

2008 -- H 8436

LC03266

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2008

A N A C T

RELATING TO TOWNS AND CITIES -- HEALTH AND EDUCATION BUILDING CORPORATION

Introduced By: Representatives DeSimone, and Slater

Date Introduced: June 21, 2008

Referred To: House Judiciary

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 45-38.1-4 and 45-38.1-17 of the General Laws in Chapter 45-38.1  
2 entitled "Health And Educational Building Corporation" are hereby amended to read as follows:

3 **45-38.1-4. Corporation established.** -- (a) There is hereby created a public body  
4 corporate and agency of the state to be known as the "Rhode Island health and educational  
5 building corporation" as successor to the Rhode Island educational building corporation,  
6 previously created as a nonbusiness corporation under and pursuant to chapter 6 of title 7, as  
7 amended by chapter 121 of the Public Laws of 1966, and constituted and established as a public  
8 body corporate and agency of the state for the exercising of the powers conferred on the  
9 corporation under and pursuant to sections 45-38.1-1 -- 45-38.1-24.

10 (b) All of the powers of the corporation are vested in the board of directors of the  
11 corporation elected at the first meeting of the incorporators of the Rhode Island educational  
12 building corporation, and the members of the board shall continue to serve for the duration of the  
13 terms for which they were originally elected. Successors to the members of the board of directors  
14 shall be appointed by the governor, as follows: prior to the month of June in each year,  
15 commencing in the year 1968, the governor shall appoint a member to serve on the board of  
16 directors for a term of five (5) years to succeed the member whose term will expire in June of that  
17 year. In the event of a vacancy occurring in the membership of the board of directors, the  
18 governor shall appoint a new member of the board of directors for the unexpired term. Any

1 member of the board of directors is eligible for reappointment. All appointments made pursuant  
2 to this section after the effective date of this act shall be subject to the advice and consent of the  
3 senate. Members of the commission shall be removable by the governor pursuant to section 36-1-  
4 7 of the general laws and for cause only, and removal solely for partisan or personal reasons  
5 unrelated to capacity or fitness for the office shall be unlawful.

6 (c) Each member of the board of directors, before entering upon his or her duties, shall  
7 take an oath to administer the duties of his or her office faithfully and impartially, and the oath  
8 shall be filed in the office of the secretary of state.

9 (d) The board of directors shall elect two (2) of its members as chairperson and vice  
10 chairperson, and also elect a secretary, assistant secretary, treasurer, and assistant treasurer, who  
11 need not be members of the board. Three (3) members of the board of directors of the corporation  
12 shall constitute a quorum, and the affirmative vote of the majority of the directors present and  
13 entitled to vote at any regular or special meeting at which a quorum is present, is necessary for  
14 any action to be taken by the corporation; except, however, that the affirmative vote of three (3)  
15 members of the board of directors is necessary for the election of officers of the corporation and  
16 to amend the bylaws of the corporation. No vacancy in the membership of the board of directors  
17 of the corporation impairs the right of a quorum to exercise all the powers of and perform the  
18 duties of the corporation.

19 (e) Any action taken by the corporation under the provisions of this chapter may be  
20 authorized by resolution at any regular or special meeting, and each resolution takes effect  
21 immediately and need not be published or posted.

22 (f) The members of the board of directors shall receive compensation at the rate of fifty  
23 dollars (\$50.00) per meeting attended; however, the compensation shall not exceed one thousand  
24 five hundred dollars (\$1,500) per fiscal year per member.

25 (g) Notwithstanding any other law to the contrary, it shall not be or constitute a conflict  
26 of interest for a trustee, director, officer, or employee of an institution for higher education or a  
27 health care provider to serve as a member of the board of directors of the corporation; provided,  
28 that the trustee, director, officer, or employee abstains from deliberation, action and vote by the  
29 board under this chapter in specific respect to the institution for higher education or the health  
30 care provider of which the member is a trustee, director, officer, or employee.

31 (h) Newly appointed and qualified members shall, within six (6) months of their  
32 qualification or designation, attend a training course that shall be developed with board approval  
33 and conducted by the chair of the board and shall include instruction in the following areas: the  
34 provisions of chapters 45-38.1, 42-46, 36-14 and 38-2 and the board's rules and regulations. The

1 director of the department of administration shall, within ninety (90) days of the effective date of  
2 this act, prepare and disseminate training materials relating to the provisions of chapters 42-46,  
3 36-14 and 38-2.29.

4 **45-38.1-17. Annual report and audit.**  ~~-- Within four (4) months after the close of each~~  
5  ~~fiscal year of the corporation, it shall make a report to the governor of its activities for the~~  
6  ~~preceding fiscal year, and the report shall present a complete operating and financial statement~~  
7  ~~covering the corporation's operations during the preceding fiscal year.~~ (a) Within ninety (90)  
8 days after the end of each fiscal year, the board shall approve and submit an annual report to the  
9 governor, the speaker of the house of representatives, the president of the senate, and the  
10 secretary of state, of its activities during that fiscal year. The report shall provide: an operating  
11 statement summarizing meetings or hearings held, meetings minutes if requested, subjects  
12 addressed, decisions rendered, rules or regulations promulgated, studies conducted, policies and  
13 plans developed, approved, or modified, and programs administered or initiated; a consolidated  
14 financial statement of all funds received and expended including the source of the funds, a listing  
15 of any staff supported by these funds, and a summary of any clerical, administrative or technical  
16 support received; a summary of performance during the previous fiscal year including  
17 accomplishments, shortcomings and remedies; a synopsis of hearings, complaints, suspensions, or  
18 other legal matters related to the authority of the boards; a summary of any training courses held  
19 pursuant to subsection 45-22.3-3(e); a briefing on anticipated activities in the upcoming fiscal  
20 year; and findings and recommendations for improvements. The report shall be posted  
21 electronically on the general assembly and the secretary of state's websites as prescribed in  
22 section 42-20-8.2 of the Rhode Island general laws. The director of the department of  
23 administration shall be responsible for the enforcement of this provision.

24 (b) The corporation shall cause an audit of its books and accounts to be made at least  
25 once each fiscal year by certified public accountants, and the cost of the audit shall be paid by the  
26 corporation from funds available to it pursuant to this chapter.

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

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO TOWNS AND CITIES -- HEALTH AND EDUCATION BUILDING  
CORPORATION

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1           This act would require that appointees to the Rhode Island health and education building  
2 corporation board of directors receive the advice and consent of the senate. It would also require  
3 that newly appointed board members attend a training course to be developed and approved by  
4 the board. Finally, this act would require that an informational report be filed with the governor  
5 and the general assembly.

6           This act would take effect upon passage.

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