

RESOLUTION OF THE CITY COUNCIL

No. 232

Approved May 13, 1996

RESOLVED, That the City Council endorses and urges passage by the General Assembly of House Bill 96-H 7252 relating to "An Act relating to Cities and Towns" in substantially the form attached.

IN CITY COUNCIL
MAY 2 1996
READ AND PASSED

Edwina V. Fargnoli

ACTING PRES.

Michael S. Clement

CLERK



THE COMMITTEE ON

State Legislation

Approves Passage of

The Within Resolution:

Carlton G. Carver

Chairman

W. J. ...

PD1155

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY **96-H 7252**

JANUARY SESSION, A.D. 1996

A N A C T

PERTAINING TO CITIES AND TOWNS

96-H 7252

Introduced By: Reps. Giannini, Carpenter,
Palangio, S. Smith, Slater

Date Introduced: January 9, 1996

Referred To: Committee on Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 45-13-5.1 of the General Laws in Chapter
2 45-13 entitled "State Aid" is hereby amended to read as follows:

3 45-13-5.1. Appropriations in lieu of property tax from private
4 institutions of higher education and private hospitals exempt from
5 taxation by state law. -- (a) In lieu of the amount of local real
6 property tax on real property owned by any private nonprofit institu-
7 tion of higher education or any nonprofit hospital facility or any
8 state owned and operated hospital, veterans' residential facility or
9 correctional facility occupied by more than one hundred (100) resi-
10 dents which may have been or will be exempted from taxation by appli-
11 cable state law, exclusive of any such facility operated by the fed-
12 eral government, the state of Rhode Island or any subdivision thereof,
13 the general assembly shall annually appropriate for payment to the
14 several cities and towns in which the property lies a sum equal to
15 twenty-five percent (25%) of all tax that would have been collected
16 had the property been taxable.

17 (b) As used in this section "private, nonprofit institution of

1 higher education" means any such institution engaged primarily in edu-
2 cation beyond the high school level, the property of which is exempt
3 from property tax under any of the subdivisions and "nonprofit hospi-
4 tal facility" means any nonprofit hospital licensed by the state and
5 which is used for the purpose of general medical, surgical or psychi-
6 atric care and treatment.

7 (c) The grant payable to any municipality under the provision of
8 this section shall be equal to twenty-five percent (25%) of the prop-
9 erty taxes which, except for any exemption to any institution of
10 higher education or general hospital facility, would have been paid
11 with respect to that exempt real property on the assessment list in
12 the municipality for the assessment date of December 31, 1986 and with
13 respect to such exempt real property appearing on an assessment list
14 in the municipality on succeeding assessment dates.

15 (d) The state budget offices shall include the amount of the
16 annual grant in the state budget for the fiscal year commencing July
17 1, 1988 and each fiscal year thereafter. The amount of the grant pay-
18 able to each municipality in any year in accordance with this section
19 shall be reduced proportionately in the event that the total of those
20 grants in each year exceeds the amount appropriated for the purposes
21 of this section with respect to that year.

22 (e) Distribution of appropriations shall be made by the state on
23 or before July 31 of 1988 and each July 31 thereafter and the payments
24 may be counted as a receivable by any city or town for a fiscal year
25 ending the preceding June 30.

26 (f) Any act or omission by the state with respect to this chapter
27 shall in no way diminish the duty of any town or municipality to pro-
28 vide public safety or other ordinary services to the properties or
29 facilities of the type listed in subsection (a).

30 (g) Provided, however, that payments authorized pursuant to this
31 section shall be reduced pro rata, for such period of time that the
32 municipality suspends or reduces essential services to eligible facil-
33 ities. For the purposes of this section "essential services" shall

1 include, but not be limited to, police, fire and rescue.

2 (h) For any year in which the pilot program is not funded in its
3 entirety for the city of Providence, for every dollar not funded, the
4 tax exempt institutions of the city of Providence, such as private
5 colleges, universities and hospitals, will make up the shortfall by
6 paying safety service fees to the city of Providence for municipal
7 services rendered by the city, such as police and fire protection,
8 sanitation, and public works services.

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

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96-H 7252

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
AN ACT
PERTAINING TO CITIES AND TOWNS

1 This act would require tax exempt institutions in the city
2 of Providence to make up the shortfall in any funding by the
3 state to the city which are exempt from state taxation.

4 This act would take effect upon passage.

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