

The Narragansett Bay Commission
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August 31, 2016

Seth Magaziner, General Treasurer and
Chair of the Public Finance Management Board (PFMB)
Office of the Rhode Island General Treasurer
50 Service Avenue, 2nd floor
Warwick, RI 02886

Subject: Comments on Proposed Changes to the PFMB's Rules and Regulations

Dear General Treasurer Magaziner:

The Narragansett Bay Commission (NBC) has taken the opportunity to review the proposed changes to the PFMB's Rules and Regulations and offers the following comments:

1. Overall, it is requested that clarifying language be incorporated so that it is clear which debt issuances and entities are subject to the annual granting of tax-exempt private activity bond volume cap and taxable tax credit allocations versus the recommended debt limits or caps as set forth in the recently passed Article 2 as amended in the 2017 State Budget.
2. Clarification of the language in the last sentence of paragraph 9(d) (before the subparagraphs) on page 9, does this refer to new issuances only or all outstanding debt?
3. Clarification of the language in item 9(d)(iv) on page 9, is the amount expended for the prior fiscal year to be updated annually and/or is it cumulative?
4. Perhaps a sample format of the reporting requirements set forth in item (d) could be included as an Exhibit.
5. With respect to section 10 Fees, NBC proposes including language that exempts the borrower from fees in the instance where both the issuer and borrower issue bonds securing the same debt. For example, when NBC borrows through the Rhode Island Infrastructure Bank (RIIB), NBC issues a revenue bond that is purchased by the RIIB and the RIIB also issues bonds to fund the transaction. Under the language as drafted, this would require both NBC and the RIIB to pay fees on the same transaction.

Please let me know if you have any questions or require any additional information. Thank you for your consideration.

Sincerely,



Raymond J. Marshall, P.E.
Executive Director