

RESOLUTION OF THE CITY COUNCIL

No. 120

Approved February 20, 2012

WHEREAS, Providence's large hospitals, colleges, and universities own nearly \$3 billion of property which, were it taxable, would be bring in nearly \$105 million in revenue for Providence; and

WHEREAS, During fiscal year 2010, Providence spent more than \$32 million providing essential services to tax-exempt institutions; and

WHEREAS, While the colleges and universities agreed to contribute \$1.9 million a year to the City through a Memorandum of Understanding, this barely begins to cover the cost of their share of City services; and

WHEREAS, The City receives no voluntary payments from the many hospitals within the city limits; and

WHEREAS, According to 2000 Census, the median household income in Providence was \$26,867 and in some neighborhoods, that figure drops as low as \$17,208; and

WHEREAS, The people of Providence have had their property taxes raised repeatedly over the last decade and are now at a breaking point; and

WHEREAS, The lawmakers of Rhode Island have a duty, as provided for in the State Constitution, to ensure that "the burden of the state [is] fairly distributed among its citizens;" and

WHEREAS, H7450 would allow cities and towns to collect a percentage reimbursement from tax exempt institutions that benefit from City services.



NOW, THEREFORE, BE IT RESOLVED, That the City Council of the City of Providence does hereby urge the General Assembly to pass H7450.

BE IT FURTHER RESOLVED, That upon adoption, copies of this resolution be forwarded to the sponsors of H7450, as well as to the Speaker of the House, the President of the Senate, the Majority Leaders of the House and Senate, and all Providence representatives and senators.

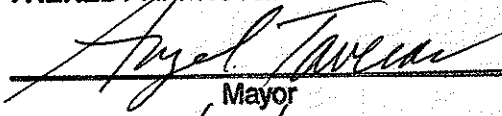
IN CITY COUNCIL

FEB 16 2012

READ AND PASSED


PRES.

CLERK

I HEREBY APPROVE.


Mayor
Date: 2/20/12

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2012

A N A C T

RELATING TO TOWNS AND CITIES -- STATE AID

Introduced By: Representatives Carnevale, Williams, Winfield, Trillo, and Handy

Date Introduced: February 09, 2012

Referred To: House Finance

It is enacted by the General Assembly as follows:

- 1-1 SECTION 1. Chapter 45-13 of the General Laws entitled "State Aid" is hereby amended
1-2 by adding thereto the following section:
- 1-3 **45-13-5.3. Municipal services pro rata reimbursement. -- Notwithstanding any general**
1-4 **or public law to the contrary, any municipality shall be authorized to charge institutions included**
1-5 **in subsection 45-13-5.1(b) for essential services on a pro rata basis according to the assessed**
1-6 **value of the property serviced. The municipality in which the property lies is authorized to charge**
1-7 **a sum equal to not more than twenty-five percent (25%) of all taxes that would have been**
1-8 **collected had the property been taxable. For the purposes of this section, "essential services"**

- 1-9 includes, but is not limited to, police, fire and rescue.
- 1-10 SECTION 2. This act shall take effect upon passage.

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LC00594
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO TOWNS AND CITIES -- STATE AID

- 2-1 This act would permit municipalities to seek reimbursement for essential services
- 2-2 provided to certain tax exempt properties based on pro rata basis according to the assessed value
- 2-3 of the property serviced.
- 2-4 This act would take effect upon passage.

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LC00594
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