

2026 -- S 2804

LC005353

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2026

A N A C T

RELATING TO WATERS AND NAVIGATION -- RHODE ISLAND INFRASTRUCTURE BANK

Introduced By: Senators Gu, DiMario, Urso, Kallman, Valverde, and Euer

Date Introduced: March 04, 2026

Referred To: Senate Environment & Agriculture

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 46-12.2-4.4 of the General Laws in Chapter 46-12.2 entitled "Rhode
2 Island Infrastructure Bank" is hereby amended to read as follows:

3 **46-12.2-4.4. Establishment of the resilient rhody infrastructure fund.**

4 (a) There is hereby authorized and created within the Rhode Island infrastructure bank the
5 resilient rhody infrastructure fund for the purpose of providing technical, administrative, and
6 financial assistance to local governmental units for resiliency and stormwater abatement projects.
7 The Rhode Island infrastructure bank shall review and approve all applications for projects to be
8 financed through the resilient rhody infrastructure fund.

9 The Rhode Island infrastructure bank shall promulgate rules and regulations to effectuate
10 the provisions of this section which may include, without limitation, forms for financial assistance
11 applications, loan agreements, and other instruments. All rules and regulations promulgated
12 pursuant to this chapter shall be promulgated in accordance with the provisions of chapter 35 of
13 title 42 ("administrative procedures").

14 (b) The Rhode Island infrastructure bank shall have all the powers necessary and
15 convenient to carry out and effectuate the purposes and provisions of this section including, without
16 limiting the generality of the preceding statement, the authority:

17 (1) To receive and disburse such funds from the state and federal government as may be
18 available for the purpose of the fund subject to the provisions of this section;

1 (2) To make and enter into binding commitments to provide financial assistance to local
2 governmental units from amounts on deposit in the fund;

3 (3) To levy administrative fees on eligible borrowers as necessary to effectuate the
4 provisions of this section, provided the fees have been previously authorized by an agreement
5 between the Rhode Island infrastructure bank and the eligible borrower;

6 (4) To engage the services of third-party vendors to provide professional services;

7 (5) To establish one or more accounts within the fund; and

8 (6) Such other authority as granted to the Rhode Island infrastructure bank under this
9 chapter.

10 (c) Subject to the provisions of this section and to any agreements with the holders of any
11 bonds of the Rhode Island infrastructure bank or any trustee therefor, amounts held by the Rhode
12 Island infrastructure bank for the account of the fund shall be applied by the Rhode Island
13 infrastructure bank, either by direct expenditure, disbursement, or transfer to one or more other
14 funds and accounts held by the Rhode Island infrastructure bank or maintained under any trust
15 agreement pertaining to bonds, either alone or with other funds of the Rhode Island infrastructure
16 bank, to the following purposes:

17 (1) To provide financial assistance to local governmental units to finance costs of approved
18 projects, as set forth in subsection (a) of this section, and to refinance the costs of the projects,
19 subject to such terms and conditions, if any, as are determined by the Rhode Island infrastructure
20 bank;

21 (2) To fund reserves for bonds of the Rhode Island infrastructure bank and to purchase
22 insurance and pay the premiums therefor, and pay fees and expenses of letters or lines of credit and
23 costs of reimbursement to the issuers thereof for any payments made thereon or on any insurance,
24 and to otherwise provide security for, and a source of payment for obligations of the Rhode Island
25 infrastructure bank, by pledge, lien, assignment, or otherwise as provided in this chapter;

26 (3) To pay expenses of the Rhode Island infrastructure bank in administering the fund;

27 (4) To provide a reserve for, or to otherwise secure, amounts payable by borrowers on loans
28 and obligations outstanding in the event of default thereof; amounts in any account in the fund may
29 be applied to defaults on loans outstanding to the borrower for which the account was established
30 and, on a parity basis with all other accounts, to defaults on any loans or obligations outstanding;
31 and

32 (5) To provide a reserve for, or to otherwise secure, by pledge, lien, assignment, or
33 otherwise as provided in this chapter, any bonds of the Rhode Island infrastructure bank.

34 (6) To provide financial support to local governmental units to support, develop, and

1 [implement risk interpretation tools to aid in:](#)

2 [\(i\) Quantifying financial risk and the value of risk financing and transfer investments](#)
3 [including, but not limited to, insurance and alternative methods of risk transfer to reduce costs](#)
4 [associated with catastrophic event recovery; and](#)

5 [\(ii\) Efforts that seek to ensure a property's insurability.](#)

6 (d) In addition to other remedies of the Rhode Island infrastructure bank under any loan
7 agreement or otherwise provided by law, the Rhode Island infrastructure bank may also recover
8 from a borrower, in an action in superior court, any amount due the Rhode Island infrastructure
9 bank together with any other actual damages the Rhode Island infrastructure bank shall have
10 sustained from the failure or refusal of the borrower to make the payments or abide by the terms of
11 the loan agreement.

12 (e) The Rhode Island infrastructure bank may create one or more loan loss reserve funds
13 to serve as further security for any loans made by the Rhode Island infrastructure bank or any bonds
14 of the Rhode Island infrastructure bank issued to fund energy efficiency improvements in public
15 buildings in accordance with this section.

16 (f) To the extent possible, and in accordance with law, the Rhode Island infrastructure bank
17 shall encourage the use of project labor agreements for projects over ten million dollars
18 (\$10,000,000) and local hiring on projects funded under this section.

19 SECTION 2. Chapter 46-12.2 of the General Laws entitled "Rhode Island Infrastructure
20 Bank" is hereby amended by adding thereto the following section:

21 **46-12.2-28. Municipal resilience program -- Eligible costs.**

22 [\(a\) Amounts designated by the Rhode Island infrastructure bank for the municipal](#)
23 [resilience program and/or municipal resilience projects may be used by local governmental units](#)
24 [for:](#)

25 [\(1\) Resiliency related infrastructure planning processes;](#)

26 [\(2\) Resiliency related insurability planning;](#)

27 [\(3\) The support, development, and/or implementation of risk interpretation tools to aid in:](#)

28 [\(i\) Quantifying financial risk and the value of risk financing and transfer investments](#)
29 [including, but not limited to, insurance and alternative methods of risk transfer to reduce costs](#)
30 [associated with catastrophic event recovery; and](#)

31 [\(ii\) Efforts that seek to ensure a property's insurability.](#)

32 SECTION 3. Sections 46-23.3-2 and 46-23.3-4 of the General Laws in Chapter 46-23.3
33 entitled "The Ocean State Climate Adaptation and Resilience Fund" are hereby amended to read as
34 follows:

1 **46-23.3-2. Definitions.**

2 For the purposes of this chapter, the following words and phrases shall have the following
3 meanings:

4 (1) “Adaptation and resilience projects” means those projects on public land that protect or
5 enhance coastal or riverine habitats to address climate change impacts. Adaptation and resilience
6 projects include, but are not limited to: those projects that reduce the vulnerability of low-lying
7 infrastructure on public land through measures that include removal and relocation of
8 infrastructure; restoration of river and stream floodplains, including regrading of banks;
9 revegetation; acquisition of that area of land necessary to maintain and preserve public access; ~~and~~
10 redesigning, resizing, and replacing culverts and bridge spans at existing wetland crossings; [risk](#)
11 [financing and transfer investment including, but not limited to, insurance and alternative methods](#)
12 [of risk financing and transfer to protect nature-based solutions from catastrophic risk; and those](#)
13 [efforts that seek to ensure a property's insurability.](#)

14 (2) “Bank” means the Rhode Island infrastructure bank.

15 (3) “Climate change impacts” means and includes, but is not limited to: flooding, erosion,
16 sea level rise, and storm surge.

17 (4) “Council” means the coastal resources management council.

18 (5) “Department” means the department of environmental management.

19 (6) “Director” means the director of the department of environmental management.

20 (7) “Infrastructure” means and includes, but is not limited to: roads, parking lots, and other
21 paved surfaces; shoreline protection structures; buildings; water control structures; culverts; other
22 structures; and remnants of development.

23 (8) “Public land(s)” means property owned by state or municipal governments, including
24 any quasi-public agencies thereof, public and private lands dedicated to public use, including lands
25 that provide access to shorelines and riverbanks. Public lands include properties where the state or
26 municipality holds an easement for public purposes.

27 (9) “Shoreline protection structures” means and includes, but is not limited to: revetments,
28 bulkheads, seawalls and floodwalls, breakwaters, jetties, and other structures, the purpose or effect
29 of which is to control the erosion of coastal or river features, and includes, but is not limited to, any
30 sheet pile walls, concrete or stone walls.

31 **46-23.3-4. Establishment — The Ocean State Climate Adaptation and Resilience**
32 **fund.**

33 (a) **Establishment.** There is established within the Rhode Island infrastructure bank, the
34 Ocean State Climate Adaptation and Resilience fund (the “OSCAR fund”).

1 (b) **Financing.** The fund shall consist of the following sources:

2 (1) Sums the general assembly may appropriate;

3 (2) Monies received from federal, state, or other sources, including bond funds, for the
4 purposes of the OSCAR fund;

5 (3) Monies received from any private donor for the OSCAR fund; and

6 (4) Any interest earned on the monies in the fund.

7 (c) **Allocation of OSCAR funds.** OSCAR funds shall be used to carry out the purposes of
8 this chapter as follows:

9 (1) The administrative expenses required to carry out the activities of the program as
10 described in this chapter shall not exceed fifty thousand dollars (\$50,000) each for the Rhode Island
11 infrastructure bank, coastal resources management council, and the department of environmental
12 management annually, which sum shall not include the cost of issuing bonds or notes, if any. The
13 department and the council shall be responsible for submitting annual budget requests for its
14 administrative and implementation costs of the program to the bank;

15 (2) The planning, design, engineering, construction, and monitoring of adaptation and
16 resilience projects as defined in this chapter; ~~and~~

17 (3) The OSCAR projects approved by the department and the council upon
18 recommendation of the technical advisory committee. Only grants approved through the process
19 established by the department and council shall be eligible for funding under this program. Subject
20 to the availability of funds in the OSCAR fund, the bank shall award funding upon receipt of written
21 approval of the department and council; and

22 (4) The support, development, and implementation of risk interpretation tools to aid in
23 quantifying financial risk and the value of risk financing and transfer investments including, but
24 not limited to, insurance and alternative methods of risk transfer in order to reduce costs associated
25 with catastrophic event recovery.

26 (d) **OSCAR fund grants.** Factors to be taken into consideration by the technical advisory
27 committee for the purposes of granting monies to municipalities and the state for OSCAR grants,
28 for determining the eligibility of projects for financial assistance, and in prioritizing the selection
29 of projects by the technical committee shall include, but need not be limited to:

30 (1) Consistency with the following where applicable: the council's most recent projections
31 for sea level rise, the coastal habitat restoration strategy, the state nonpoint source pollution control
32 plan; and other applicable state and federal laws;

33 (2) The ability and authority of the applicant to carry out and properly maintain the
34 adaptation and resilience project;

- 1 (3) Whether the project will enhance public access to public land;
- 2 (4) The severity to, or the risk and/or extent of, infrastructure degradation on public land;
- 3 (5) The extent of the use by the public of the public land;
- 4 (6) The proposed milestones to ensure that the project is completed as designed and
- 5 approved;
- 6 (7) Whether the adaptation and resilience project can also be shown to create or replace
- 7 habitat losses that benefit fish and wildlife resources;
- 8 (8) Potential water quality improvements;
- 9 (9) Potential improvements to fish and wildlife habitats for species that are identified as
- 10 rare or endangered by the Rhode Island natural history survey or the Federal Endangered Species
- 11 Act, 16 U.S.C. § 1531 et seq.;
- 12 (10) The level and extent of collaboration by partners (e.g., municipality, nongovernment
- 13 organization, watershed council, federal agency, etc.); ~~and~~
- 14 (11) Overall potential benefits to the public and estimated length of time frame of benefit;
- 15 and
- 16 (12) The insurability of the adaptation and resilience project.

17 SECTION 4. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO WATERS AND NAVIGATION -- RHODE ISLAND INFRASTRUCTURE
BANK

1 This act would allow local government recipients of grant funds from the Rhode Island
2 infrastructure bank's OSCAR fund, Rhode Island infrastructure fund, and municipal resilience
3 program to use monies for insurability planning.

4 This act would take effect upon passage.

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