

# RESOLUTION OF THE CITY COUNCIL

No. 197

Approved March 27, 1998

RESOLVED, That the City Council hereby endorses and urges passage by the General Assembly of House Bill 98-H 8199 and Senate Bill 98-S 2612 relating to Distressed Cities, in substantially the form attached.

IN CITY COUNCIL  
MAR 19 1998  
READ AND PASSED

*[Signature]*  
ACTING PRES.  
*[Signature]*  
CLERK  
BG

**APPROVED**  
MAR 27 1998  
*[Signature]*  
MAYOR

CITY COUNCIL  
MAR 5 1998  
FIRST READING  
REFERRED TO COMMITTEE ON  
STATE LEGISLATION

Michael R. Clement CLERK  
*Mr.*

APPROVED  
MAY 15 1998  
THE COMMITTEE ON  
State Regulation  
Recommends Passage  
Baker A. [Signature]  
3-10-98

*Council President Jargole*

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LC02105  
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STATE OF RHODE ISLAND

**98-H 8199**

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 1998

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A N A C T

RELATING TO STATE AID

98-H 8199

Introduced By: Reps. Smith, Moura and Kilmartin

Date Introduced: February 3, 1998

Referred To: Committee on Finance

It is enacted by the General Assembly as follows:

1           SECTION 1. Section 45-13-12 of the General Laws in Chapter 45-13 entitled "State  
2 Aid" is hereby amended to read as follows:

3           **45-13-12. Distressed communities relief fund.** -- (a) There is hereby established a fund  
4 to provide state assistance to those Rhode Island cities and towns which have the highest  
5 property tax burdens relative to the wealth of taxpayers.

6           (b) Establishment of indices. -- Four (4) indices of distress shall be established to  
7 determine the eligibility for the program. Each community shall be ranked by each distress index  
8 and any community which falls into the lowest fifteen percent (15%) of at least three (3) of the  
9 four (4) indices shall be eligible to receive assistance. The four (4) indices are established as  
10 follows:

11           (1) Percent of tax levy to full value of property. -- This shall be computed by dividing  
12 the tax levy of each municipality by the full value of property for each municipality. For the  
13 1990-91 fiscal year, tax levy and full value shall be as of the assessment date December 31,  
14 1986.

15           (2) Per capita income. -- This shall be the most recent estimate reported by the U.S.  
16 department of commerce, bureau of the census.

17           (3) Percent of personal income to full value of property. -- This shall be computed by  
18 multiplying the per capita income above by the most recent population estimate as reported by

# 98-H 8199

1 the U.S. department of commerce, bureau of the census, and dividing the result by the full value  
2 of property.

3 (4) Per capita full value of property. -- This shall be the full value of property divided by  
4 the most recent estimate of population by the U.S. department of commerce, bureau of the  
5 census.

6 (c) Distribution of funds. -- Funds shall be distributed to each eligible community on the  
7 basis of the community's tax levy relative to the total tax levy of all eligible communities. For  
8 the fiscal year 1990-91, the reference year for the tax levy shall be the assessment date of  
9 December 31, 1988. For each fiscal year thereafter, the reference year and the fiscal year shall  
10 bear the same relationship.

11 (d) Appropriation of funds. -- ~~The state of Rhode Island shall appropriate to eligible~~  
12 ~~communities the collections from the real estate conveyance tax pursuant to section 44-25-4(e)~~  
13 ~~which have been deposited as general revenues. In addition to those funds provided for in section~~  
14 42-61.2-7(2), commencing with the 1998-1999 fiscal year, the state shall appropriate to eligible  
15 communities an amount equal to three percent (3%) of their combined property tax levies for the  
16 reference year. Commencing with the 1999-2000 fiscal year, and for each year thereafter, the  
17 state shall appropriate to eligible communities an amount equal to four percent (4%) of their  
18 combined property tax levies for the reference year.

19 (e) Payments. -- Payments shall be made to eligible communities each March from  
20 amounts collected pursuant to section 44-25-4(c) during the period July 1 to December 31 and in  
21 August from collections during the period January 1 to June 30.

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

## EXPLANATION

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LC02105  
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BY THE LEGISLATIVE COUNCIL

OF

A N A C T

RELATING TO STATE AID

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1 This act would increase the percentage the state pays to eligible communities under the  
2 distressed communities aid program.

3 This act would take effect upon passage.

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 LC02106  
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

**98-S 2612**

JANUARY SESSION, A.D. 1998

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 A N A C T

RELATING TO STATE AID

98-S 2612

Introduced By: Senators Walton, Goodwin and Perry

Date Introduced: February 5, 1998

Referred To: Senate Committee on Finance

It is enacted by the General Assembly as follows:

1           SECTION 1. Section 45-13-12 of the General Laws in Chapter 45-13 entitled "State  
 2   Aid" is hereby amended to read as follows:

3           **45-13-12. Distressed communities relief fund.** -- (a) There is hereby established a fund  
 4   to provide state assistance to those Rhode Island cities and towns which have the highest  
 5   property tax burdens relative to the wealth of taxpayers.

6           (b) Establishment of indices. -- Four (4) indices of distress shall be established to  
 7   determine the eligibility for the program. Each community shall be ranked by each distress index  
 8   and any community which falls into the lowest fifteen percent (15%) of at least three (3) of the  
 9   four (4) indices shall be eligible to receive assistance. The four (4) indices are established as  
 10   follows:

11           (1) Percent of tax levy to full value of property. -- This shall be computed by dividing  
 12   the tax levy of each municipality by the full value of property for each municipality. For the  
 13   1990-91 fiscal year, tax levy and full value shall be as of the assessment date December 31,  
 14   1986.

15           (2) Per capita income. -- This shall be the most recent estimate reported by the U.S.  
 16   department of commerce, bureau of the census.

17           (3) Percent of personal income to full value of property. -- This shall be computed by  
 18   multiplying the per capita income above by the most recent population estimate as reported by

# 98-S 2612

1 the U.S. department of commerce, bureau of the census, and dividing the result by the full value  
2 of property.

3 (4) Per capita full value of property. -- This shall be the full value of property divided by  
4 the most recent estimate of population by the U.S. department of commerce, bureau of the  
5 census.

6 (c) Distribution of funds. -- Funds shall be distributed to each eligible community on the  
7 basis of the community's tax levy relative to the total tax levy of all eligible communities. For  
8 the fiscal year 1990-91, the reference year for the tax levy shall be the assessment date of  
9 December 31, 1988. For each fiscal year thereafter, the reference year and the fiscal year shall  
10 bear the same relationship.

11 (d) Appropriation of funds. -- ~~The state of Rhode Island shall appropriate to eligible~~  
12 ~~communities the collections from the real estate conveyance tax pursuant to section 44-25-4(e)~~  
13 ~~which have been deposited as general revenues. In addition to those funds provided for in section~~  
14 42-61.2-7(2), commencing with the 1998-1999 fiscal year, the state shall appropriate to eligible  
15 communities an amount equal to three percent (3%) of their combined property tax levies for the  
16 reference year. Commencing with the 1999-2000 fiscal year, and for each year thereafter, the  
17 state shall appropriate to eligible communities an amount equal to four percent (4%) of their  
18 combined property tax levies for the reference year.

19 (e) Payments. -- Payments shall be made to eligible communities each March from  
20 amounts collected pursuant to section 44-25-4(c) during the period July 1 to December 31 and in  
21 August from collections during the period January 1 to June 30.

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

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LC02106  
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EXPLANATION  
BY THE LEGISLATIVE COUNCIL

OF

A N A C T  
RELATING TO STATE AID

\*\*\*

1 This act would increase the percentage the state pays to eligible communities under the  
2 distressed communities aid program.

3 This act would take effect upon passage.

# RESOLUTION OF THE CITY COUNCIL

No. 198

Approved March 27, 1998

CITY COUNCIL  
RECEIVED  
MAY 19 1998

RESOLVED, That the City Council endorses and urges passage by the General Assembly of House Bill 98-H 7867 and Senate Bill 98-S 2622 relating to the percentage of the PILOT formula, in substantially the form attached.

IN CITY COUNCIL  
MAR 19 1998  
READ AND PASSED  
*[Signature]*  
ACTING PRES.  
*[Signature]*  
CLERK  
*[Signature]*

**APPROVED**  
MAR 27 1998  
*[Signature]*  
MAYOR

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IN CITY COUNCIL  
MAR 5 1998  
FIRST READING  
REFERRED TO COMMITTEE ON  
STATE LEGISLATION

Michael R. Clement CLERK  
ma

APR 10 1998  
RECEIVED  
STATE LEGISLATION

THE COMMITTEE ON  
State Legislation  
Recommends Passage  
Richard A. Cooney  
3-10-98 Clerk

President Jazpali

LC02138

STATE OF RHODE ISLAND

98-H 7867

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 1998

AN ACT

RELATING TO STATE AID -- TOWNS AND CITIES

98-H 7867

Introduced By: Reps. Palangio, Giannini, Ajello, Smith and Moura

Date Introduced: February 3, 1998

Referred To: Committee on Finance

It is enacted by the General Assembly as follows:

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

3 45-13-5.1. General Assembly appropriations in lieu of property tax from certain  
4 exempt private and state properties. -- (a) In lieu of the amount of local real property tax on  
5 real property owned by any private nonprofit institution of higher education, or any nonprofit  
6 hospital facility, or any state owned and operated hospital, veterans' residential facility, or  
7 correctional facility occupied by more than 100 residents which may have been or will be  
8 exempted from taxation by applicable state law, exclusive of any such facility operated by the  
9 federal government, the state of Rhode Island, or any subdivision thereof, the general assembly  
10 shall annually appropriate for payment to the several cities and towns in which the property lies a  
11 sum equal to twenty-seven percent (27%) of all tax that would have been collected had the  
12 property been taxable. The state appropriation in the fiscal year commencing July 1, 1998 shall  
13 be equal to thirty-five percent (35%) of the tax that would have been collected had the property  
14 been taxed. In the fiscal year commencing July 1, 1999, the rate shall be forty percent (40%); in  
15 the fiscal year commencing July 1, 2000, the rate shall be forty-five percent (45%); in the fiscal  
16 year commencing July 1, 2001, and for every fiscal year thereafter, the rate shall be fifty percent  
17 (50%).

18 (b) As used in this section, "private nonprofit institution of higher education" means any

1 institution engaged primarily in education beyond the high school level, the property of which is  
2 exempt from property tax under any of the subdivisions, and "nonprofit hospital facility" means  
3 any nonprofit hospital licensed by the state and which is used for the purpose of general medical.  
4 surgical, or psychiatric care and treatment.

5 (c) The grant payable to any municipality under the provision of this section shall be  
6 equal to twenty-seven percent (27%) of the property taxes which, except for any exemption to  
7 any institution of higher education or general hospital facility, would have been paid with respect  
8 to that exempt real property on the assessment list in the municipality for the assessment date of  
9 December 31, 1986 and with respect to such exempt real property appearing on an assessment  
10 list in the municipality on succeeding assessment dates.

11 (d) The state budget offices shall include the amount of the annual grant in the state  
12 budget for the fiscal year commencing July 1, 1988 and each fiscal year thereafter. The amount  
13 of the grant payable to each municipality in any year in accordance with this section shall be  
14 reduced proportionately in the event that the total of those grants in each year exceeds the  
15 amount appropriated for the purposes of this section with respect to that year.

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

19 (f) Any act or omission by the state with respect to this chapter shall in no way diminish  
20 the duty of any town or municipality to provide public safety or other ordinary services to the  
21 properties or facilities of the type listed in subsection (a).

22 (g) Provided, however, that payments authorized pursuant to this section shall be  
23 reduced pro rata, for such period of time that the municipality suspends or reduces essential  
24 services to eligible facilities. For the purposes of this section "essential services" shall include,  
25 but not be limited to, police, fire and rescue.

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

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LC02138  
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**98-H 7867**

EXPLANATION  
BY THE LEGISLATIVE COUNCIL

OF

A N A C T

RELATING TO STATE AID -- TOWNS AND CITIES

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- 1           This act would increase the state appropriations given to the cities and towns for
- 2 nonprofit property which is not subject to real property taxation.
- 3           This act would take effect upon passage.

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LC02138  
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LC02136

STATE OF RHODE ISLAND  
IN GENERAL ASSEMBLY

98-S 2622

JANUARY SESSION, A.D. 1998

AN ACT

RELATING TO STATE AID -- TOWNS AND CITIES

98-S 2622

Introduced By: Senator Ruggiero, Goodwin, Walton, Palazzo, Perry et al.

Date Introduced: February 5, 1998

Referred To: Senate Committee on Finance

It is enacted by the General Assembly as follows:

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

3 45-13-5.1. General Assembly appropriations in lieu of property tax from certain  
4 exempt private and state properties. - (a) In lieu of the amount of local real property tax on  
5 real property owned by any private nonprofit institution of higher education, or any nonprofit  
6 hospital facility, or any state owned and operated hospital, veterans' residential facility, or  
7 correctional facility occupied by more than 100 residents which may have been or will be  
8 exempted from taxation by applicable state law, exclusive of any such facility operated by the  
9 federal government, the state of Rhode Island, or any subdivision thereof, the general assembly  
10 shall annually appropriate for payment to the several cities and towns in which the property lies a  
11 sum equal to twenty-seven percent (27%) of all tax that would have been collected had the  
12 property been taxable. The state appropriation in the fiscal year commencing July 1, 1998 shall  
13 be equal to thirty-five percent (35%) of the tax that would have been collected had the property  
14 been taxed. In the fiscal year commencing July 1, 1999, the rate shall be forty percent (40%); in  
15 the fiscal year commencing July 1, 2000, the rate shall be forty-five percent (45%); in the fiscal  
16 year commencing July 1, 2001, and for every fiscal year thereafter, the rate shall be fifty percent  
17 (50%).

18 (b) As used in this section, "private nonprofit institution of higher education" means any

1 institution engaged primarily in education beyond the high school level, the property of which is  
2 exempt from property tax under any of the subdivisions, and "nonprofit hospital facility" means  
3 any nonprofit hospital licensed by the state and which is used for the purpose of general medical,  
4 surgical, or psychiatric care and treatment.

5 (c) The grant payable to any municipality under the provision of this section shall be  
6 equal to twenty-seven percent (27%) of the property taxes which, except for any exemption to  
7 any institution of higher education or general hospital facility, would have been paid with respect  
8 to that exempt real property on the assessment list in the municipality for the assessment date of  
9 December 31, 1986 and with respect to such exempt real property appearing on an assessment  
10 list in the municipality on succeeding assessment dates.

11 (d) The state budget offices shall include the amount of the annual grant in the state  
12 budget for the fiscal year commencing July 1, 1988 and each fiscal year thereafter. The amount  
13 of the grant payable to each municipality in any year in accordance with this section shall be  
14 reduced proportionately in the event that the total of those grants in each year exceeds the  
15 amount appropriated for the purposes of this section with respect to that year.

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

19 (f) Any act or omission by the state with respect to this chapter shall in no way diminish  
20 the duty of any town or municipality to provide public safety or other ordinary services to the  
21 properties or facilities of the type listed in subsection (a).

22 (g) Provided, however, that payments authorized pursuant to this section shall be  
23 reduced pro rata, for such period of time that the municipality suspends or reduces essential  
24 services to eligible facilities. For the purposes of this section "essential services" shall include,  
25 but not be limited to, police, fire and rescue.

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

# 98-S 2622

EXPLANATION  
BY THE LEGISLATIVE COUNCIL

OF

A N A C T

RELATING TO STATE AID -- TOWNS AND CITIES

\*\*\*

- 1 This act would increase the state appropriations given to the cities and towns for
- 2 nonprofit property which is not subject to real property taxation.
- 3 This act would take effect upon passage.

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LC02136  
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