

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2011

A N A C T

RELATING TO TOWNS AND CITIES -- CLEAN ENERGY PROGRAMS

Introduced By: Senators Pichardo, Goodwin, Miller, and Felag

Date Introduced: February 16, 2011

Referred To: Senate Housing & Municipal Government

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 45 of the General Laws entitled "TOWNS AND CITIES" is hereby  
2 amended by adding thereto the following chapter:

3 CHAPTER 33.4

4 FINANCING CLEAN ENERGY PROGRAMS

5 **45-33.4-1. Short title.** – This chapter shall be known and may be cited as the "Financing  
6 Clean Energy Programs Act of 2011."

7 **45-33.4-2. Financing clean energy programs.** – (a) Municipalities may, by ordinance,  
8 authorize contracts to provide loans for the initial acquisition and installation of clean energy  
9 improvements with free and willing property owners of both existing properties and new  
10 construction. Such an ordinance shall include, but is not limited to, the following:

11 (1) The kinds of distributed generation renewable energy sources or energy efficiency  
12 improvements for which loans may be offered;

13 (2) The proposed arrangement for such loan program, including:

14 (i) A statement concerning the source of funding that will be used to pay for work  
15 performed pursuant to the contracts;

16 (ii) The interest rate and time period during which contracting property owners would  
17 repay the loan; and

18 (iii) The method of apportioning all or any portion of the costs incidental to financing,  
19 administration, and collection of the arrangement among the consenting property owners and the

1 municipality;

2 (3) A minimum and maximum aggregate dollar amount which may be financed;

3 (4) A method for setting requests from property owners for financing in priority order in  
4 the event that requests appear likely to exceed authorization amount of the loan program. Priority  
5 shall be given to those requests from property owners who meet established income or assessed  
6 property value eligibility requirements;

7 (5) Identification of a local official authorized to enter into contracts on behalf of the  
8 municipality; and

9 (6) A draft contract specifying the terms and conditions proposed by the municipality.

10 (b) The municipality may combine the loan payments required by the contracts with  
11 billings for water or sewer charges, real property tax assessments, or other billings; in such cases,  
12 the municipality may establish the order in which loan payments will be applied to the different  
13 charges. Unpaid payments shall constitute a lien on the real estate. The lien shall have  
14 superiority over other liens, encumbrances, and interests in the real estate in the same way tax  
15 liens have pursuant to section 44-9-1. The lien shall be collectible in the same manner that real  
16 estate taxes are collectible. The lien shall be referenced in the subject property's municipal lien  
17 certificate. The municipality may not combine its billings for loan payments required by a  
18 contract authorized pursuant to this section with billings of another municipality or political  
19 subdivision unless such municipality or political subdivision has given its consent by duly  
20 adopted resolution or ordinance.

21 (c) The municipality shall offer private lending institutions the opportunity to participate  
22 in local loan programs established pursuant to this section.

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

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
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- 1           This act would authorize municipalities to provide loans to willing property owners, in
- 2 order to provide financing for clean energy installation and improvement projects.
- 3           This act would take effect upon passage.

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