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LC001813/SUB A
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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) That the bonds will not constitute indebtedness of the state or any of its subdivisions
16 or a debt for which the full faith and credit of the state or any of its subdivisions is pledged.

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

1 **24-12-59. Bondholders' rights not to be affected by state. --** The state does pledge to
2 and agree with the holders of any bonds or notes issued under this chapter that the state will not
3 limit or alter the rights vested in the authority to fulfill the terms of any agreements made with the
4 holders until those bonds or notes, together with their interest, with interest on any unpaid
5 installments of interest, and all costs and expenses in connection with any action or proceeding by
6 or on behalf of those holders, are fully met and discharged. The authority is authorized to include
7 this pledge and agreement of the state in any agreement with the holders of those bonds or notes.

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

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

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

1 This act would provide that the state of Rhode Island pledges to and agrees with the
2 bondholders and note holders of the Rhode Island turnpike and bridge authority that it will not
3 limit nor alter the rights of the authority to fulfill agreements the authority makes with its holders
4 of bonds or notes while said notes or bonds are due and owing. This provision is consistent with
5 the statutory authority given to other bond issuing agencies.

6 This act would take effect upon passage.

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