

CONCISE EXPLANATORY STATEMENT

In accordance with the Administrative Procedures Act, R.I. Gen. Laws § 42-35-2.6, following is a concise explanatory statement:

AGENCY: Rhode Island Infrastructure Bank

DIVISION: *(If any)*

RULE IDENTIFIER: 830-RICR-10-15-2

RULE TITLE: Facilities Plan Loan Program Policies and Procedures

REASON FOR RULEMAKING: These Loan Policies and Procedures have been established to govern the lending activities between the Bank and Local Governmental Units in connection with the Facility Plan Loan Program under and pursuant to R.I. Gen. Laws Chapter 46-12.2, as amended.

ANY FINDING REQUIRED BY LAW AS A PREREQUISITE TO THE

EFFECTIVENESS OF THE RULE: *none*

TESTIMONY AND COMMENTS: No comments or objections were received

CHANGE TO TEXT OF THE RULE: Amendments have been made to the following Sections: 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.7, 3.8, 3.9, 3.10, 3.11.

REGULATORY ANALYSIS: The primary benefit of the FPLP is that borrowers can access funds at a lower cost than if they chose to borrow money in the private market. The cost of borrowing funds through the program (1.5% annually – 1.0% interest and 0.5% service fee) is extremely low, particularly for those borrowers with poorer credit quality. This ensures that borrowers of all credit qualities are able to access low-cost funds to complete the facility plans that are a prerequisite for borrowing through the Clean Water State Revolving Fund or from other sources.