~~

22 ~~(f) The state planning council shall review all proposed projects to determine whether they~~
23 ~~are consistent with all relevant elements of the state guide plan. Upon determination that a project~~
24 ~~is consistent with all relevant elements of the state guide plan, the state planning council shall render~~
25 ~~its approval. Upon a determination that the project is not consistent with all relevant elements of~~
26 ~~the state guide plan, the council shall disapprove the project. The state planning council will provide~~
27 ~~the policy framework necessary to guide this program through the state guide plan.~~

28 **46-15.2-6. Decision on application and financing.**

29 ~~(a) Except as provided in § 46-15.2-4(d) with respect to intersystem facilities, no project~~
30 ~~shall be approved by the water resources board unless the project has been approved by the division~~
31 ~~of public utilities and carriers, as set forth in § 46-15.2-5(e), by the state planning council, as set~~
32 ~~forth in § 46-15.2-5(f), and by the department of the environmental management. The water~~
33 ~~resources board shall approve the project based upon its finding of fact, as provided in § 46-15.2-~~
34 ~~5(d)(1) through (d)(8), and upon approval by the division of public utilities and carriers, the state~~

1 ~~planning council, and the department of the environmental management. A project disapproved by~~
2 ~~either the division of public utilities and carriers, the state planning council, the department of~~
3 ~~health or the department of environmental management shall not be approved by the water~~
4 ~~resources board.~~

5 ~~(b) The water resources board shall not approve a transmission facility project and~~
6 ~~intersystem facility project unless the applicant first adequately demonstrates that its seventy five~~
7 ~~percent (75%) share or fifty percent (50%) share, as the case may be, of the project cost is available~~
8 ~~and obligated to the project.~~

9 ~~(c) The water resources board shall not approve a project unless sufficient state funds to~~
10 ~~provide the state's share of the project cost are available.~~

11 ~~(d) The water resources board shall ensure that the state's share of a project cannot be used~~
12 ~~by or transferred to a private or investor owned water company.~~

13 ~~(e) Upon approval of a proposed project as set forth in § 46-15.2-5, the water resources~~
14 ~~board shall so notify the applicant and shall establish the amount of state participation in the project~~
15 ~~representing the appropriate state share of eligible costs as determined from the application. Costs~~
16 ~~incurred in excess of those set forth in the application shall not automatically increase the amount~~
17 ~~of state participation. However, the applicant may submit a subsequent proposal, in accordance~~
18 ~~with § 46-15.2-4 and 46-15.2-5, that requests state participation in those costs. If the project is~~
19 ~~completed at a cost below that set forth in the application, the amount of state participation shall be~~
20 ~~reduced proportionately.~~

21 ~~(f) The water resources board shall establish a schedule by which state funds shall be paid~~
22 ~~to the applicant that ensures that funds are disbursed only when required for the project.~~

23 ~~(g) The water resources board is empowered to issue rules and regulations to provide~~
24 ~~proper security for the state's grant in aid for each approved project.~~

25 ~~(h) The water resources board may condition the approval of any intersystem facilities~~
26 ~~project on the applicant agreeing that it will not charge any water system which uses such a facility~~
27 ~~an amount in excess of its costs for purchase, production, and transmission of water to the user, and~~
28 ~~an appropriate portion of its cost of repair, maintenance, and replacement of the facility based upon~~
29 ~~the capacity allocated to the user.~~

30 **46-15.2-7. Project execution.**

31 ~~The water resources board shall determine the priority and scheduling of all projects~~
32 ~~assisted by this program, and shall ensure that all construction is properly managed and successfully~~
33 ~~completed.~~

34 **46-15.2-8. Liberal construction.**

1 issued by the authority pursuant to this chapter in anticipation of receiving fees or state or federal
2 funds, all of which shall be issued under the name of and known as obligations of the Rhode Island
3 water authority.

4 (3) "Person" means and includes an individual, firm, partnership, association, and private
5 or municipal corporation and federal or state agencies.

6 (4) "Pollutant" has the same meaning as defined in § 46-12-1.

7 (5) "Pollution" has the same meaning as defined in § 46-12-1.

8 (6) "Revenue bonds and notes" means and includes the bonds, notes, securities, or other
9 obligations or evidences of indebtedness issued by the authority, all of which shall be issued under
10 the name of and known as obligations of the Rhode Island water authority and shall be secured by
11 the revenues provided therein.

12 (7) "Water supplier" means any person, including a municipal water department or agency,
13 public water system, special water district, or private water company engaged in the distribution of
14 water for potable purposes.

15 (8) "Water supply system" means, but is not limited to, a system which sells water
16 registered through a metering device or pumps over fifty million (50,000,000) gallons of water per
17 year.

18 **46-32-4. Establishment of authority -- Purpose.**

19 (a) There is hereby authorized, created, and established a public corporation of the state
20 having a distinct legal existence from the state and not constituting a department of state
21 government to be known as "the Rhode Island water authority", with such powers as are set forth
22 in this chapter, for the purposes of the administration and enforcement of the provisions of this
23 chapter.

24 (b) It is the intent of the general assembly, by the passage of this chapter, to vest in the
25 authority with all powers, authority, rights, privileges, and titles which may be necessary to enable
26 it to accomplish the purposes herein set forth, and this chapter and the powers herein granted shall
27 be liberally construed in conformity with those purposes.

28 (c) The authority and its corporate existence shall continue until terminated by law. Upon
29 termination of the existence of the authority, all its rights and properties shall pass to and be vested
30 in the state, and, in accordance with law, the governor may permit whatever rights and properties
31 he or she shall see fit to pass to municipalities located within the district, if the municipality or
32 municipalities accept the rights or properties.

33 **46-32-5. General powers.**

34 The authority shall have the following powers, together with all powers incidental thereto

- 1 or necessary for the performance of those stated in this chapter:
- 2 (1) To sue and be sued, complain and defend, in its corporate name.
- 3 (2) To have a seal which may be altered at pleasure and to use the seal by causing it, or a
4 facsimile thereof, to be impressed or affixed or in any other manner reproduced.
- 5 (3) To purchase, take, receive, lease, or otherwise acquire, own, hold, improve, use, and
6 otherwise deal in and with, real or personal property, or any interest therein, wherever situated.
- 7 (4) To make and execute agreements of lease, construction contracts, operation contracts,
8 and all other contracts and instruments necessary or convenient in the exercise of the powers and
9 functions of the authority granted by this chapter.
- 10 (5) To make guarantees and incur or assume liabilities as the authority may deem
11 appropriate.
- 12 (6) To invest and reinvest funds.
- 13 (7) To secure the cooperation and assistance of the United States, and any of its agencies,
14 and of agencies of this state and its municipalities in the work of the authority.
- 15 (8) To accept grants, donations, drafts, loans of funds, and contributions in money, services,
16 materials, or otherwise, from the United States or any of its agencies, from this state and its
17 agencies, or from any other source, and to use or expend those monies, services, materials, or other
18 contributions in carrying out the purposes of this chapter.
- 19 (9) To acquire or contract to acquire, from any person, the federal government or the state,
20 or any agency of either the federal government or state, by grant, purchase, lease, gift,
21 condemnation, or otherwise, or to obtain options for the acquisition of any property, real or
22 personal, improved or unimproved, and interests in land less than the fee thereof; and to own, hold,
23 clear, improve, develop, and rehabilitate, and to sell, assign, exchange, transfer, convey, lease,
24 mortgage, or otherwise dispose of or encumber the property for the purposes of carrying out the
25 provisions and intent of this chapter for such consideration as the authority shall determine.
- 26 (10) To elect or appoint officers and agents of the authority, and to define their duties and
27 fix their compensation, including authority to employ attorneys, accountants, architectural, and
28 engineering consultants, and such other employees or agents as the authority shall deem necessary
29 in its judgment.
- 30 (11) To make and alter bylaws, not inconsistent with this chapter, for the administration
31 and regulation of the affairs of the authority, and the bylaws may contain provisions indemnifying
32 any person who is or was a director or a member of the authority.
- 33 (12) To issue orders of general or specific applicability to carry out the purposes of this
34 chapter.

1 (13) To have and exercise all powers necessary or convenient to effect its purposes.

2 (14) To impose administrative penalties in accordance with the provisions of § 46-32-17.

3 (15) To secure certain payments on its revenue bonds and notes, in whole or in part, by
4 insurance or by letters or lines of credit or other credit facilities.

5 (16) To enter into agreements, contracts, and other arrangements with the state and any of
6 its departments, agencies, boards or commissions relating to the execution or performance of any
7 function or purpose of the authority, including, but not limited to, investments, employee
8 compensation and employee benefits, and the state and its departments, agencies, boards and
9 commissions are hereby authorized to enter into such agreements, contracts and other arrangements
10 with the authority, and upon the request of the authority shall enter into such agreements, contracts
11 and other arrangements with the authority.

12 **46-32-6. Composition of authority -- Appointment of members.**

13 (a) The authority shall consist of eleven (11) members appointed by the governor with the
14 advice and consent of the senate as herein provided:

15 (1) One of whom shall be a person who is actively engaged in the agricultural business,
16 preferably an owner and/or operator of an agricultural business, with respect to which appointment
17 the governor shall give due consideration to the recommendation of the Rhode Island Agricultural
18 Council established pursuant to the provisions of chapter 3 of title 2;

19 (2) One of whom shall be a representative of a conservation organization, with respect to
20 which appointment the governor shall give due consideration to the recommendation of the
21 Environment Council of Rhode Island;

22 (3) One of whom shall be a professional with expertise in geology and/or hydrology;

23 (4) One of whom shall be a professional with expertise in engineering with relevance to
24 water supply;

25 (5) One of whom shall be a professional with expertise in financial planning and/or
26 investment;

27 (6) One of whom shall be a professional with expertise in land and/or watershed
28 management;

29 (7) One of whom shall be a representative of a public water system that withdraws more
30 than one hundred thousand (100,000) gallons per day, primarily from a surface water supply;

31 (8) One of whom shall be a representative of a public water system that withdraws more
32 than one hundred thousand (100,000) gallons per day, primarily from a ground water supply;

33 (9) One of whom shall be a representative of a water user that withdraws more than one
34 hundred thousand (100,000) gallons per day; and

1 (10) Two (2) of whom shall be members of the general public.

2 (b)(1) No person shall be eligible for appointment to the board unless he or she is a resident
3 of this state.

4 (2) Each county in Rhode Island shall be represented on the board.

5 (3) Members shall serve until their successors are appointed and qualified and shall be
6 eligible to succeed themselves. In the month of February in each year, the governor, with the advice
7 and consent of the senate, shall appoint successors to the public members of the authority whose
8 terms shall expire in such year, to hold office commencing on the day they are qualified and until
9 the first day of March in the third year after their respective appointments and until their respective
10 successors are appointed and qualified.

11 (c) Those members of the authority as of the effective date of this chapter shall continue to
12 serve until their term expires or they resign, whether or not they meet the criteria set out in
13 subsection (a) of this section;

14 (d) Any vacancy which may occur in the authority for a public member shall be filled by
15 the governor, with the advice and consent of the senate, for the remainder of the unexpired term in
16 the manner as prescribed in subsection (a) of this section. Each ex officio member of the authority
17 may designate a subordinate within his or her department to represent him or her at all meetings of
18 the authority.

19 (e) Members of the authority shall be removable by the governor pursuant to § 36-1-7 and
20 for cause only, and removal solely for partisan or personal reasons unrelated to capacity or fitness
21 for the office shall be unlawful.

22 (f) The Rhode Island water authority is designated to carry out the provisions of this
23 chapter. In exercising its powers under this chapter, the authority constitutes a body politic and
24 corporate and a public instrumentality of the state having a distinct legal existence from the state
25 and not constituting a department of the state government. The authority may take action under this
26 chapter at any meeting of the authority. A member of the authority who is affiliated with a public
27 water system in Rhode Island, as provided in § 46-15-2, shall not thereby be disqualified from
28 acting as a member of the authority on a transaction under this chapter with a public water system.
29 Upon the enactment of this chapter, and annually in the month of March thereafter, the authority
30 shall choose a treasurer to act as such under this chapter. The treasurer need not be a member of
31 the authority or of its staff and shall serve until his or her successor is chosen and takes office,
32 unless sooner removed by the authority with or without cause. In the event of a vacancy in the
33 office of treasurer, the authority shall fill the vacancy for the unexpired term.

34 (g) Members of the authority shall be eligible for reappointment.

1 **46-32-7. Officers of the authority -- Quorum and vote required.**

2 Commencing September 13, 2020 and annually in the month of September thereafter, the
3 authority shall elect one of its members as chairperson, and one of its members as vice chairperson.
4 A simple majority of the members of the authority shall constitute a quorum. No vacancy in the
5 membership of the authority shall impair the right of a quorum to exercise all the rights and perform
6 all of the duties of the authority.

7 **46-32-8. Compensation -- Personnel.**

8 (a) The members of the authority shall not be compensated for attendance at any authority
9 board meeting, but shall be reimbursed for actual expenses incurred in carrying out their duties
10 under this chapter.

11 (b) Notwithstanding the provisions of any other law, no officer or employee of the state
12 shall be deemed to have forfeited or shall forfeit his or her office or employment by reason of his
13 or her acceptance of membership on the authority or his or her service thereto.

14 (c) The members of the authority shall employ an executive director who shall also be the
15 secretary and who shall administer, manage, and direct the affairs and business of the authority,
16 subject to the policies, control, and direction of the members of the authority. The executive director
17 shall not be a member of the authority. The members of the authority may employ technical experts
18 and other officers, agents, and attorneys and fix their qualifications, duties, and compensation.
19 Employees of the authority shall not, by reason of their employment, be employees of the state for
20 any purpose, any provision of the general laws to the contrary notwithstanding, including, without
21 limiting the generality of the foregoing, chapters 29, 39, and 42 of title 28 and chapters 4, 8, 9, and
22 10 of title 36. The employees are not entitled to the provisions of §§ 36-4-59, 36-5-7 and 36-5-8
23 while employed by the authority. The employees are only entitled to the provisions of these statutes
24 in the event that any such employee returns to employment in the classified service in a department
25 within the executive branch. The members of the authority may employ other employees,
26 permanent and temporary. The members of the authority may delegate to one or more of its agents
27 or employees any administrative duties that they may deem proper.

28 (d) The secretary shall keep a record of the proceedings of the authority and shall be
29 custodian of all books, documents, and papers filed with the authority and of its minute book and
30 seal. He or she shall have authority to cause to be made copies of all minutes and other records and
31 documents of the authority, and to give certificates under the seal of the authority to the effect that
32 the copies are true copies and all persons dealing with the authority may rely upon the certificates.

33 (e) The department of administration may furnish the authority with suitable offices and
34 telephone service in the state house, state office building, or some other convenient location, for

1 the transaction of its business.

2 (f) The members of the authority shall, at regular intervals, conduct business meetings for
3 the purpose of carrying out its general business. The meetings shall be subject to the provisions of
4 chapter 46 of title 42 entitled "open meetings".

5 **46-32-9. Approval of public water supply facilities.**

6 (a) No municipal water department or agency, public water system, including special water
7 districts or private water company, engaged in the distribution of water for potable purposes shall
8 have any power:

9 (1) To acquire or take a water supply or an additional water supply from an existing
10 approved source;

11 (2) To take or condemn lands for any new or additional sources of water supply or for the
12 utilization of supplies;

13 (3) To extend its supply or distribution mains into a municipality or special water district
14 wherein it has not heretofore legally supplied water;

15 (4) To construct any extension of its transmission mains;

16 (5) To extend the boundaries of a special water district; or

17 (6) To supply water in or for use in any other municipality or civil division of the state
18 which owns and operates a water supply system therein, or in any duly organized special water
19 district supplied with water by another municipal water department or agency, special water district,
20 or private water company, until the municipal water department or agency, special water district,
21 or private water company has first submitted the maps and plans therefor to the director of the
22 department of health, the state planning council and the authority, as hereinafter provided, and until
23 the authority, after receiving the recommendations of the director of the department of health and
24 the division of statewide planning, shall have approved the recommendations or approved the
25 recommendation with modifications as it may determine to be necessary; provided, however, this
26 subsection shall not apply to any area presently served by any municipal water department or
27 agency, or special water district.

28 (b) Approval shall not be necessary of any plan or work for the extension of supply or
29 distributing mains or pipes of a municipal water supply plant or special district or private water
30 company into and for the purpose of supplying water in any territory within the limits of the
31 municipality or special district or within the franchise area of the private water company, owning
32 the plant, including territory within the municipal special district or franchise limits which has not
33 been heretofore supplied with the water by the plant, nor for the reconstruction or replacement of
34 existing facilities in connection with an existing plant, wherein the capacity of the plant is in no

1 way increased, nor for the construction of filtration or other treatment facilities which will not in
2 any way increase the amount of water which can be made available from the present sources of
3 supply.

4 (c) The authority shall enforce the provisions of this section, and the superior court by
5 injunction may, upon application of the authority, prevent any action to be taken by any municipal
6 water agency or department, special district, or private water company without the approval of the
7 authority as required by this section.

8 **46-32-10. Procedure for approval of maps and plans.**

9 (a) Whenever the approval of any project as provided in this chapter is required, the
10 application shall be made by the petitioner in writing. The application shall be accompanied by
11 proof of adequate authorization for the project, and such exhibits as may be necessary clearly to
12 indicate the scope of the proposed project, including, but not limited to, a map of the lands to be
13 acquired, if any, and preliminary plans of the works proposed to be constructed. The application
14 shall also show, where applicable, the need for the particular source or sources of supply and the
15 reasons therefor, and shall also indicate the method of determining and providing for the payment
16 of the proper compensation for any and all legal damages to persons or property, whether direct or
17 indirect, which will result from the acquiring of the lands and the execution of the plans. The
18 petition shall also be accompanied by such proof as to the character and purity of the water supply
19 proposed to be acquired or used as the director of the department of health shall require and any
20 proposed method of treatment of the supply.

21 (b) The authority shall thereupon cause public notice to be given in a newspaper of general
22 circulation, at least seven (7) days prior, that on a day and at a place therein specified it will hold a
23 public hearing for the purpose of receiving evidence and hearing arguments from all persons and
24 organizations that may be affected by the proposed project, including the recommendations of the
25 director of the department of health and of the state planning council.

26 (c) The authority shall, upon the day specified in the notice, or upon such subsequent day
27 or days to which it may adjourn the hearing, proceed to examine the maps and plans and to hear
28 the proofs and arguments submitted in support of and in opposition to the proposed project. The
29 authority, after a hearing, shall determine whether the plans proposed are justified by public
30 necessity, whether they provide for the proper and safe construction of all work connected
31 therewith, whether they provide for the proper protection of the supply and the watershed from
32 contaminations or provide for the proper treatment of an additional supply, whether the plans are
33 just and equitable to the other municipalities affected thereby and to the inhabitants thereof,
34 particular consideration being given to their present and future necessities for sources of water

1 supply, and whether the plans make fair and equitable provisions for the determination and payment
2 of any and all legal damages to persons and property, both direct and indirect, which will result
3 from the execution of the plans or the acquiring of those lands.

4 (d) The authority shall within ninety (90) days after the close of the hearing, and after
5 consideration of the recommendations of the director of the department of health and of the state
6 planning council, make a final decision in writing, either approving the application, maps, and plans
7 as presented, or under such conditions or with such modifications in the application, maps, and
8 plans as may be determined to be necessary to provide satisfactory compliance by the applicant
9 with any and all of the subjects and matters required to be determined by the authority in this
10 subsection, or to bring into cooperation all persons, municipal water departments or agencies,
11 special water districts, or private water companies which may be affected by the project; or it may
12 reject the application entirely or permit another to be filed in lieu thereof, but it shall, however,
13 make a reasonable effort to meet the needs of the applicant, with due regard to the actual or
14 prospective needs, interests, and rights of others which may be affected by the proposed projects.

15 **46-32-11. Water supply to other states.**

16 (a) No municipal water departments or agencies, special water districts, or private water
17 companies shall transport or carry through pipes, conduits, ditches, or canals, the waters of any
18 fresh water lake, pond, brook, river, stream, or creek in this state or any well, subsurface, or
19 percolating waters of this state into any other state for use therein except where the consent in
20 writing of the authority has been obtained.

21 (b) A petition in writing for that consent must be filed with the authority accompanied by
22 such plans and documents as the authority may require. The provisions of § 46-32-10 shall, so far
23 as practicable, apply to all proceedings to be had subsequent to the filing of the petition as if the
24 petition were one filed pursuant to the provision of § 46-32-10.

25 (c) The authority shall enforce the provisions of this section, and the superior court, by
26 injunction, may, upon an application of the director, prevent any unauthorized diversion or
27 transportation.

28 (d) Nothing contained herein shall be construed to affect any contracts or other
29 arrangements in existence on June 30, 2020, wherein a municipal water department or agency,
30 special water district, or private water company is supplying to and/or purchasing water from any
31 agency or other entity in another state.

32 **46-32-12. Supply of water to other water supply systems.**

33 (a) On any application for a new or additional water supply or source of water supply, the
34 authority, after obtaining the recommendations of the directors of the department of health and the

1 division of planning, may require or authorize any applicant to make provisions for the supply and
2 to supply water to any area of the state which, as determined by the authority in its decision on that
3 application, properly should be supplied with water from the source or sources of water supply
4 sought by the applicant.

5 (b) Any municipal water department or agency, special water district, or private water
6 company within the area may apply to the authority for the right to take water from that source of
7 water supply or from any part of the water supply system of the applicant supplied in whole or in
8 part from that source. If the authority requires, or if it approves the application, it shall be the duty
9 of the applicant to supply water, subject to such requirements as the authority may impose.

10 (c) The amount of water to be taken and the price to be paid therefor may be agreed upon
11 between the applicant and the taker of the water, or if they cannot agree, fair and reasonable
12 amounts and rates shall be fixed by the administrator of the division of public utilities and carriers;
13 provided, further, that nothing contained in this section shall be construed as diminishing the
14 powers of the administrator of the division of public utilities and carriers in respect to rates of water
15 suppliers subject to his or her jurisdiction.

16 **46-32-13. Authority to enter upon lands and waters for purpose of survey.**

17 The authority, its assistants, consultants, employees, subordinates, engineers, surveyors, or
18 other agents or servants, upon giving due notice of intent and purpose, without being liable for
19 trespass, shall have the right, with the consent of the landowner, to enter in, over, and onto any
20 lands or waters in the state along with the equipment and devices as may be necessary and
21 appurtenant for the conducting of examinations, investigations, appraisals, surveys, or other studies
22 and for the making of test pits, pumping tests, borings, and other forms of geologic investigations;
23 provided, however, that in the event the landowner refuses to consent to the entry, the authority
24 may petition the superior court for the county in which the lands and waters are located for such
25 authorization which shall be granted upon a showing by the authority that the entry is necessary for
26 the implementation of the plans and programs of the authority. The petition shall be granted priority
27 on the miscellaneous court calendar. Any landowner whose property is damaged by virtue of the
28 authorization granted herein shall have all of the rights, and shall be subject to all of the limitations,
29 set forth in chapter 31 of title 9.

30 **46-32-14. Rules and regulations.**

31 The authority is hereby authorized and empowered to make general rules and regulations
32 and to take such actions and issue such orders as may be required for the enforcement of this
33 chapter, and the rules and regulations, in addition hereto and not inconsistent herewith.

34 **46-32-15. Powers of health department and department of environmental**

1 **management not affected.**

2 Nothing contained herein shall be construed to affect the powers granted to the department
3 of health and the department of environmental management pursuant to chapters 12 through 14 and
4 chapter 16 of this title.

5 **46-32-16. Public nuisances -- Abatement.**

6 (a) Any violation of any provision of this chapter, any rule or regulation promulgated
7 pursuant to this chapter, or any term or condition of any permit, shall constitute a public nuisance.
8 Any person, municipality, municipal water department or agency, special water district, or private
9 water company, committing a violation shall be liable for the costs of abatement of any pollution
10 and any public nuisance caused by the violation. The superior court is hereby given jurisdiction
11 over actions to recover the costs of the abatement.

12 (b) Any activity or condition declared by this chapter to be a nuisance or which is otherwise
13 in violation of this chapter, shall be abatable in the manner provided by law or equity for the
14 abatement of public nuisances. In addition, the authority may proceed in equity to abate nuisances
15 or to restrain or prevent any violation of this chapter.

16 **46-32-17. Penalties and remedies.**

17 (a) It shall be the duty of any person to comply with any order issued pursuant to this
18 chapter. If the person fails to comply with the order within such time, if any, as may be specified,
19 the order may be enforced by the superior court, upon application made by the authority.

20 (b) Any person who willfully or negligently violates any provision of this chapter, or any
21 rule or regulation or other order promulgated by the authority, or any condition of any permit issued
22 pursuant to the chapter, is guilty of a misdemeanor and, upon conviction, shall be subject to a fine
23 of not more than five hundred dollars (\$500) for each separate offense or to imprisonment for a
24 period of not more than one year, or both.

25 (c) In addition to proceeding under any other remedy available at law or in equity for a
26 violation of any provision of this chapter, any rule or regulation pursuant to this chapter, or any
27 term or condition of any permit issued pursuant to this chapter, the authority may assess a civil
28 penalty upon a person for the violation. The penalty may be assessed whether or not the violation
29 was willful or negligent. When the authority assesses a civil penalty, it shall inform the person of
30 the amount of the penalty. The person charged with the penalty shall then have thirty (30) days to
31 pay the penalty in full or, if the person wishes to contest either the amount of the penalty or the fact
32 of the violation, the person shall, within the thirty (30) day period, file an appeal of the action with
33 the authority. Failure to appeal within thirty (30) days shall result in a waiver of all legal rights to
34 contest the violation or the amount of the penalty. The maximum civil penalty which may be

1 assessed pursuant to this section is five thousand dollars (\$5,000) per day for each violation. Each
2 violation for each separate day and each violation of any provision of this chapter, any rule or
3 regulation under this chapter, any order of the authority, or any term or condition of a permit shall
4 constitute a separate and distinct offense under this section.

5 (d) The penalties and remedies prescribed shall be deemed concurrent, and the existence
6 of or exercise of any remedy shall not prevent the authority from exercising any other remedy
7 hereunder.

8 (e) Violations on separate days shall constitute separate offenses for purposes of this
9 chapter.

10 **46-32-18. Cemeteries affecting water supply.**

11 (a) In the event that any sites, lands, or other property acquired by the authority pursuant
12 to § 46-32-5, and/or in accordance with chapter 6 of title 37, as amended, for the purpose of
13 constructing or maintaining a reservoir or other terraneous or subterraneous supply, transmission,
14 or distribution of potable water, contain any burial ground, cemetery, historic cemetery, graves, or
15 places of human burial, and if these places are to be flowed by water or are located so near to the
16 reservoir or other water source as to be likely to pollute or reduce the quality or value of the waters
17 as a potable water supply, the authority shall remove the remains found in the burial places.

18 (b) The removal is to be under the direction of a qualified funeral director and with the
19 approval of the next of kin of the deceased, and at the expense of the authority. However,
20 notwithstanding the foregoing, the authority shall only be liable for those expenses associated with
21 removal of the remains and existing headstone, and transfer and reinterment of the remains within
22 the state of Rhode Island. In the event that the next of kin desires to have the remains transported
23 or reinterred outside of the boundaries of the state of Rhode Island, any and all expenses related to
24 the transportation and reinterment outside of the state of Rhode Island shall be the responsibility of
25 the next of kin.

26 (c) No cadaver or remains shall be removed by the authority unless the authority shall give
27 notice by certified mail to the nearest of kin known to the authority, and/or, in the case where no
28 kin is known to the authority, by advertising in one or more daily newspapers having circulation
29 within the town or city wherein the cemetery is located, at least once a week for three (3) successive
30 weeks. The advertisement shall set forth the names of the deceased and the date of death, if the
31 information is known or otherwise reasonably discernible from available records, as well as, the
32 present location of the cemetery or burial site.

33 (d) In the event that no kin is known or that the nearest of kin shall neglect or refuse to
34 approve the removal and reinterment, the authority shall cause the cadavers or remains to be

1 removed, transferred, and interred in such other cemetery in accordance with the laws, rules, and
2 regulations of the religious denomination, if any shall be known or ascertained, to which the
3 deceased subscribed. The authority may, at its option, furnish a place or places for these burials,
4 and may establish a general burial ground or grounds therefor, and may acquire by purchase or
5 condemnation any lands needed therefor. No general burial ground or grounds shall be established
6 in any town without the prior approval of the town council of the town of the location or locations
7 thereof.

8 **46-32-19. Water supply planning.**

9 The division of planning shall study and evaluate the needs of the state for current and
10 future water supply and shall have the following powers:

11 (1) To formulate and maintain a long range guide plan and implementing program for
12 development of major water resources and transmission systems needed to furnish water to regional
13 or local public water systems as part of the state guide plan adopted pursuant to § 42-11-10.

14 (2) To provide for cooperative development, conservation, and use of water resources by
15 the state, municipal agencies or departments, Rhode Island water authority, and public water
16 systems, including special water districts and privately owned public water systems, the division
17 of planning may:

18 (i) Divide the state into areas for the purpose of providing water supply facilities;

19 (ii) Designate municipal water departments or agencies, special districts, or privately
20 owned public water systems to perform area-wide water supply operations within each area; and

21 (3) Review all plans and proposals for construction or installation of facilities for water
22 supply for conformance with the state guide plan in accordance with § 46-15-2 and report its
23 findings to the authority.

24 **46-32-20. Emergencies and imminent hazards.**

25 The division of planning, subject to the approval of the governor, shall promulgate an
26 adequate plan for the provision of safe drinking water for the inhabitants of the state when a water
27 emergency has been declared by the governor. A water emergency shall include floods or situations
28 in which water supplies are insufficient to meet the needs of the inhabitants of the state either
29 through a water shortage or contamination of water supplies. In a water emergency, the governor
30 may take such actions and issue such orders as may be necessary to implement the plan, including
31 the imposition of conservation measures and the allocation of water supplies. The actions and
32 orders may be directed to state agencies, municipalities, or entities engaged in the sale of water to
33 the public. Notwithstanding the foregoing, the responsibility for setting rates for the purchase and
34 sale of water shall not be affected by this section.

1 **46-32-21. Consultants.**

2 The authority is authorized to employ such technical consultants as may be required by the
3 authority for the proper performance of its powers and duties within the limit of funds provided
4 therefor.

5 **46-32-22. Examination of books, records, and accounts.**

6 For the purpose of ascertaining material information relevant to the function of the powers
7 and duties of the authority, the authority may freely examine at any time the books, records, and
8 accounts of any municipal water department, special water district, or private water company.

9 **46-32-23. Filing reports.**

10 The authority, may require any municipal water department, special water district, or
11 private water company at a designated time or times, to file with it statements and reports, in such
12 form as it may prescribe, covering any data or information which it deems necessary or proper to
13 enable it to carry into effect the applicable provisions of this chapter.

14 **46-32-24. Relations with other governmental bodies and agencies.**

15 In order to adequately protect the interests of the state in its water resources, the authority
16 is hereby authorized to:

17 (1) Cooperate with the appropriate agencies of the federal government, of the state or other
18 states, or any interstate bureau, group, division, or agency with respect to the use of ground and
19 surface waters, which are without or wholly or partially contained within this state, and to endeavor
20 to harmonize any conflicting claims which may arise therefrom;

21 (2) Appear, represent, and act for the state in respect to any proceeding before either a
22 federal or state governmental body or agency where the water resources of the state may be
23 affected, and may do and perform such acts in connection therewith as it deems proper to protect
24 the interests of the state;

25 (3) Present for the consideration of the congress or officers of the federal government, as
26 occasion requires, the just rights of the state in relation to its waters, and institute and prosecute
27 appropriate actions and proceedings to secure those rights, and defend any action or proceeding
28 calculated to impair those rights; and

29 (4) Facilitate, encourage and support water resources management on a watershed basis, in
30 a manner that supports systems level planning.

31 **46-32-25. Construction of references.**

32 Whenever in any general or public law the words, "water resources coordinating board"
33 shall appear, the same shall be deemed to refer to and to mean the "Rhode Island water authority".

34 **46-32-26. Exemption from taxation.**

1 The exercise of the powers granted by this chapter will be in all respects for the benefit of
2 the people of the state, for the increase of their commerce, welfare, and prosperity, and for the
3 improvement of their health and living conditions, and will constitute the performance of an
4 essential government function, and neither the authority nor any municipal water agency, or
5 department, or special water district to whom the authority has leased any of its properties or other
6 facilities, shall or may be required to pay taxes or assessments upon or in respect of those properties
7 or facilities acquired, leased, or used by the authority under the provisions of this chapter, or upon
8 any improvements constructed on property owned by the authority by any municipal water agency,
9 or department, or special water district, or upon the income therefrom; provided, however, the
10 general assembly may direct payments in lieu of taxes to be paid to a city or town in which those
11 properties or facilities are located.

12 **46-32-27. Reporting requirements.**

13 (a) Within ninety (90) days after the end of each fiscal year, the authority shall approve and
14 submit an annual report to the governor, the speaker of the house of representatives, and the
15 president of the senate and the secretary of state of its activities during that fiscal year. The report
16 shall provide:

17 (1) A summary of the authority meetings including when the authority and its committees
18 met, subjects addressed, decisions rendered and meeting minutes; a summary of the authority's
19 actions including a listing of the proposals and plans for public water supply systems received;
20 hearings held, findings, assessments, recommendations, and decisions rendered concerning
21 proposed projects for public water supply systems; water supply studies conducted; consents issued
22 for transport of water to another state; decisions rendered requiring or authorizing a water supplier
23 to provide water to other water supply systems; rules and regulations promulgated; violations and
24 penalties assessed; actions taken to abate nuisances or restrain or prevent violations, and any actions
25 taken to investigate the activities of municipal water departments, special water districts or private
26 water companies; a synopsis of the hearings, complaints, suspensions, or other legal matters related
27 to the authority of the authority; a summary of any training courses conducted for newly appointed
28 and qualified members; a consolidated financial statement of all funds received and expended by
29 the authority including the source of the funds; a listing of the staff and/or consultants employed
30 by the authority; and a listing of findings and recommendation derived from authority activities.

31 (2) The report shall be posted electronically as prescribed in § 42-20-8.2. The director of
32 the department of administration shall be responsible for the enforcement of the provisions of this
33 subsection.

34 (b) Forthwith upon passage of this chapter, and within ninety (90) days of the end of the

1 fiscal year 2021, the authority shall submit to the governor, the speaker of the house of
2 representatives, and the president of the senate, an annual work plan for the upcoming fiscal year.
3 Said annual work plan shall list the tasks the authority plans on working on over the course of the
4 upcoming fiscal year including a description of how the elements are consistent with and supportive
5 of the systems level plan developed and implemented by the Rhode Island Bays, Rivers, and
6 Watersheds Coordination Team, as prescribed in § 46-31-5.

7 (c) Within ninety (90) days of the end of the fiscal year 2021, and within ninety (90) days
8 after the end of each fiscal year thereafter, the authority shall submit to the governor, the speaker
9 of the house of representatives, the president of the senate and the secretary of state, an annual
10 performance report for that fiscal year. Said report shall describe and evaluate the successes and
11 shortcomings of the implementation of the annual work plan pertaining to that fiscal year, and shall
12 include a summary of progress made in the following areas: formulation and maintenance of a long
13 range guide plan and implementing program for the development of major water resources and
14 transmission systems, as prescribed in § 46-32-19; promulgation of an emergency plan for water
15 supplies in the event of a water emergency declaration by the governor, as prescribed in § 46-32-
16 20; and actions undertaken for the cooperative development, conservation, and use of state water
17 resources, as prescribed in § 46-32-19. The report shall be posted electronically as prescribed in §
18 42-20-8.2. The director of the department of administration shall be responsible for the enforcement
19 of the provisions of this subsection.

20 **46-32-28. Transfer of powers and functions to the Rhode Island water authority.**

21 There are hereby transferred to the Rhode Island water authority:

22 (1) Those functions of the department of administration which were administered through
23 or with respect to authority programs in the performance of strategic planning as defined in § 42-
24 11-10(c);

25 (2) All officers, employees, agencies, advisory councils, committees, commissions, and
26 task forces who were performing strategic planning functions as defined in § 42-11-10(c);

27 (3) Those duties and functions of the statewide planning program for support to the Rhode
28 Island rivers council; and

29 (4) Those duties and functions of the water resources board.

30 **46-32-29. Coastal resources management council.**

31 Nothing contained in this chapter shall abrogate or affect the powers and duties of the
32 coastal resources management council under chapter 23 of this title.

33 **46-32-30. Authority supersedes board.**

34 The Rhode Island water authority supersedes the water resources board and all references

1 in law or regulation to the water resources board shall, as of the effective date of this chapter, mean
2 the Rhode Island water authority.

3 **46-32-31. Purchase or lease from state.**

4 The state properties committee is authorized on behalf of the state, from time to time, to
5 sell and convey or lease to the authority, for the purposes of this chapter, any property (which may
6 include water sources or the right to take water) held by the state for water supply purposes, or any
7 interest therein. Any such sale of property shall be for fair market value as determined by the
8 authority and the state properties committee. Any such lease shall be for a term not exceeding fifty
9 (50) years and shall be for such fair rental value as may be set forth in the lease or determined in
10 accordance with the lease.

11 **46-32-32. Purchases from and leases, pledges and sales to others.**

12 (a) Any city, town, district, or other municipal, quasi municipal, or public or private
13 corporation or company engaged in the water supply business in Rhode Island is authorized, from
14 time to time, to sell or otherwise convey to the authority any water supply facilities held by that
15 entity, and to lease from the authority with or without an option to purchase, or contract with the
16 authority for the use of any water supply facilities, or any interest therein, held by the authority
17 under this chapter, or to contract to purchase water to be supplied by the authority under this
18 chapter. Any city, town, district, or other municipal, quasi municipal, or public or private
19 corporation or company engaged in the water supply business in Rhode Island and constituting a
20 "public utility" within the meaning of § 39-1-2(20) is further authorized to pledge to the authority
21 water fees and charges. The provisions of any other laws or ordinances, general, special, or local,
22 or of any rule or regulation of the state or any municipality, or of any municipal charter provision,
23 restricting or regulating in any manner the power of the state or any municipality to lease (as lessee
24 or lessor) or sell or convey property, real, personal, or mixed, or to pledge water fees and charges
25 shall not apply to leases and sales made with the authority pursuant to this chapter.

26 (b) Any city, town, district, or other municipal, quasi municipal, or public or private
27 corporation or company which so leases water facilities from the authority, or so contracts with the
28 authority for the use thereof, is authorized, from time to time, to contract with any other public or
29 private water system for the purchase or sale of water to be conveyed or processed through or in
30 such facilities, and the latter is similarly authorized to enter into a contract with the former.

31 (c) Any lease, pledge agreement or contract under this section shall be for a term not
32 exceeding fifty (50) years. A lease, pledge agreement, or contract may be made by a city, town, or
33 district hereunder, either prior or subsequent to the making of any appropriations which may be
34 needed to carry out the obligations of the city, town, or district under the lease, pledge agreement,

1 or contract. Any such lease, pledge agreement, or contract shall provide for cooperative
2 undertakings between the city, town or district and the authority regarding the construction or
3 installation of facilities for water supply being financed.

4 (1) Notwithstanding any contrary provisions of any other laws or ordinances, general,
5 special or local, or of any rule or regulation of the state or any municipality, or any municipal
6 charter provision, restricting in any manner the power of a municipality to incur debt, the
7 obligations of any city, town, or district, under any lease, pledge agreement or contract shall not be
8 considered indebtedness within the meaning of any limitation of indebtedness or of any provision
9 relating to the manner of authorizing or incurring indebtedness.

10 (2) Pledges or grants of security interests by a city, town or district hereunder shall be valid
11 and binding from the time when the pledge or grant in security interest is made; the water fees and
12 charges or other monies so pledged and then held or thereafter received by such city, town or district
13 shall be immediately subject to the lien of the pledge without any physical delivery thereof, or
14 further act; and the lien of any such pledge or grant of a security interest shall be valid and binding
15 as against all parties having claims of any kind in tort, contract, or otherwise against such city, town
16 or district, irrespective of whether the parties have notice thereof.

17 (3) The agreement by which a pledge or grant of a security interest is created need not be
18 filed or recorded except in the records of the authority, and no filing need be made under the
19 Uniform Commercial Code.

20 **46-32-33. Funds.**

21 (a) Except as otherwise provided by the authority, the funds of the authority under this
22 chapter shall be in the custody of the treasurer of the authority. The fiscal year of the authority
23 under this chapter shall end on June 30 of each calendar year. All payments by the authority under
24 this chapter shall be made solely from the funds derived by the authority from the exercise of its
25 powers under this chapter. Payments to the state hereunder, in the nature of current expenses, shall
26 be a first charge on the revenues of the project or projects to which the payments relate, and on
27 such other funds as may be available hereunder to pay the current expenses of the project or
28 projects. Payments to the state hereunder in the nature of capital costs shall be a first charge on the
29 proceeds of bonds or notes issued by the authority to finance the project or projects to which the
30 payments relate, and on such other funds as may be available hereunder to pay the capital costs of
31 the project or projects. A sale shall not be made by the state to the authority under § 46-15.1-6
32 unless the necessary funds are available to pay the purchase price upon the conveyance.

33 (b) The authority may expend for any corporate purpose hereunder such sums as may be
34 advanced to the authority for the purpose by the state or by any city, town, district, or other

1 municipal or quasi municipal or public or private corporation or company engaged in the water
2 supply business, and each of those entities (other than the state) is authorized to make advances to
3 the authority in connection with any project or proposed project in which it is interested. Each
4 advance by the state shall be repaid as provided in subsection (a) of this section. Each advance by
5 any other entity shall be repaid to the extent and subject to the terms specified in or otherwise
6 agreed at the time of the advance.

7 **46-32-34. Temporary borrowing.**

8 The authority may borrow money temporarily for or to effect the purposes of this chapter
9 in anticipation of revenue or federal aid or in anticipation of the issue of bonds, and issue notes
10 therefor. Notes issued in anticipation of revenue may not mature or be refunded beyond one year
11 from the date of their original issue, and notes issued in anticipation of federal aid or of the issue
12 of bonds may not mature or be refunded beyond five (5) years from the date of their original issue.
13 Notes shall be payable solely from such funds as are derived under this chapter and provided for
14 payment under the applicable trust agreement or resolution described in § 46-32-36, and shall
15 contain a statement to this effect on their face.

16 **46-32-35. Bonds.**

17 (a) The authority may borrow money for capital purposes under this chapter and for the
18 purposes of chapter 32 of this title and issue its bonds therefor. Those purposes may include all
19 costs (whether incurred prior to or after the issue of bonds or notes hereunder) of purchase or lease
20 of property, site development, construction, improvement, enlargement, reconstruction, alteration,
21 equipment, furnishings, demolition, or removal of existing buildings or structures (including the
22 cost of purchasing or leasing any lands to which those buildings or structures may be moved),
23 financing charges, interest prior to and during the carrying out of any project, interest for up to one
24 year after the completion or estimated completion date of any project, planning, engineering, and
25 legal services, administrative expenses, the funding of notes issued by the authority for those
26 purposes, the refinancing of bonds or notes issued by any city, town, district or other municipal,
27 quasi municipal, or public corporation for those purposes, the reserves for debt service or other
28 capital or current expenses as may be required by a trust agreement or resolution securing notes or
29 bonds, and all other expenses incidental to the determination of the feasibility of any project or to
30 carrying out the project or to placing the project in operation.

31 (b) Bonds shall be payable solely from such funds as are derived under this chapter or
32 chapter 32 of this title including, without limiting the generality of the foregoing, revenues derived
33 from pledges of water fees and charges from leasing any water supply facilities to any city, town,
34 district, or other municipal, quasi municipal or public or private corporation or company engaged

1 in the water supply business in Rhode Island, or water quality protection charges imposed under
2 chapter 32 of this title, or funds in the watershed protection fund established under chapter 32 of
3 this title and provided for payment under the applicable trust agreement or resolution described in
4 § 46-32-3, and shall contain a statement to this effect on their face.

5 (c) The bonds of each issue shall be dated, shall bear interest at such rate or rates, shall
6 mature at such time or times not exceeding forty (40) years from their dates of issue, as may be
7 determined by the authority, and may be made redeemable before maturity at such price or prices
8 and under such terms and conditions as may be fixed by the authority prior to the issue of the bonds.
9 The authority shall determine the form of the bonds, including interest coupons to be attached
10 thereto, and the manner of their execution, and shall fix the denomination or denominations of the
11 bonds and the place or places of payment of the principal and interest, which may be at any bank
12 or trust company within or without the state. The bonds shall bear the seal of the authority or a
13 facsimile thereof.

14 (d) In case any officer whose signature or a facsimile of whose signature shall appear on
15 any bonds, coupons, or notes issued by the authority shall cease to be an officer before the delivery
16 thereof, the signature or the facsimile shall nevertheless be valid and sufficient for all purposes the
17 same as if the officer had remained in office until after the delivery.

18 (e) The bonds may be issued in coupon or in registered form, or both, as the authority may
19 determine, the provision may be made for the registration of any coupon bonds as to principal alone
20 and also as to both principal and interest, for the reconversion into coupon bonds of any bonds
21 registered as to both principal and interest, and for the interchange of registered and coupon bonds.
22 The authority may sell its bonds and notes in such manner, either at public or private sale, and for
23 such price, as it may determine will best effect the purposes of this chapter.

24 (f) Prior to the preparation of definitive bonds, the authority may issue interim receipts or
25 temporary bonds, with or without coupons, exchangeable for definitive bonds when those bonds
26 shall have been executed and are available for delivery. The authority may also provide for the
27 replacement of any bonds, notes, or coupons which shall become mutilated or shall be destroyed
28 or lost.

29 (g) Bonds and notes may be issued under this chapter without obtaining the consent of any
30 other department, division, commission, authority, bureau, or agency of the state, and without any
31 other proceedings or the happening of any other conditions or things than those proceedings,
32 conditions, or things which are specifically required by this chapter for the issue of those bonds or
33 notes.

34 **46-32-36. Pledge of revenues and other funds.**

1 (a)(1) In the discretion of the authority, any bonds or notes issued by it may be secured by
2 a trust agreement between the authority and a corporate trustee, which may be any trust company
3 or bank whose principal office is within or without the state. The trust agreement or the resolution
4 providing for the issue of the bonds or notes may pledge or assign, in whole or in part, the revenues
5 and other monies held or to be received by the authority under this chapter or chapter 32 of this
6 title, and may convey, mortgage, or grant or assign a security interest in any water supply facilities
7 pledge agreement or lease thereof in connection with which those bonds shall have been authorized.

8 (2) The trust agreement or resolution may contain such provisions for protecting and
9 enforcing the rights and remedies of the bondholders or noteholders as may be reasonable and
10 proper and not in violation of law, including provisions defining defaults and providing for
11 remedies in the event thereof (which may include the acceleration of maturities), and covenants
12 setting forth the duties of, and limitations on, the authority in acting under this chapter in relation
13 to the purchase or leasing of property, construction, improvement, enlargement, alteration,
14 equipping, furnishing, maintenance, operation, repair, insurance, and disposition of property, the
15 custody, safeguarding, investment, and application of monies, the issue of additional bonds or
16 notes, the fixing, revision, and collection of rates and rents, the use of any surplus bond or note
17 proceeds, the establishment of reserves, and the making and amending of leases, pledge agreements
18 and contracts.

19 (3) The authority is authorized to fix, revise, and collect rates and rents for water furnished
20 by it or facilities leased by it to others. The rates and rents shall not be subject to supervision or
21 regulation by any other commission, authority, bureau, or agency of the state or of any municipality
22 or other political subdivision of the state, but the rates and rents shall be subject to the terms of any
23 applicable contracts and leases.

24 (b)(1) It shall be lawful for any bank or trust company to act as a depository or trustee of
25 the proceeds of bonds or notes or of revenues or other monies under any such trust agreement or
26 resolution, and to furnish such indemnifying bonds or to pledge such securities as may be required
27 by the authority. The trust agreement or resolution may set forth the rights and remedies of the
28 bondholders or noteholders and of the trustee, and may restrict the individual right of action by
29 bondholders or noteholders. In addition to the foregoing, the trust agreement or resolution may
30 contain such other provisions as the authority may deem reasonable and proper for the security of
31 the bondholders or noteholders.

32 (2) All expenses incurred in carrying out the provisions of the trust agreement or resolution
33 may be treated as part of the authority's cost of operation and maintenance under this chapter.

34 (3) The pledge or mortgage or grant of a security interest by the trust agreement or

1 resolution shall be valid and binding from the time when the pledge or mortgage or grant of a
2 security interest is made; the revenues or other monies so pledged and then held or thereafter
3 received by the authority shall immediately be subject to the lien of the pledge without any physical
4 delivery thereof or further act; and the lien of any such pledge or mortgage or grant of a security
5 interest shall be valid and binding as against all parties having claims of any kind in tort, contract,
6 or otherwise against the authority, irrespective of whether the parties have notice thereof.

7 (4) Neither the resolution nor any trust agreement by which a pledge or mortgage or grant
8 of a security interest is created need be filed or recorded except in the records of the authority, and
9 no filing need be made under the Uniform Commercial Code.

10 **46-32-37. Trust funds.**

11 All monies received by the authority under this chapter, whether as proceeds from the sale
12 of bonds or notes or as revenues or otherwise, shall be deemed to be trust funds to be held and
13 applied solely as provided in this chapter.

14 **46-32-38. Remedies.**

15 Any holder of bonds or notes issued under this chapter or of any of the coupons
16 appertaining thereto, and the trustee under a trust agreement or resolution securing the same, except
17 to the extent the rights herein given may be restricted by the trust agreement or resolution, may
18 bring suit upon the bonds, notes, or coupons and may, either at law or in equity, by suit, action,
19 mandamus, or other proceedings, protect and enforce any and all rights under the laws of the state
20 or granted hereunder or under the trust agreement or resolution, and may enforce and compel the
21 performance of all duties required by this chapter or by the trust agreement or resolution to be
22 performed by the authority or by any officer thereof, including the fixing, revising, and collecting
23 of rates and rents. The court may appoint a receiver in any such proceedings.

24 **46-32-39. Bonds and notes eligible for investment.**

25 Bonds and notes issued by the authority hereunder are hereby made securities in which all
26 public officers and public bodies of the state and its political subdivisions, all insurance companies,
27 banks, trust companies, banking associations, investment companies, savings institutions,
28 executors, administrators, trustees, and other fiduciaries may properly and legally invest funds,
29 including capital in their control or belonging to them. The bonds and notes are hereby made
30 securities which may properly and legally be deposited with and received by any state or municipal
31 officer or any agency or political subdivision of the state for any purpose for which the deposit of
32 bonds or obligations is now or may hereafter be authorized by law.

33 **46-32-40. Negotiable instruments.**

34 Notwithstanding any of the foregoing provisions of this chapter or any recitals in any bonds

1 and notes issued by the authority hereunder, all the bonds and notes shall be deemed to be
2 negotiable instruments under the laws of the state and investment securities under the Uniform
3 Commercial Code.

4 **46-32-41. Refunding bonds.**

5 (a) The authority may issue refunding bonds for the purpose of paying any of its bonds
6 issued hereunder at maturity or upon acceleration or redemption. The refunding bonds may be
7 issued in sufficient amounts to pay or provide the principal of the bonds being refunded, together
8 with any redemption premium thereon, any interest accrued or to accrue to the date of payment of
9 the bonds, the expenses of issue of the refunding bonds, the expenses of redeeming the bonds being
10 refunded, and such reserves for debt service or other capital or current expenses from the proceeds
11 of the refunding bonds as may be required by a trust agreement or resolution securing bonds or
12 notes. The refunding bonds may be issued at such time or times simultaneous with or prior to the
13 maturity, acceleration, or redemption date of the bonds being refunded as the authority may
14 determine to be in the public interest.

15 (b) The proceeds of bonds or notes issued for the purpose of refunding outstanding bonds
16 or notes may be applied, in the discretion of the authority, to the purchase, retirement at maturity,
17 or redemption of those outstanding bonds or notes either on their earliest or a subsequent
18 redemption date, and may, pending that application, be placed in escrow. Any escrowed proceeds
19 may be invested and reinvested in obligations of or guaranteed by the United States, or in
20 certificates of deposit, time deposits, or repurchase agreements fully secured or guaranteed by the
21 state or the United States, or an instrumentality of either, maturing at such time or times as shall be
22 appropriate to assure the prompt payment, as to principal, interest and redemption premium, if any,
23 of the outstanding bonds and notes to be so refunded. The interest, income, and profits, if any,
24 earned or realized on any investment may also be applied to the payment of the outstanding bonds
25 or notes to be so refunded. After the terms of the escrow have been fully satisfied and carried out,
26 any balance of the proceeds and interest, income, and profits, if any, earned or realized on the
27 investments thereof may be returned to the authority for use by it in furtherance of its purposes.

28 (c) The issue of refunding bonds, the maturities and other details thereof, the security
29 therefor, the rights of the holders thereof, and the rights, duties, and obligations of the authority in
30 respect of the same shall be governed by the provisions of this chapter relating to the issue of bonds,
31 other than refunding bonds, insofar as the provisions may be applicable, but no bonds shall be
32 refunded to a date more than forty (40) years from the date of their original issue.

33 **46-32-42. Inconsistent provisions.**

34 Insofar as the provisions of this chapter are inconsistent with the provisions of any other

1 law or ordinance, general, special or local, or of any municipal charter or of any rule or regulation
2 of the state or any municipality, the provisions of this chapter shall be controlling.

3 **46-32-43. Limitation of powers.**

4 The state does hereby pledge to and agree with the holders of any bonds issued by the
5 authority pursuant to this chapter that the state will not alter or limit the rights hereby vested in the
6 authority to fulfill the terms of any agreement made with or for the benefit of the holders of bonds,
7 or in any way impair the rights and remedies of bondholders, until the bonds, together with the
8 interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in
9 connection with any action or proceeding by or on behalf of the holders are fully met and
10 discharged. The authority is authorized to include this pledge and agreement of the state in any
11 agreement with bondholders.

12 **46-32-44. Severability -- Constructions.**

13 (a) If any provision of this chapter shall be held invalid in any circumstance, the invalidity
14 shall not affect any other provisions or circumstances.

15 (b) This chapter shall be construed in all respects so as to meet all constitutional
16 requirements. In carrying out the purposes and provisions of this chapter, all steps shall be taken
17 which are necessary to meet constitutional requirements whether or not those steps are required by
18 statute.

19 (c) This chapter shall be construed liberally in aid of its declared purposes. The powers
20 granted hereby shall be in addition to, independent of, and not in substitution for any other powers
21 granted by law.

22 **46-32-45. Surface reservoirs.**

23 Notwithstanding the foregoing, no provision of this chapter, nor any language contained
24 therein, shall allow or permit any funds, proceeds, revenues, or other sums of money derived by,
25 through, or from the issuance of revenue bonds as authorized under this chapter, to be used for the
26 design or construction of any surface reservoirs, without the approval of the general assembly, or
27 to be used in connection with the acquisition of sites for the development of surface reservoirs
28 through the exercise by the authority of the power of eminent domain in accordance with the
29 provisions of chapter 6 of title 37.

30 **46-32-46. Big River Reservoir -- Administration.**

31 The water authority shall be the only designated agency which will administer those lands
32 acquired for the Big River Reservoir as established under section 23 of chapter 133 of the Public
33 Laws of 1964. The director of the department of environmental management and the director's
34 authorized agents, employees, and designees shall, together with the authority in accordance with

1 the Big River management area land use plan for the lands, protect the natural resources of the Big
2 River Reservoir lands. The lands of the Big River Reservoir are subject to enforcement authority
3 of the department of environmental management, as provided for in chapter 17.1 of title 42, and as
4 provided for in title 20.

5 **46-32-47. Water development account fund.**

6 There is and shall be a special fund called the "water development fund", a general revenue
7 fund within the general fund, which shall record any net proceeds which may be paid to the state
8 as a result of the lease of any reservoir sites or other facilities as may be acquired or constructed by
9 the state in accordance with the provisions of this chapter, or as otherwise authorized or permitted,
10 or as a result of the sale of surplus property or any interest therein, including, without limiting the
11 generality of the foregoing, the sale of excess gravel, timber, or other materials located on the
12 reservoir sites or other facilities. Monies are to be deposited as general revenues. The amounts
13 appropriated shall be made available for the purposes authorized by this chapter, and also hereby
14 made available for borrowing from the authority, in accordance with and pursuant to the provisions
15 of this chapter exclusive of acquisition of reservoir sites, and the state controller is hereby
16 authorized and directed to draw his or her orders upon the general treasurer for the payment or loan
17 of such sums or such portions thereof as may be required, from time to time, upon receipt by him
18 or her of properly authenticated vouchers.

19 **46-32-48. Annual report of water provider.**

20 Each water provider and water supply company both public and private doing business in
21 this state shall forward an annual report to the water authority setting forth the status of any water
22 supply within the company's jurisdiction and control, and progress made towards achieving the
23 goals of the entity's water supply management plan as prescribed in this chapter.

24 **46-32-49. Water facilities assistance program established -- Eligibility.**

25 (a) There is hereby established within the water authority a Rhode Island water facilities
26 assistance program. The authority shall administer this program so as to ensure the proper and
27 systematic development of coordinated water supply and transmission facilities and shall expend
28 the funds available under this chapter in a manner that accomplishes this objective.

29 (b) This program shall provide twenty-five percent (25%) of the cost of approved water
30 transmission facilities designed and constructed to serve a single water system, and shall provide
31 fifty percent (50%) of the cost of approved intersystem facilities. Only the construction of water
32 transmission and intersystem facilities and the acquisition of land or rights-of-way, together with
33 necessary engineering and design, are eligible for assistance under this program. Costs of
34 borrowing, amortization costs, legal, and all other costs attendant to the funding of water

1 transmission and intersystem facilities are not eligible for financial assistance under this program
2 and must be fully borne by the project applicant. The cost of distribution facilities as defined in this
3 chapter are not eligible for financial assistance under this program. Determinations of project
4 eligibility shall be made by the water authority.

5 (c) Only municipalities and quasi municipal water agencies are eligible to apply for
6 assistance under this program. Determinations of applicant eligibility shall be made by the water
7 authority.

8 (d) Only projects reviewed and approved by the water authority, the division of public
9 utilities and carriers, and the state planning council may be funded. Each project supported by this
10 program must be consistent with a plan adopted and kept current by the water authority in
11 accordance with § 46-15-6 and with applicable elements of the state guide plan, as adopted and
12 kept current by the state planning council in accordance with § 42-11-10(c); provided, however,
13 that with respect to any project which has been approved by the authority and which thereafter
14 becomes eligible to participate as an intersystem facilities project, the submission to, and approval
15 by, the public utilities commission and statewide planning council shall not be required.

16 (e) Each transmission facility supported by this program must link a water source with a
17 water distribution system, both of which are complete and operational or will be so at the time that
18 the transmission facility is completed or is projected for future construction. The capacity of both
19 the water source and the distribution system must be adequate to meet present and future needs,
20 considering all other demands that may be placed on the same sources and distribution systems.
21 All determinations required under this subsection shall be made in a timely fashion by the water
22 authority.

23 (f) The quality of water to be conveyed through the proposed transmission system must
24 meet the Rhode Island department of health requirements for the most restrictive current or planned
25 use. All reasonable measures to assure that this level of water quality will be maintained must have
26 been taken.

27 (g) The design and construction of an approved transmission facility must ensure that it
28 will remain operational for its design life with routine maintenance, and that it will resist all external
29 and internal forces that can be reasonably anticipated as determined by the authority.

30 (h) The authority will ensure that maintenance of the transmission facility is performed in
31 a manner that ensures that it will remain operational throughout its design life and is assured by a
32 dedicated revenue such as a user fee or some other equally reliable means.

33 **46-32-50. Application to assistance program.**

34 (a) Applicants shall submit projects proposed for assistance under the program established

1 pursuant to § 46-32-49 to the authority, in the form and content prescribed by the authority. The
2 authority shall coordinate the review and disposition of all applications by all agencies concerned
3 in an expeditious manner. The authority shall incorporate the information required by all agencies
4 to conduct their review of proposals in its application documents.

5 (b) Upon receipt of an application, the authority shall determine whether the application is
6 complete and contains all necessary information. Incomplete applications shall be returned to the
7 applicants. Complete applications shall be formally acknowledged by the authority.

8 (c) The authority shall forward a copy of each application accepted to the division of public
9 utilities and carriers, to the state planning council, to the department of health and to the department
10 of environmental management. Review of applications by these agencies shall be conducted
11 concurrently.

12 (d) The authority shall evaluate each application to determine whether all requirements of
13 this chapter have been met, and shall further ensure that:

14 (1) Design and engineering of the project are sound;

15 (2) The applicant has adequately demonstrated that a need exists in its community for the
16 water that would be provided by the project;

17 (3) The project links a water source with a water distribution system;

18 (4) The distribution system owned or to be owned by the applicant has or will continue to
19 have sufficient capacity to carry the projected volumes of water;

20 (5) The proposed water source is adequate to meet the applicant's needs and will have
21 sufficient capacity to serve all future demands imposed by the applicant in combination with all
22 other users;

23 (6) The quality of the water meets the standards established by the Rhode Island department
24 of health water quality regulations for the purpose intended;

25 (7) The project incorporates sound conservation techniques; and

26 (8) The project is properly related to all other water systems serving adjacent or nearby
27 areas in terms of interconnections and mutual support.

28 (e) The division of public utilities and carriers shall review the financing aspects of all
29 projects, particularly with respect to costs that will be imposed on water users as a result of the
30 project. The division shall perform an analysis of the proposed costs and benefits of the project and
31 shall, on the basis of its findings, make a determination as to whether approval of the project is in
32 the best interests of the water users. If the division determines the project is in the best interests of
33 the water users, it shall approve the project. If the division determines that the project is not in the
34 best interests of the water users, it shall disapprove the project. Since the division's review must be

1 based on estimated costs and interest rates, the full financing costs will not be precisely known.
2 The absence of specificity concerning the finance of costs must be considered by the division.

3 (f) The state planning council shall review all proposed projects to determine whether they
4 are consistent with all relevant elements of the state guide plan. Upon determination that a project
5 is consistent with all relevant elements of the state guide plan, the state planning council shall render
6 its approval. Upon a determination that the project is not consistent with all relevant elements of
7 the state guide plan, the council shall disapprove the project. The state planning council will provide
8 the policy framework necessary to guide this program through the state guide plan.

9 **46-32-51. Decision on application and financing.**

10 (a) Except as provided in § 46-32-49 with respect to intersystem facilities, no project shall
11 be approved by the water authority unless the project has been approved by the division of public
12 utilities and carriers, as set forth in § 46-15.2-5(e), by the state planning council and by the
13 department of environmental management. The water authority shall approve the project based
14 upon its finding of fact, as provided in § 46-32-50, and upon approval by the division of public
15 utilities and carriers, the state planning council, and the department of environmental management.
16 A project disapproved by either the division of public utilities and carriers, the state planning
17 council, the department of health or the department of environmental management shall not be
18 approved by the authority.

19 (b) The authority shall not approve a transmission facility project and intersystem facility
20 project unless the applicant first adequately demonstrates that its seventy-five percent (75%) share
21 or fifty percent (50%) share, as the case may be, of the project cost is available and obligated to the
22 project.

23 (c) The authority shall not approve a project unless sufficient state funds to provide the
24 state's share of the project cost are available.

25 (d) The authority shall ensure that the state's share of a project cannot be used by or
26 transferred to a private or investor-owned water company.

27 (e) Upon approval of a proposed project as set forth in § 46-32-50, the water authority shall
28 so notify the applicant and shall establish the amount of state participation in the project
29 representing the appropriate state share of eligible costs as determined from the application. Costs
30 incurred in excess of those set forth in the application shall not automatically increase the amount
31 of state participation. However, the applicant may submit a subsequent proposal, in accordance
32 with §§ 46-32-49 and 46-32-50, that requests state participation in those costs. If the project is
33 completed at a cost below that set forth in the application, the amount of state participation shall be
34 reduced proportionately.

1 (f) The authority shall establish a schedule by which state funds shall be paid to the
2 applicant that ensures that funds are disbursed only when required for the project.

3 (g) The authority is empowered to issue rules and regulations to provide proper security
4 for the state's grant-in-aid for each approved project.

5 (h) The authority may condition the approval of any intersystem facilities project on the
6 applicant agreeing that it will not charge any water system which uses such a facility an amount in
7 excess of its costs for purchase, production, and transmission of water to the user, and an
8 appropriate portion of its cost of repair, maintenance, and replacement of the facility based upon
9 the capacity allocated to the user.

10 **46-32-52. Project execution.**

11 The authority shall determine the priority and scheduling of all projects assisted by this
12 program, and shall ensure that all construction is properly managed and successfully completed.

13 SECTION 5. Sections 46-15.3-2, 46-15.3-3, 46-15.3-5, 46-15.3-7.3, 46-15.3-7.5, 46-15.3-
14 7.6, 46-15.3-10, 46-15.3-11, 46-15.3-12, 46-15.3-16, 46-15.3-17, 46-15.3-18, 46-15.3-19, 46-15.3-
15 20 and 46-15.3-25 of the General Laws in Chapter 46-15.3 entitled "Public Drinking Water Supply
16 System Protection" are hereby amended to read as follows:

17 **46-15.3-2. ~~Designation of water resources board -- Selection of treasurer~~ Designation**
18 **of Rhode Island water authority.**

19 ~~(a)~~ Except as specified in § 46-15.3-9, the ~~water resources board~~ Rhode Island water
20 authority is designated to carry out the provisions of this chapter in its capacity as designated in §
21 ~~46-15.1-2~~ 46-32-4. In exercising its powers under this chapter, the ~~board~~ authority shall constitute
22 a body politic and corporate and a public instrumentality of the state having a distinct legal
23 existence from the state and not constituting a department of the state government, but this shall
24 not affect the status of the ~~board~~ authority when exercising other powers. The ~~board~~ authority may
25 take action under this chapter at any meeting of the ~~board~~ authority. A member of the ~~board~~
26 authority who is affiliated with a public water system in Rhode Island as provided in § 46-15-2
27 shall not thereby be disqualified from acting as a member of the ~~board~~ authority on a transaction
28 under this chapter with the public water system.

29 ~~(b) The treasurer, chosen pursuant to § 46-15.1-2, shall act as such under this chapter. If a~~
30 ~~treasurer has not been chosen by the board pursuant to § 46-15.1-2, the board shall at any time, and~~
31 ~~annually in the month of March thereafter, choose a treasurer to act as such under this chapter. The~~
32 ~~treasurer need not be a member of the board or of its staff and shall serve until his or her successor~~
33 ~~is chosen and taken office, unless sooner removed by the board with or without cause. In the event~~
34 ~~of a vacancy in the office of treasurer, the board shall fill the vacancy for the unexpired term.~~

1 **46-15.3-3. Purposes and powers.**

2 ~~The purposes~~ A primary purpose of the ~~board~~ authority and the suppliers under this chapter
3 shall be to protect the quality and safety of the public drinking water supply. In carrying out the
4 ~~foregoing purposes~~ primary purpose, the ~~board~~ authority shall have, in addition to the powers
5 granted in this chapter, all of the powers enumerated in this chapter ~~15.1 of this title~~, and shall have
6 the power to acquire interests in land in the manner provided in ~~§ 46-15.1-5~~ this chapter, but in
7 exercising these powers, the ~~board~~ authority shall not be subject to any limitation on the use of
8 funds contained in § ~~46-15.1-19~~ 46-32-45.

9 **46-15.3-5. Water quality protection charge.**

10 (a) There is hereby imposed on each supplier of water, for the purpose of protecting the
11 quality and safety of the public supply of water, a charge to be known as a "water quality protection
12 charge" based upon billings for sales of every supplier of public drinking water at the rate of two
13 and ninety two hundredth cents (\$.0292) per one hundred (100) gallons of each sale, whether the
14 water is used for drinking or other purposes. No supplier shall impose a water quality protection
15 charge upon sales to other suppliers of drinking water. Except as provided in subsections (c), (d)
16 and (e) hereof, the supplier shall add any water quality protection charge imposed hereunder to the
17 sale price, and, when added, the water quality protection charge shall constitute a part of the price
18 and shall also be a debt from the purchaser to the supplier and be collectible in the same manner
19 and have the benefit of any lien provided for the amounts due for water charges from the purchaser
20 to the supplier. Provided, however, the water quality protection charge shall not be subject to the
21 sales and use tax. Subject to the provisions of § 39-1.1-1 for those suppliers which are public
22 utilities, all suppliers may terminate service for failure of purchasers to pay the water quality
23 protection charge.

24 (b) Any water quality protection charge imposed hereunder shall not take effect earlier than
25 January 1, 1989; provided, however, the increase in water quality protection charge by one and
26 one-third cents (\$.01333) established by P.L. 1990, Ch. 65, Art. 39, § 1 shall take effect and be
27 chargeable on all billings for water sales made by a supplier on and after July 1, 1991.

28 (c) Each supplier shall provide for the exemption from the water quality protection charge,
29 for any sale to a purchaser sixty-five (65) years of age and over purchasing water for the personal
30 consumption of that person and other members of the person's household under reasonable rules
31 and regulations.

32 (d) All commercial agricultural producers, including those who provide food and fiber,
33 shall be exempt for that amount of water used to irrigate commercial crops either in fields or
34 greenhouses, provided, that the producers have a conservation plan on file with their respective soil

1 conservation districts.

2 (e) No water quality protection charge shall be imposed on that portion of such supplier's
3 retail billing representing potable water furnished to customers by purchase of water in its finished,
4 potable form from sources outside the state. The water quality protection charge imposed by a
5 supplier purchasing potable water from outside the state shall be pro rata imposed on such supplier's
6 retail billings for that portion of potable water supplied from within the state in accordance with
7 rules and regulations to be finally promulgated ~~by the water resources board~~ on or before September
8 1, 1992, and as adopted or amended by the Rhode Island water authority.

9 (f) If any supplier of water fails to pay the water quality protection charge imposed upon
10 it, upon determination by the ~~water resources board~~ Rhode Island water authority of failure to pay
11 and the amount unpaid, there shall be withheld from any state aid or grants of any nature due such
12 supplier an equivalent amount and such monies shall be transferred to the appropriate water quality
13 protection fund created under § 46-15.3-10.

14 **46-15.3-7.3. Rules governing content of programs, components, review, evaluation,**
15 **funding, and implementation.**

16 The ~~water resources board~~ Rhode Island water authority with the concurrence of the
17 department of environmental management, the department of health, the department of
18 administration's division of planning, and the Rhode Island public utilities commission, as to water
19 suppliers within its jurisdiction, shall forthwith promulgate rules and regulations for the review of
20 components as described in this chapter. The ~~water resources board~~ Rhode Island water authority
21 with the concurrence of the department of environmental management, the department of health,
22 the department of administration's statewide planning program, and the Rhode Island public
23 utilities commission, as to water suppliers within its jurisdiction, shall promulgate the criteria or
24 standards which it will use to evaluate the implementation of approved components, programs and
25 funding mechanisms.

26 **46-15.3-7.5. Completion and filing of water supply system management plans.**

27 (a) Each party required by this chapter to prepare and maintain a water supply system
28 management plan shall complete and adopt an initial plan adhering to the schedule as previously
29 approved by the ~~water resources board~~ Rhode Island water authority.

30 (b) Municipalities and water suppliers subject to the requirements of § 46-15.3-5.1 of this
31 chapter shall file a copy of all plans and amendments thereto with the ~~water resources board~~ Rhode
32 Island water authority. The plans shall be treated as confidential documents.

33 (c) The ~~water resources board~~ Rhode Island water authority shall establish procedures that
34 permit parties that review the plans under rules adopted by the ~~water resources board~~ Rhode Island

1 [water authority](#) to obtain sensitive information essential to performance of their reviews, including
2 minimum measures necessary to transmit, use, store, and maintain such sensitive information under
3 conditions that insure its security to the maximum possible. These procedures may include
4 designation of those persons within each reviewing agency authorized to use or inspect sensitive
5 information, and exclusion of all others. An executive summary containing an:

- 6 (1) Introduction;
- 7 (2) Background;
- 8 (3) A general system description containing:
 - 9 (i) Water supply sources;
 - 10 (ii) Water treatment facilities;
 - 11 (iii) Storage facilities;
 - 12 (iv) Pumping stations;
 - 13 (v) Raw water and finished water transmission facilities;
 - 14 (vi) Distribution facilities including low to high service;
 - 15 (vii) Planned extensions;
 - 16 (viii) Interconnections;
 - 17 (ix) Populations served and projections;
 - 18 (x) Major users;
 - 19 (xi) Metering;
 - 20 (xii) Legal agreements;
 - 21 (xiii) Leakage;
 - 22 (xiv) Demand management;
 - 23 (xv) Supply management;
 - 24 (xvi) Available water;
 - 25 (xvii) Safe yield;
 - 26 (xviii) Anticipated future demands;
 - 27 (xix) Capital improvement;
 - 28 (xx) Rate structure;
 - 29 (xxi) Financial management;
 - 30 (xxii) Emergency management;
 - 31 (xxiii) Water supply source protection; and
 - 32 (xxiv) General policies shall be developed.

33 (4) This summary shall be distributed as the public document. The ~~water resources board~~
34 [Rhode Island water authority](#) shall be authorized to recover and secure water supply management

1 plans and water supply system management plans previously distributed to other than ~~the water~~
2 ~~resources board~~ [Rhode Island water authority](#) and designated review agencies and replaced by
3 executive summaries as provided herein.

4 (d) Municipalities and water suppliers subject to § 46-15.3-5.1 shall review their plans at
5 least once every five (5) years, and shall amend or replace their plan as may be necessary to remain
6 current.

7 (e) A municipality or water supplier subject to § 46-15.3-5.1 of this chapter may request,
8 in writing, that the ~~water resources board~~ [Rhode Island water authority](#) extend the time in which to
9 complete and submit filings required by this chapter, not to exceed one year. A request shall be
10 approved only upon demonstration that an extension is justified by extraordinary circumstances
11 beyond the control of the municipality or water supplier. An extension, if approved, shall not waive
12 any of the requirements of § 46-15.3-7.6. This provision does not apply to the section on emergency
13 management. Should a municipality or water supplier fail to submit a filing as provided herein, a
14 determination of non-compliance shall be made by the ~~water resources board~~ [Rhode Island water](#)
15 [authority](#).

16 **46-15.3-7.6. Expeditious review of water supply system management plans.**

17 (a) The ~~water resources board~~ [Rhode Island water authority](#) shall coordinate the
18 expeditious review of water supply system management plans, replacements and amendments
19 thereto prepared by water suppliers and all other subject to § 46-15.3-5.1 of this chapter.

20 (b) Upon filing of water supply system management plans, replacements and amendments
21 thereto prepared by water suppliers under this chapter the department of environmental
22 management, the department of health, the division of planning of the department of administration,
23 and the division of public utilities and carriers, shall have ninety (90) days to review said filings
24 and submit comments thereon to the ~~water resources board~~ [Rhode Island water authority](#).

25 (c) Upon consideration of written comments by all agencies designated herein the ~~water~~
26 ~~resources board~~ [Rhode Island water authority](#) shall determine whether the plan complies with the
27 requirements of this chapter. Should any reviewing agency find that substantive deficiencies
28 prevent the water supply system management plan from meeting the requirements of this chapter,
29 a determination of noncompliance shall be made by the ~~water resources board~~ [Rhode Island water](#)
30 [authority](#). This determination, unless otherwise extended pursuant to this chapter, shall be made
31 within one hundred eighty (180) days of the initial submission. A thirty (30) day public comment
32 period shall be included in this one hundred eighty (180) day review period. Failure by the ~~water~~
33 ~~resources board~~ [Rhode Island water authority](#) to notify the water supplier or municipality of its
34 determination within said time limit shall constitute approval.

1 (d) Should the ~~water resources board~~ [Rhode Island water authority](#) find that the water
2 supply system management plan is in noncompliance, or deficient due to incorrect, inconsistent or
3 missing data or information but is in substantial compliance with the objectives of this chapter, the
4 ~~water resources board~~ [Rhode Island water authority](#) shall issue a first notice of deficiencies. The
5 water supplier or municipality shall have one hundred and twenty (120) days within which to
6 correct the deficiencies and resubmit its filing addressing the comments of the ~~water resources~~
7 ~~board~~ [Rhode Island water authority](#). Thereafter the ~~water resources board~~ [Rhode Island water](#)
8 [authority](#) shall have ninety (90) days from the date of the resubmission to determine whether or not
9 the new submission is in compliance with this chapter. Failure by the ~~water resources board~~ [Rhode](#)
10 [Island water authority](#) to notify the water supplier of its determination, in writing within ninety (90)
11 days of the date of resubmission shall constitute acknowledgement of compliance.

12 (e) Upon the submission of plans or plan amendments prior to the scheduled submittal date,
13 as established by the ~~water resources board~~ [Rhode Island water authority](#), the scheduled submittal
14 date may be used for purposes of initiating the one hundred eighty (180) day review period. The
15 time period for review of water supply system management plans, replacements, or amendments
16 thereto submitted after the scheduled submittal date, shall be as determined by the ~~water resources~~
17 ~~board~~ [Rhode Island water authority](#).

18 **46-15.3-10. Water quality protection funds.**

19 (a)(1) There are hereby created three (3) water quality protection funds: one of which shall
20 be administered by and be in the custody of the treasurer of the ~~water resources board~~ [Rhode Island](#)
21 [water authority](#), one of which shall be administered by and be in the custody of the city of
22 Providence acting through the Providence water supply board, and one of which shall be in the
23 custody of the general treasurer. The first two (2) mentioned funds shall consist of such amounts
24 as the state or the city of Providence may from time to time appropriate, all water quality protection
25 charges other than the six and nine tenths percent (6.9%) and fifty-seven percent (57.0%) portions
26 referred to in § 46-15.3-9, proceeds from the sale of bonds and notes, as provided in subsection (b)
27 below, and any money which may have been obtained as grants, bequests, donations, gifts, or fines
28 which are intended to be used for purposes consistent with this chapter. This third mentioned fund
29 shall be hereby established as a general revenue receipt account known as the "water resources
30 operating fund".

31 (2) The general revenue appropriations made available from the general revenue receipts
32 credited to "Water Resources Operating Fund" shall be used for the administration and support of
33 the ~~water resources board~~ [Rhode Island water authority](#).

34 (b) The ~~water resources board~~ [Rhode Island water authority](#) shall borrow money and issue

1 its notes and bonds therefor, for the purposes set forth in this chapter, and pursuant to the authority
2 and the procedures set forth in chapter ~~15.1~~ [32](#) of this title, which shall be secured by pledging or
3 assigning, in whole or in part, the revenues and other monies held or to be deposited in the water
4 quality protection funds and any other revenues derived under this chapter.

5 (c) Any supplier with its own water quality protection fund may borrow money, and/or
6 issue its bonds or notes therefor, or may lease public facilities or public equipment for the purposes
7 set forth in this chapter. The supplier must secure any borrowings, bonds, notes, or leases by
8 pledging or assigning, in whole or in part, the revenues and other monies held by it in its own water
9 quality protection fund.

10 (d) All amounts in the water quality protection fund, water quality protection charges, and
11 any other revenues of the ~~water resources board~~ [Rhode Island water authority](#), excluding those
12 deposited as general revenues, received under the provisions of this chapter shall be deemed to be
13 trust funds to be held and applied solely as provided in this chapter and chapter ~~15.1~~ [32](#) of this title.

14 (e) Any money which may accumulate in the water quality protection funds, which is in
15 excess of that pledged to repayment of outstanding bonds or notes or lease payments or loan
16 repayments at any given time, may be used directly for eligible expenditures from the fund and
17 shall be disbursed for these purposes in accordance with § 46-15.3-11.

18 **46-15.3-11. Disbursements from the funds.**

19 (a) Only suppliers which withdraw water from wells, reservoirs, springs, or other original
20 sources of potable water shall be entitled to disbursements from the first of the two (2) mentioned
21 funds created under § 46-15.3-10 administered by the ~~water resources board~~ [Rhode Island water](#)
22 [authority](#). From amounts available from bond proceeds held by the ~~water resources board~~ [Rhode](#)
23 [Island water authority](#), that ~~board~~ [authority](#) shall disburse to each supplier contributing to the fund
24 a proportional amount based upon each supplier's pro rata withdrawal of water by volume from
25 wells, reservoirs, springs, or other original sources of water averaged over the three (3) calendar
26 years preceding disbursement as determined by the ~~water resources board~~ [Rhode Island water](#)
27 [authority](#). Suppliers shall be required to expend this money as follows:

28 (1) Not less than fifty-five percent (55%) shall be spent for acquisition of land or rights in
29 land or physical improvements to acquired land required to protect the quality of raw water of the
30 water supply system. Expenditures for maintenance, administration, and payment of taxes on land
31 acquired under this chapter shall be included within this subdivision.

32 (2) Any remaining funds may be used for any eligible expenditures as defined in § 46-15.3-
33 4.

34 (b) The city of Providence shall make expenditures from amounts available in the fund

1 held by the city of Providence based on the same formula as in subdivisions (a)(1) and (a)(2) above;
2 provided, however, the city of Providence shall be exempt from participating in the use of an
3 alternate deicing mixture within the Scituate watershed unless drinking water supply sodium levels
4 exceed fifteen (15) ppm (parts per million) for three (3) consecutive years or seventeen (17) ppm
5 (parts per million) for one year. The city of Providence will monitor sodium levels and report
6 sodium testing results to the Rhode Island department of health and the public on a yearly basis. If
7 drinking water supply sodium levels exceed fifteen (15) ppm for three (3) consecutive years or
8 seventeen (17) ppm for one year, the city of Providence shall immediately participate in the use of
9 an alternative deicing mixture within the Scituate watershed. In December of 2008, the city of
10 Providence will provide a three (3) year report to the Rhode Island department of environmental
11 management, the general assembly and the public. Every three (3) years, the city of Providence
12 will submit a report to the general assembly on monitoring data for sodium levels within the
13 Scituate watershed. This report will include monitoring data from the previous three (3) year period.

14 (c) In making decisions about the expenditure of money under the provisions of this
15 chapter, suppliers shall take into account the following factors:

16 (1) The likelihood of development of the specific parcel proposed for acquisition;

17 (2) The existing land uses, as well as the likelihood of development, in the watershed;

18 (3) The potential threat to public drinking water sources posed by development in the
19 watershed including, but not limited to, the intensity of development, the types of land uses,
20 proximity to reservoirs and/or well heads, and the buffering and filtration capacity of the natural
21 systems;

22 (4) Whether alternative protection measures are available and/or have been attempted,
23 including local land use regulations;

24 (5) The number of persons who presently depend on the sources for their drinking water,
25 as well as the number of persons who may depend on it in the future;

26 (6) The anticipated cost of the parcel proposed to be purchased, and whether less than a fee
27 interest may be acquired which would reduce the cost significantly while still providing protection
28 to the source;

29 (7) Other cost effectiveness considerations, including whether protection of the source can
30 be provided by the construction of physical improvements;

31 (8) Whether acquisition of the specific parcel, and the protection of the watershed of which
32 it is a part, is consistent with other planning considerations;

33 (9) Proposed management techniques for the parcel proposed to be acquired which will
34 maximize its capacity to protect the source.

1 (d) The costs of issuance of notes and bonds authorized by § 46-15.3-10 may be payable
2 from any monies in the water quality protection funds.

3 **46-15.3-12. Dissolution.**

4 If the ~~board~~ [Rhode Island water authority](#) shall be dissolved, all funds of the ~~board~~ [authority](#)
5 not required for the payment of bonds shall be paid to the general treasurer for the use of the state,
6 and all property belonging to the ~~board~~ [authority](#) shall be vested in the state and delivered to it. If
7 the fund for the city of Providence shall be dissolved, all the funds not required for the payment of
8 bonds shall be paid to the city of Providence.

9 **46-15.3-16. Actions by the department of health.**

10 The department of health shall review each water supply system management plan,
11 replacement or amendment thereto filed with it, submit comments in writing to the ~~water resources~~
12 ~~board~~ [Rhode Island water authority](#), as to its completeness, appropriateness for the area served, and
13 adequacy to achieve the objectives of this chapter, and, as appropriate, to meet the requirements of
14 the Federal Safe Drinking Water Act, Chapter 13 of this title, Public Drinking Water Supply, and
15 Chapter 14 of this title, Contamination of Drinking Water.

16 **46-15.3-17. Actions by the department of environmental management.**

17 The department of environmental management shall review each water supply system
18 management plan, replacement or amendment thereto filed with it, and submit comments in writing
19 to the ~~water resources board~~ [Rhode Island water authority](#).

20 **46-15.3-18. Actions by the division of planning of the department of administration.**

21 The division of planning of the department of administration shall:

22 Review each water supply system management plan, replacement, or amendment thereto
23 submitted by a water supplier as provided by § 46-15.3-5.1 and submit comments in writing to the
24 ~~water resources board~~ [Rhode Island water authority](#). Water supply system management plans or
25 amendments thereto prepared by municipalities as required by § 46-15.3-5.1 shall be reviewed as
26 provided by chapter 22.2 of title 45.

27 **46-15.3-19. Actions by the division of public utilities and carriers and the public**
28 **utilities commission.**

29 The division of public utilities and carriers shall review each water supply system
30 management plan, replacement or amendment thereto filed with it by a regulated water supplier
31 and submit comments in writing to the ~~water resources board~~ [Rhode Island water authority](#) as to its
32 completeness, appropriateness for the area served and adequateness to achieve the objective of this
33 chapter.

34 **46-15.3-20. Enforcement.**

1 (a) The ~~water resources board~~ Rhode Island water authority shall forward any
2 determination of non-compliance made pursuant to §§ 46-15.3-7.5 and 46-15.3-7.6 to the division
3 of public utilities and carriers. The division of public utilities and carriers shall consider such
4 determinations of non-compliance as a complaint under § 39-4-3.

5 (b) The order of the division of public utilities and carriers may be appealed pursuant to §
6 39-5-1.

7 **46-15.3-25. Transfer of charges to Rhode Island infrastructure bank.**

8 Notwithstanding any law, rule or regulation to the contrary, upon the dissolution of the
9 ~~water resources board~~ Rhode Island water authority (~~corporate~~) pursuant to § ~~46-15.1-22~~ 46-15.3-
10 12, any charges remitted to the ~~water resources board~~ Rhode Island water authority (~~corporate~~)
11 ~~pursuant to this chapter shall be remitted to the Rhode Island infrastructure bank, a body politic and~~
12 ~~corporate and public instrumentality of the state established pursuant to chapter 12.2 of title 46~~
13 shall be remitted to the Rhode Island infrastructure bank.

14 SECTION 6. Section 46-15.6-7 of the General Laws in Chapter 46-15.6 entitled "Clean
15 Water Infrastructure" is hereby amended to read as follows:

16 **46-15.6-7. Rules governing content of programs, components, review, evaluation,**
17 **funding, and implementation.**

18 The department with the concurrence of the ~~water resources board~~ Rhode Island water
19 authority, and the Rhode Island public utilities commission, as to water suppliers within its
20 jurisdiction, shall forthwith promulgate rules and regulations for the review of components as
21 pertains to financial forecasts of facility replacement, improvement requirements and fiscal controls
22 and accounting depreciation standards per § 46-15.6-4(a)(1) and (a)(2). The department with the
23 concurrence of the ~~water resources board~~ Rhode Island water authority, and the Rhode Island public
24 utilities commission, as to water suppliers within its jurisdiction, shall promulgate the criteria or
25 standards which it will use to evaluate the implementation of approved components, programs and
26 funding mechanisms.

27 SECTION 7. Sections 46-15.7-1, 46-15.7-2 and 46-15.7-3 of the General Laws in Chapter
28 46-15.7 entitled "Management of the Withdrawal and Use of the Waters of the State" are hereby
29 amended to read as follows:

30 **46-15.7-1. Legislative findings and declaration.**

- 31 (a) The general assembly finds that:
- 32 (1) The constitution of the state of Rhode Island charges the general assembly with
33 responsibility for the conservation of all natural resources, including water.
- 34 (2) The supply of fresh water available to the people of Rhode Island for use in their daily

1 lives and to support agriculture, hydropower, indigenous wildlife and plant species, navigation,
2 water-based recreation, wetlands, and other uses is finite and is not equally available or accessible
3 throughout the state.

4 (3) A significant portion of the fresh water resource of the state is already being used to
5 serve a variety of needs and purposes and the total volume and quality of the remaining fresh water
6 resource of the state is subject to quantitative, qualitative, or geographic constraints on its
7 availability or use.

8 (4) Allocation of the water resource of Rhode Island has thus far been accomplished on a
9 random, first come, first served, or ad hoc basis with minimal or no consideration given to overall
10 allocation of the resource so as to meet all present and foreseeable future needs.

11 (5) All of the data needed to properly manage the allocation and use of the water resource
12 of the state are not available. The responsibility to provide essential data rests primarily upon those
13 who withdraw and use the waters of the state.

14 (b) Therefore, the general assembly declares that:

15 (1) Management of the amounts, purposes, timing, locations, rates, and other
16 characteristics of fresh water withdrawals from ground or surface waters is essential in order to
17 protect the health, safety, and general welfare of the people of the state of Rhode Island, to promote
18 the continued existence, diversity, and health of the state's native wildlife and plant species and
19 communities, and the fair and equitable allocation of the water resource among users and uses, and
20 to insure that long-range rather than short-range considerations remain uppermost.

21 (2) To support these objectives adequate data is essential to determine the capabilities of
22 the state's water resources to support various uses and users and the quantities of water needed for
23 these uses.

24 (3) This requirement shall be carried out by management of fresh water resources of the
25 state based on long-range planning for and conservation of these resources; fairness, equitable
26 distribution, and consideration for all human uses; matching the use of water with the quality of
27 water necessary for each use, giving priority to those uses that require the highest quality water;
28 maintenance of native aquatic and terrestrial animal and plant species, populations, and
29 communities and statewide diversity; continued upholding of and improvement in the quality of
30 the environment and especially of the water resources itself; and careful integration with all other
31 social, economic, and environmental objectives, programs, and plans of the state.

32 (4) The ~~water resources board~~ [Rhode Island water authority](#) is the ~~state agency public~~
33 [corporation of the state](#) which manages the withdrawal and use of the waters of the state of Rhode
34 Island.

1 (5) With regard to agriculture, it is a priority of the state to preserve agriculture; securing
2 this state priority involves allocation of water resources in a manner that provides for agricultural
3 sustainability while recognizing the importance of other water uses, and accordingly, in any
4 program by which water withdrawals may be allocated by the ~~board~~ authority pursuant to its
5 powers, including, but not limited to, powers set forth in chapters ~~15, 15.1,~~ 15.3, ~~and~~ 15.7 and 32
6 of this title, the ~~board~~ authority shall give priority to commercial agricultural producers, as defined
7 in § 46-15.3-4(2), that have adopted and implemented an agricultural water withdrawal
8 management plan which has been approved by the department of environmental management,
9 division of agriculture, consistent with duly adopted plans and estimates regarding the aggregated
10 supply available from the affected water resource. In putting into effect the purposes of this
11 subdivision, the ~~board~~ authority shall consider the reduction in water withdrawal that has resulted
12 from the implementation of an agricultural water withdrawal management plan as a credit against
13 any reduction in water withdrawal which would otherwise be required; and to the extent not
14 inconsistent:

15 (i) With the ~~board's~~ authority's obligations to assure drinking water supplies under ~~chapter~~
16 ~~15.3 of this title~~ chapters 15.3 and 32 of this title and water supplies for fire protection; and

17 (ii) With federal and state law, the ~~board~~ authority shall allow commercial agricultural
18 producers to continue to irrigate commercial crops either in fields or greenhouses, notwithstanding
19 a critical dry period.

20 **46-15.7-2. Definitions.**

21 The following words and phrases shall have the meanings stated herein when used in this
22 chapter:

23 (1) ~~"Board" means the Rhode Island water resources board created by chapter 15 of this~~
24 ~~title.~~ "Authority" means the Rhode Island water authority created by chapter 32 of this title.

25 (2) "Person" means and is defined by § 46-13-2(2).

26 (3) "Safe yield" means a sustainable withdrawal that can be continuously supplied from a
27 water source without adverse effects throughout a critical dry period with a one percent (1%)
28 chance of occurrence, or one that is equivalent to the drought of record, whichever is worse.

29 (4) "Water source" means any location at which ground or surface water may be withdrawn
30 for any purpose, including tidal waters, harbors, estuaries, rivers, brooks, watercourses, waterways,
31 wells, springs, lakes, ponds, impoundments, diversion structures, wetlands, aquifers, recharge
32 areas, and any others that are contained within, flow through, or border on this state or any portion
33 thereof.

34 (5) "Water Supply System Management Plan" means a plan, which may be an element of

1 a local comprehensive plan, adopted and approved in accordance with chapter 15.3 of this title.

2 (6) "Withdrawal" means taking of water from a water source for any purpose, regardless
3 of the quantity or quality of the water taken or its eventual disposition including return to the same
4 water source.

5 **46-15.7-3. ~~Functions of the water resources board~~ Functions of the Rhode Island**
6 **water authority.**

7 Actions authorized or directed by this section must be taken in accordance with the
8 Administrative Procedures Act, chapter 35 of title 42.

9 (1) The ~~board~~ [authority](#) shall adopt by rule standards and procedures for implementation
10 of the requirements of this chapter that are consistent with applicable statutes.

11 (2) The ~~board~~ [authority](#) shall conduct a comprehensive and detailed inventory of the water
12 resources of this state, and shall maintain the inventory on a current and valid basis.

13 (i) The purpose of this inventory shall be to establish the quantity of water existing in every
14 water source, the quantity that is being used or is needed for every significant purpose, as listed in
15 § 46-15.7-1(a)(2) preceding, and the quantity that is available to support other uses.

16 (ii) The ~~board~~ [authority](#) shall use data available from state and federal agencies, local
17 governments, elements of the state guide plan, water supply system management plans, persons
18 who withdraw water, and any other valid information that contributes to accomplishing the purpose
19 of this chapter. It is the responsibility of each water user to provide data, or the best available
20 estimates, on their water withdrawals.

21 (iii) The ~~board~~ [authority](#) shall gather any other information that will assist it in determining
22 the capability of the state's water resource to support various uses and users, and the quantities of
23 water being used to support these. All of the uses and users listed in § 46-15.7-1(a)(2) and any
24 others that are relevant shall be included.

25 (3) The ~~board~~ [authority](#) shall identify any water source where existing uses and users are
26 shown to have reached or threaten to approach or exceed the safe yield of that source.

27 SECTION 8. Sections 46-15.8-2 and 46-15.8-5 of the General Laws in Chapter 46-15.8
28 entitled "Water Use and Efficiency Act" are hereby amended to read as follows:

29 **46-15.8-2. Legislative findings.**

30 (a) The general assembly finds and declares that:

31 (1) Rhode Island is fortunate to have sufficient precipitation to meet Rhode Island's water
32 needs, if that water is not wasted and if it is well and fairly managed. With scarcity of water a
33 growing concern for many southern and western states, Rhode Island's adequate water supply can
34 and should be an economic advantage for our state;

1 (2) Water is a renewable but a limited resource essential to the survival of all living things.
2 The mission of the water supply profession is to provide a reliable supply of high quality water for
3 the protection of public health, safety and welfare, and to ensure a sustainable balance between
4 human and ecological water needs. Environmental stewardship and integrated water resource
5 management, including land conservation, wetlands protection, and protecting the ecological
6 integrity of water resources, are core values of the water supply profession and are essential to
7 sustaining this mission;

8 (3) Efficient and equitable management of our shared water resources allows us to make
9 water available to new economic development as well as meet existing water needs, both of which
10 support our state's economic vitality and the quality of life of our communities;

11 (4) Good management allows us to provide water for necessary residential use as well as
12 economic growth, at the same time that we preserve and protect the natural resources that make
13 Rhode Island such an attractive place to live, and that support important economic activity that
14 depends upon a healthy environment, such as fisheries, farming and tourism;

15 (5) Rhode Island is currently consuming large amounts of water for inefficient outdoor
16 non-agricultural summer landscape irrigation.

17 (6) More efficient use of our shared water supply, especially by residential users, makes
18 more water available for economic activity and for replenishment of stream flow, and is usually the
19 most cost-effective and quickest way to maximize available water supply. Conservation must be a
20 priority for successful water management.

21 (7) Rhode Island's water supply infrastructure must be maintained if it is to continue to
22 supply the state with clean water sufficient to meet our needs; it is far cheaper to "pay as you go"
23 than to defer infrastructure maintenance, which will result in it being far more expensive in the
24 future.

25 (8) Municipalities should consider the water available for human use and likely water needs
26 at build out in making planning decisions.

27 (9) The ~~Rhode Island Water Resources Board~~ [Rhode Island water authority](#), as ~~an~~
28 ~~independent water supply agency~~ [a public corporation of the state](#), is vital to the success of this
29 legislation and will provide necessary balance in working toward the sustainability of Rhode
30 Island's water resources.

31 **46-15.8-5. Duties of state agencies.**

32 In order to accomplish the purposes of this chapter:

33 (1) The ~~water resources board~~ [Rhode Island water authority](#) shall establish and maintain
34 no later than ~~July 31, 2010~~ [July 31, 2020](#), [updated](#) targets for non-agricultural demand management

1 and water use, and for non-billed water which shall include the goal of reducing leakage to no more
2 than ten percent (10%) of water supplies in public water supplies subject to the provisions of § 46-
3 15.3-5.1;

4 (2) The statewide planning program shall incorporate, by ~~July 1, 2011~~ July 1, 2021, such
5 amendments as may be necessary into state guide plan elements to require:

6 (i) The use of water availability estimates developed by the ~~water resources board~~ authority
7 and the department of environmental management and other relevant information sources in local
8 comprehensive plan elements and the review of major land development and subdivision reviews;

9 (ii) The incorporation of the executive summaries of the water supply system management
10 plans, as appropriate, into the services and facilities element and the land use element of local
11 comprehensive plans;

12 (3) The public utilities commission shall assure, ~~in accordance with provisions of chapter~~
13 ~~39-15.1,~~ that the rates of water suppliers subject to its jurisdiction are adequate to implement capital
14 improvement plans, water supply system management plans, and demand management plans and
15 to cover system costs when revenues decline as a result of decreased demand.

16 (4) State agencies need to become advocates for positive solutions by removing
17 overlapping and burdensome planning and regulatory requirements.

18 SECTION 9. This act shall take effect upon passage.

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LC004839
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO WATERS AND NAVIGATION

- 1 This act would create a Rhode Island water authority consisting of eleven (11) members.
2 The water authority would be established as a new quasi-public corporation and would assume all
3 the duties and powers of the water resources board. The act would repeal all statutory provisions
4 regarding or relating to the water resources board.
5 This act would take effect upon passage.

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