

**RESOLUTION OF THE RHODE ISLAND  
DISASTER EMERGENCY FUNDING BOARD  
AUTHORIZING BORROWING IN AN AMOUNT  
NOT TO EXCEED \$300,000,000**

March 26, 2020

- WHEREAS: The Disaster Emergency Funding Board (the "Board") was created and exists in accordance with Rhode Island General Laws § 30-15-10 (the "Act"); and
- WHEREAS: The Act provides that it is the policy of the State of Rhode Island (the "State") that funds shall be available to meet disaster emergencies; and
- WHEREAS: On March 9, 2020, Governor Raimondo signed a declaration of a state of emergency in Rhode Island in response to COVID-19 outbreak disaster (the "Disaster Emergency"); and
- WHEREAS: If the demands placed upon funds regularly appropriated to State and local agencies in coping with the Disaster Emergency are unreasonably great, the Act authorizes the Governor, with the concurrence of the Board, to borrow for cash flow purposes for a term not to exceed two years from the United States government or any other private source; and
- WHEREAS: The Governor has determined that the demands placed upon funds regularly appropriated to State and local agencies in coping with the Disaster Emergency are unreasonably great, and therefore it is necessary and desirable that the State borrow for cash flow purposes, for a term not to extend beyond June 30, 2021, from the United States government or any other private source an amount not to exceed \$300,000,000 in the form of one or more bonds or notes or other obligations from time to time which is payable solely from appropriations made by the General Assembly (the "Notes"); and
- WHEREAS: The Board concurs with the Governor that the demands placed upon funds regularly appropriated to State and local agencies in coping with the Disaster Emergency are unreasonably great, and therefore it is necessary and desirable that the State borrow for cash flow purposes, for a term not to extend beyond June 30, 2021, from the United States government or any other private source an amount not to exceed \$300,000,000;

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- WHEREAS: The Governor has determined that the demands placed upon funds regularly appropriated to State and local agencies in coping with the Disaster Emergency are unreasonably great, and therefore it is necessary and desirable that the State borrow for cash flow purposes, for a term not to extend beyond June 30, 2021, from the United States government or any other private source an amount not to exceed \$300,000,000 in the form of one or more bonds or notes or other obligations from time to time which is payable solely from appropriations made by the General Assembly (the “Notes”); and
- WHEREAS: The Board concurs with the Governor that the demands placed upon funds regularly appropriated to State and local agencies in coping with the Disaster Emergency are unreasonably great, and therefore it is necessary and desirable that the State borrow for cash flow purposes, for a term not to extend beyond June 30, 2021, from the United States government or any other private source an amount not to exceed \$300,000,000;

NOW, THEREFORE, acting by unanimous consent of the Board, the Board hereby resolves as follows:

RESOLVED THAT:

1. Approval of Notes. The Board hereby authorizes the Governor, on behalf of the State, to borrow for cash flow purposes for a term not to extend beyond June 30, 2021, from the United States government or any other private source Notes in an amount not to exceed \$300,000,000, provided that the Governor, in consultation with the General Treasurer, determines that such emergency funding is advisable. Such Notes may be refinanced by the issuance of additional Notes, which may be issued to the United States Government, which Notes shall mature by June 30, 2021.
2. Agreements. In connection with the Notes, the Governor or in the event of her absence, illness or other inability to act, such other General Officer or Officers as provided for under the Rhode Island Constitution (hereinafter collectively referred to as the "Governor"), is hereby authorized, empowered and directed, for and in the name of and on behalf of the State, to do any and all things, and to make, execute, deliver, file and record any and all agreements, instruments, papers, certificates and documents which shall be or become necessary, proper or convenient to carry out such emergency funding, each to contain such provisions and to be in such form as the Governor shall determine to be necessary or appropriate, and the execution, acknowledgement and delivery of each such agreement or document by the Governor shall be conclusive evidence as to authorization by this vote.
3. Sale of the Notes. The Governor, on behalf of the State, is authorized to issue the Notes at one time or from time to time to one or more purchasers selected by the Governor in consultation with the General Treasurer, in an amount in the aggregate not to exceed \$300,000,000, including financing costs and the funding of a debt service reserve, if required by the purchaser or purchasers thereof. The Notes shall be sold pursuant to the terms of a note purchase agreement or agreements and shall bear fixed rates or variable rates of interest, as determined by the Governor, in consultation with the General Treasurer. The rates of interest per annum, exclusive of any default rate, shall not exceed a fixed rate of 3.0% or a floating rate of the one-month LIBOR Rate plus 2.0%.
4. Details of the Notes. The Governor is hereby authorized to sell the Notes, to select the issue date or dates of the Notes, the maturity, redemption and other terms of the Notes. The Governor is hereby authorized to execute and deliver such other documents and take such other actions, as may be necessary, desirable or advisable to effectuate the issuance of the Notes. The


Notes shall not be deemed to constitute a pledge of the full faith and credit of the State. The State shall not be obligated to pay the Notes or the interest thereon except from appropriations made therefor, and neither the faith and credit nor the taxing power of the State is pledged to such payment. All of the Notes, whether issued at once or from time to time, will be repaid on an equal basis and the State reserves the right to issue additional bonds, notes or other evidences of indebtedness with repayment rights on an equal basis.


5. Compliance with Code. The Notes may be issued on a tax-exempt or taxable basis. If the Notes are issued on a tax-exempt basis, the Governor, the Lieutenant Governor, the General Treasurer, the Secretary of State and the Attorney General (the "State Officers") are hereby authorized to take all lawful action necessary under the Internal Revenue Code of 1986, as amended (the "Code"), to insure that the interest on the Notes is exempt from federal taxation to the extent provided in Section 103 of the Code and to refrain from taking any action which would cause interest on the Notes to lose the benefit of exclusion of gross income provided by Section 103(a) of the Code. The Governor is authorized to execute and deliver a tax certificate in connection with the issuance of the Notes in order to effectuate the foregoing.
6. Additional Actions. From and after the execution and delivery of the documents hereinabove authorized, the State Officers, agents and employees of the State are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of said documents as executed and are further authorized to take any and all actions and to execute and deliver any and all documents as may be necessary or advisable in connection with the Notes and in the execution, delivery, approval and performance of the emergency funding, any supplemental or amendatory documents with respect to existing documents, and all other documents, certificates and instruments as may be necessary or advisable in connection therewith.
7. Reporting. During the period when any Notes are outstanding and unpaid, the Governor or her agents or employees will provide the Board with monthly reports describing the amounts outstanding under the Notes and the use of proceeds thereof.
8. Ratification and Approval. All acts of the State Officers and all other agents and employees of the State which are in conformity with the purposes and intents of this Resolution and furtherance of the Notes and the execution, delivery and approval and performance of the emergency funding, any supplemental or amendatory documents with respect to existing documents, and all other documents, certificates and instruments as may be necessary

or advisable in connection therewith, shall be, and the same hereby are, in all respects ratified, approved and confirmed.


9. Effectiveness. This Resolution shall take effect immediately upon approval.

The undersigned, being all of the members of the Board, approve this Resolution on this 26<sup>th</sup> day of March, 2020.

  
The Honorable Nicholas A. Mattiello,  
Speaker of the House of Representatives, in  
his capacity as Board member

  
The Honorable Dominick J. Ruggiero,  
President of the Senate, in his capacity as  
Board member

  
The Honorable Chairman Marvin L. Abney,  
Chairman, House Finance Committee, in his  
capacity as Board member

  
The Honorable William J. Conley, Jr.,  
Chairman, Senate Finance Committee, in  
his capacity as Board member