

2022 -- S 2930 SUBSTITUTE A

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2022

A N A C T

RELATING TO TOWNS AND CITIES -- GENERAL POWERS -- TOWN OF
NARRAGANSETT-- LANDING FEE

Introduced By: Senators DiMario, and Valverde

Date Introduced: May 06, 2022

Referred To: Senate Housing & Municipal Government

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 45-2-35.2 of the General Laws in Chapter 45-2 entitled "General
2 Powers" is hereby amended to read as follows:

3 **45-2-35.2. Town of Narragansett -- Landing fee.**

4 (a) The town of Narragansett is hereby authorized to charge, assess, or otherwise collect a
5 ~~thirty five cents (\$.35)~~ fifty cents (\$.50) landing fee on each passenger over the age of twelve (12)
6 arriving in the Port of Galilee, Narragansett, Rhode Island, by public or private boat; provided,
7 however, that this provision shall not apply to vessels when they are engaged in commercial fishing.
8 All fees collected, less expenses of collection, if any, shall be utilized by the town of Narragansett
9 to protect the health, safety, and welfare of all passengers, including, but not limited to, emergency
10 medical services, acquisition of both personal and real property to provide support to the ferry
11 passengers, and to establish a fund to assist the town of Narragansett in resolving problems which
12 arise due to the impact of vessels landing passengers in the town of Narragansett. The town of
13 Narragansett may enter into agreements with any common carriers by water operating in the town
14 of Narragansett and any operator of a marina in the town of Narragansett authorizing the common
15 carrier or marina operator to collect the landing fee on behalf of the town of Narragansett. The
16 agreement shall provide for the payment of a reasonable fee, (not to exceed fifteen percent) (15%)
17 of the landing fee, by the town to the common water carrier or marina operator and indemnification
18 of the water carrier or marina operator from and against any liability to, or claim of liability by

1 third parties, arising from the collection of the boarding fee. All such common carriers shall collect
2 the landing fee on behalf of the town of Narragansett, by including the amount of the fee in its rate
3 and charge to adult passengers without the necessity of approval of the landing fee from the public
4 utilities commission ("PUC") or the division of public utilities and carriers ("DPUC") under Title
5 39. The landing fee authorized by this chapter does not apply to any persons receiving free
6 transportation from the public utility under § 39-2-5. The town council of the town of Narragansett
7 shall promulgate rules and regulations to implement the provisions of this section. The town of
8 Narragansett may seek no fees from the common carriers other than those set forth in this section;
9 provided, however, that this sentence shall not preclude the taxation of property, but not the vessels,
10 of the common carriers pursuant to Title 44.

11 (b) The rate relief previously authorized by the PUC for Interstate Navigation Company in
12 1997 (PUC Docket No. 2484) which authorized the increase of Interstate Navigation Company's
13 rates (except the Block Island Passenger Commuter Rate) by one and four-tenths percent (1.4%) in
14 order to pay for property taxes assessed against Interstate Navigation Company's vessels by the
15 town of Narragansett shall continue in full force and effect until June 1, 2002. Notwithstanding the
16 restriction placed by the PUC on the money collected by Interstate Navigation Company pursuant
17 to this rate relief, the money shall be disposed of as follows: (1) from the monies collected as of
18 June 30, 2001, Interstate Navigation Company shall make a one time payment to the town of
19 Narragansett of eighty-five thousand dollars (\$85,000) and the town of Narragansett shall be
20 authorized to retain the fifteen thousand dollars (\$15,000) previously paid to it by Interstate
21 Navigation Company; (2) the balance of the funds collected as of June 30, 2001, are to be invested
22 in equipment and facilities to serve the rate payers of Interstate Navigation Company subject to
23 DPUC subsequent verification of that investment. If a dispute arises regarding the disposition of
24 the funds as set forth in this section, then the DPUC or Interstate Navigation Company may petition
25 the PUC for review, and the decision of the PUC shall be final and binding and not appealable. For
26 purposes of this section, the use of such funds by Interstate Navigation Company for: (1) the repair
27 and/or replacement of the bulkhead and related facilities at Interstate's Block Island facility; or (2)
28 Interstate's expenses related to the construction of its new terminal facility in Galilee, including the
29 construction of facilities for the connector road lots; and/or (3) the pre-payment of principal and
30 related pre-payment fees on the loan outstanding for the M/V Block Island, shall be deemed to be
31 equipment and facilities that serve the rate payers of Interstate Navigation and shall not be subject
32 to any prior review or approval by the DPUC and/or PUC; provided that subsequent verification
33 and approval shall remain within the purview of the DPUC and PUC for rate making purposes.
34 Any expenditures out of the funds collected as of June 30, 2001, for any other purposes shall require

1 the prior approval of the DPUC to assure that the proposed expenditures are in the best interest of
2 the rate payers. If a dispute arises between Interstate Navigation Company and the DPUC as to
3 such proposed expenditures, then the DPUC or Interstate Navigation Company may petition the
4 PUC for review.

5 (c) From the funds collected between July 1, 2001 and May 31, 2002, one-third ($\frac{1}{3}$) of the
6 total shall be paid to the town of Narragansett in June, 2002, and the balance shall be retained by
7 Interstate Navigation Company to be invested in equipment and facilities to serve the rate payers
8 of Interstate Navigation Company. Interstate Navigation Company shall be required to obtain the
9 prior approval of the DPUC in order to expend these funds. If a dispute arises regarding the
10 disposition of these funds as set forth in this section, the DPUC or Interstate Navigation Company
11 may petition the PUC for review.

12 (d) As to property over which the town of Narragansett has regulatory control, the town of
13 Narragansett may not prohibit overnight parking on private property and currently existing parking
14 lots in Galilee, and there will be no mandatory offsite parking for cars in Galilee.

15 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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RELATING TO TOWNS AND CITIES -- GENERAL POWERS -- TOWN OF
NARRAGANSETT-- LANDING FEE

- 1 This act would increase the landing fee at the Port of Galilee in the town of Narragansett
- 2 from thirty-five cents (\$.35) to fifty cents (\$.50).
- 3 This act would take effect upon passage.

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