

2026 -- H 7315

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LC003622

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S T A T E O F R H O D E I S L A N D

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2026

A N A C T

RELATING TO WATERS AND NAVIGATION -- RHODE ISLAND INFRASTRUCTURE BANK

Introduced By: Representatives Santucci, Place, Hopkins, Newberry, Nardone, Quattrocchi, Fascia, Chippendale, Paplauskas, Cotter, and J. Brien
Date Introduced: January 23, 2026

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 46-12.2 of the General Laws entitled "Rhode Island Infrastructure
2 Bank" is hereby amended by adding thereto the following section:

3 **46-12.2-4.5. Establishment of the rural housing development revolving fund.**

4 (a) There is hereby authorized and created within the Rhode Island infrastructure bank the
5 rural housing development revolving fund for the purpose of providing loans to support low- and
6 moderate-income housing development projects in rural areas.

7 (1) For the purposes of this section, "rural areas" means any census area with a population
8 of less than fifty thousand (50,000) people.

9 (2) The Rhode Island infrastructure bank shall review and approve applications for projects
10 to be financed through the resilient rural housing development revolving fund.

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

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

1 (1) To receive and disburse funds as may be available to implement the purpose of the
2 provisions of this section;
3 (2) To make and enter into binding commitments to provide financial assistance to eligible
4 borrowers from amounts on deposit in the fund;
5 (3) To levy administrative fees on eligible borrowers as necessary to effectuate the
6 provisions of this section, provided the fees have been previously authorized by an agreement
7 between the Rhode Island infrastructure bank and the eligible borrower;
8 (4) To engage the services of third-party vendors to provide professional services;
9 (5) To establish one or more accounts within the fund; and
10 (6) Such other authority as granted to the Rhode Island infrastructure bank under this
11 chapter.

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

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

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

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

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

34 (5) To provide a reserve for, or to otherwise secure, by pledge, lien, assignment, or

1 otherwise as provided in this chapter, any bonds of the Rhode Island infrastructure bank.

2 (d) In addition to other remedies of the Rhode Island infrastructure bank under any loan

3 agreement or otherwise provided by law, the Rhode Island infrastructure bank may also recover

4 from a borrower, in an action in superior court, any amount due the Rhode Island infrastructure

5 bank together with any other actual damages the Rhode Island infrastructure bank shall have

6 sustained from the failure or refusal of the borrower to make the payments or abide by the terms of

7 the loan agreement.

8 (e) The Rhode Island infrastructure bank may create one or more loan loss reserve funds

9 to serve as further security for any loans made by the Rhode Island infrastructure bank or any bonds

10 of the Rhode Island infrastructure bank issued to fund energy efficiency improvements in public

11 buildings in accordance with this section.

12 (f) To the extent possible, and in accordance with law, the Rhode Island infrastructure bank

13 shall encourage the use of project labor agreements for projects over ten million dollars

14 (\$10,000,000) and local hiring on projects funded under this section.

15 (g) For the fiscal year 2027, the State of Rhode Island shall appropriate the sum of ten

16 million dollars (\$10,000,000) from the one hundred twenty million dollar (\$120,000,000) housing

17 bond for deposit in the revolving fund established pursuant to subsection (a) of this section to

18 implement the provisions of this section.

19 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 WATERS AND NAVIGATION -- RHODE ISLAND INFRASTRUCTURE
BANK

- 1 This act would establish the rural housing development revolving fund for the purpose of
- 2 providing loans to support low- and moderate-income housing development projects in rural areas
- 3 and would appropriate the sum of ten million dollars (\$10,000,000) from the one hundred twenty
- 4 million dollar (\$120,000,000) housing bond to implement the program.
- 5 This act would take effect upon passage.

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