

2015 -- S 0543

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LC001813
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2015

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A N A C T

RELATING TO HIGHWAYS -- RHODE ISLAND TURNPIKE AND BRIDGE AUTHORITY
BONDS

Introduced By: Senator Louis P. DiPalma

Date Introduced: March 03, 2015

Referred To: Senate Finance

(by request)

It is enacted by the General Assembly as follows:

1 SECTION 1. Legislative Findings:

2 (1) The Rhode Island Turnpike and Bridge Authority (authority) was established to
3 facilitate vehicular traffic, remove many of the present handicaps and hazards on the congested
4 highways in the state, alleviate the barriers caused by large bodies of water, and promote the
5 agricultural and industrial development of the state.

6 (2) The maintenance and support of the facilities operated by the authority is essential to
7 the public welfare of the citizenry and the economic vitality of the state.

8 (3) The authority must take the necessary steps to protect these assets and extend their
9 usefulness by establishing a funding mechanism to finance the renovation, renewal, repair,
10 rehabilitation, retrofitting, upgrading and improvement of the bridges and properties under its
11 control.

12 (4) That upon a vote of the general assembly as provided for under §§ 35-18-3 and 35-18-
13 4, the authority may issue bonds as to finance any project or projects authorized by chapter 12 of
14 title 24.

15 (5) The authority has determined that no more than sixty-five million dollars
16 (\$65,000,000) of additional monies, to be secured by tolls, transfers of motor fuel taxes and/or
17 other revenues, will be needed to finance the renovation, renewal, repair, rehabilitation,
18 retrofitting, upgrading and improvement of the Pell Bridge, the Jamestown Verrazzano Bridge,

1 the Sakonnet River Bridge, the Mount Hope Bridge, and other projects authorized by chapter 12
2 of title 24 including the replacement of the components thereof, working capital, capitalized
3 interest, a debt service reserve and the cost of issuing and insuring the bonds.

4 (6) The project proposed by the authority is an essential public facility and is of the type
5 and nature consistent with the purposes and within the powers of the authority to undertake.

6 (7) That the bonds will not constitute indebtedness of the state or any of its subdivisions
7 or a debt for which the full faith and credit of the state or any of its subdivisions is pledged.

8 SECTION 2. Chapter 24-12 of the General Laws entitled "Rhode Island Turnpike and
9 Bridge Authority" is hereby amended by adding thereto the following section:

10 **24-12-59. Bondholders' rights not to be affected by state.** -- The state does pledge to
11 and agree with the holders of any bonds or notes issued under this chapter that the state will not
12 limit or alter the rights vested in the authority to fulfill the terms of any agreements made with the
13 holders until those bonds or notes, together with their interest, with interest on any unpaid
14 installments of interest, and all costs and expenses in connection with any action or proceeding by
15 or on behalf of those holders, are fully met and discharged. The authority is authorized to include
16 this pledge and agreement of the state in any agreement with the holders of those bonds or notes.

17 SECTION 3. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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RELATING TO HIGHWAYS -- RHODE ISLAND TURNPIKE AND BRIDGE AUTHORITY
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1 This act would authorize the Rhode Island Turnpike and Bridge Authority to include
2 language establishing the rights of the holders with any agreement it makes with the holders of
3 bonds or notes issued by it.

4 This act would take effect upon passage.

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