

## RIHousing 2024 State Legislative Priorities

RIHousing staff is currently tracking about 265 bills. Similar to last year, we are seeing a large number of bills dealing with housing and land use issues. That includes a new package of 15 housing and land use related bills that the Speaker introduced in March.

As we have done in the past, RIHousing is generally limiting testimony to high priority bills with a direct impact on RIHousing or our ability to achieve our mission that have a reasonable chance of moving forward. We are also meeting directly with General Assembly members for direct conversations about legislation of concern or that may require amendment to achieve the bills' goals. RIHousing staff meet at least weekly with staff in the Governor's office and the Department of Housing to coordinate on legislative positions and testimony in advance of scheduled hearings.

RIHousing continues to participate on the House Housing Affordability Commission and the House Land Use Commission whose work has been extended through June of 2025.

### Governor's Proposed Budget

The Governor's proposed FY25 budget included a number of housing related provisions including:

- **\$100 million Housing and Community Opportunity Bond** to increase affordable and middle-income housing production and infrastructure, support community revitalization, and promote home ownership. *RIHousing has testified in support of the proposed housing bond.*
- **Changes to the Statewide Lead Registry:** The proposed budget makes several changes to the Statewide Rental Registry Bill passed in 2023 including:
  - Limiting the registry to rental dwelling units built before 1978.
  - Pushing back implementation to September 1, 2025.
  - Limiting the registry requirement to information on landlords who have not provided the department of Health with a valid certificate of lead conformance.
- **Sale of surplus group homes:** Directs proceeds from the sale of group homes owned by the state to be transferred to a new group home facility improvement fund to be utilized by BHDDH to fund the ongoing upkeep and maintenance of state-owned group homes.
- **Changes to the Integrated Housing Report:** The budget proposes a number of changes to the existing Integrated Housing Report produced annually by the Department of Housing in coordination with the Housing Resources Commission. The changes are mainly to adjust timelines and deadlines, and refine the data points required to be included in the report.

RIHousing has also participated with the Department of Housing in several House and Senate Finance Committee hearings on the implementation of State Fiscal Recovery Fund (SFRF) financed housing programs being administered by RIHousing and the Department. On March 28 RIHousing posted a public dashboard on our website tracking SFRF program implementation.

### RIHousing Initial Proposed Legislative Priorities

When the Intergovernmental Relations Committee convened in December, RIHousing staff shared three preliminary legislative priorities for the coming session. Below is an update on those priorities.

- **Clarify RIHousing statewide jurisdiction to administer Project Based Section 8 Rental Assistance (PBRA) contracts:**

[S2763/H7534](#): Senator LaMountain and Representative Cruz have introduced legislation modeled after Vermont's statute which would clarify that RIHousing is the statewide PHA authorized to administer PBRA contracts in Rhode Island. *RIHousing testified in support of the House bill, the Senate bill has not yet been heard. The Public Housing Association of RI (PHARI) has submitted a letter of support.*

- **Addressing barriers to maximizing utilization of renewable energy in affordable housing:**

In January, RIHousing contracted with the National Housing Trust (NHT) and the National Consumer Law Center (NCLC) to help us identify barriers to maximizing the utilization of solar and other renewable energy resources in affordable housing and develop statutory language to remove or mitigate those barriers. After engaging with a wide range of stakeholders, the consultants have wrapped up their work with a report that includes the following recommendations:

- Amend or eliminate the ban on master meters in developments of 10 units or more while providing protections for consumers.
- Amend renewable energy incentive programs to include adders that promote affordable housing participation.
- Initiate a stakeholder process to develop consensus on implementing consolidated billing, which would streamline reconciling utility bills and community solar subscriptions.
- Coordinate with state agencies to provide in-depth technical assistance for affordable housing providers interested in deploying on-site renewable energy.

Senator Lawson and Representative Speakman have introduced legislation ([S2640/H7695](#)) which would eliminate the prohibition on master meters. *RIHousing testified in support of the bill while recommending that consumer protection language be strengthened consistent with NHT's recommendations.* We are discussing with General Assembly members the possibility of introducing bill language addressing some of the other recommendations in the current session, or continuing to work with them and other stakeholders on legislation that could be considered in 2025.

- **RIHousing option to purchase surplus property for redevelopment as affordable housing:** After working with DOA and BHDDH on potential language, it was determined that RIHousing should hold off on this legislation as the state works to pass and implement the proposal in the budget associated with the sale of group homes.

## **Speaker Shekarchi's Housing Package**

For the third year in a row, Speaker Shekarchi has proposed a significant package of housing and land use related bills. The 15 bills in the package continue the work of the previous packages to remove barriers to housing development and improve access to affordable housing. The package includes legislation to expand the use of Accessory Dwelling Units (ADUs), allow residential units by-right in commercial areas and requiring electronic submittal of applications and submissions for planning and

zoning processes. A table with a more detailed overview of each of the bills in the package is attached. *RIHousing has testified in support of the overall package of housing bills.*

## Highlights of Tracked Bills by Issue Area

### Bills Involving RIHousing:

- [S2349/H7276](#): Establishes a \$30 million revolving fund to assist first-time home buyers and veterans to purchase a home in Rhode Island by issuing grants of up to \$40,000. Sponsors: Sen. Paolino/ Rep. Morgan. *RIHousing provided written comments.*
- [S2555/H7776](#): Joint Resolution making an appropriation of \$20,000,000 for the Housing Down Payment Assistance Program. Sponsors: Sen. Mack/ Rep. Kislak
- [S2889](#): Defines who is eligible to bid at tax sales. This act would authorize Rhode Island housing and mortgage finance corporation to use excess funds collected under § 34-27-3.2 3 to purchase tax sale owner-occupied residences. **Sponsor:** Sen. Bissaillon.

### Transfer Tax

- [S2361](#): This act would allow a municipality to set an additional conveyance tax rate of not more than \$10 for each \$500, or fractional part of that amount, of the consideration in excess of eight hundred thousand dollars (\$800,000). This act would also require that the excess conveyance taxes collected alternatively be deposited in a restricted account and distributed within two years, to be used only for affordable housing for individuals or families at or below eighty percent of the area median income or transferred to state housing agencies for use in the community to develop affordable housing. **Sponsor:** Sen. Gu
- [S2372/H7257](#): Increases conveyance tax for residential properties sold above \$2,000,000 to a rate of \$3.30 per \$500, to be collected for RIHousing for elderly affordable housing development. Provides an exemption to any entity developing elderly affordable housing. **Sponsors:** Sen. Ujifusa/ Rep. Cotter
- [H7683](#): Imposes a conveyance tax on purchasers, of single-family residential properties, who are for-profit entities with over \$15,000,000 in assets, at a rate of \$6.90/\$500, to be collected for housing production fund established in § 42-128-2.1. **Sponsor:** Newberry

### Incentivize/ Remove Barriers to Housing Development:

- [SB2544/H8071](#): Does not require the remediation of occurring arsenic in the soil with direct exposure of less than or equal to twenty (20) milligrams per kilogram. **Sponsors:** Sen. DiPalma; Rep. Cortvriend. *RIHousing testified in support.*
- [S2631/ H7655](#): Grants a right of first offer to qualified nonprofits for the purchase of certain multi-family residential properties at market prices, within a reasonable period of time to promote the creation and preservation of affordable rental housing. **Sponsors:** Sen. Kallman/ Rep. Speakman
- [S2632](#): Requires single-family residential zoning in municipalities with populations of over 40,000 to allow middle housing and mandates that those municipalities adopt zoning regulations for middle housing. **Sponsor:** Sen. Mack
- [S2760/H7922](#): Establishes a housing land bank program with the goal of creating affordable housing in the State of Rhode Island. The housing land bank would have the authority to buy, receive and hold property in furtherance of this goal. **Sponsors:** Sen. Kallman/ Rep. Speakman

- [H7923](#): Authorizes the department of housing to issue bonds in the amount of \$50,000,000 with a maturity date not to exceed 20 years, to establish the housing production revolving fund, to promote the development of housing and ensuring more affordable housing. **Sponsor:** Rep. Speakman
- [S2761/ H7893](#): Requires the state building standards committee to amend the state building code to include multiple dwellings with six dwellings or fewer under the same section as one and two-family dwellings. This act would also require the state fire marshal and the state building commissioner to develop recommendations for resolving any conflicts between fire safety codes and the building code. In addition, this act would require the state fire marshal and the state building commissioner to develop recommendations for standards that enable a single-exit stairway to serve multiple-dwelling buildings up to six stories in height. **Sponsors:** Sen Kallman/ Rep. Speakman.

### Low Mod Housing:

- [S2879/H7651](#): Clarifies that only residential properties and new or rehabilitated residential affordable housing units would be subject to the tax under § 44-5-13.1 (8% tax) relating to taxation of low-income housing. **Sponsors:** Sen Mack/ Rep. Diaz
- [S2571/H7991](#): Limits real estate tax assessments for low- and moderate-income housing for-sale properties to the last current sales price within a five year period. This act would also allow real estate tax assessments for those properties with a last current sales price greater than five years to be calculated under an alternative assessment procedure. **Sponsors:** Sen. McKenny/ Rep. Fogarty.
- [S2637/ H7698](#): Restricts increases in monthly common expenses and limit special assessments to cover unforeseen costs not included in the condominium association's approved annual budget for common expenses in associations where the minority of the units are deed restricted units. **Sponsors:** Sen. Valverde/ Rep. Speakman.
- [S2016](#): Allows municipalities without public transportation extending to urban service boundaries to reduce the low- or moderate-income housing requirements from ten percent (10%) to six percent (6%). **Sponsor:** Sen. Rogers. *RIHousing testified in opposition.*
- [S2017](#): Provides another method for municipalities to identify and calculate private residences as low- and moderate-income housing. This method is in addition to and not in lieu of other methods permitted under the law. **Sponsor:** Sen. Rogers. *RIHousing testified in opposition.*
- [S2089](#): Amends the definition of "low- and moderate-income housing" to include housing secured by a federal government voucher or subsidy. **Sponsor:** Sen. Felag. *RIHousing testified in opposition.*
- [S2583](#): Provide that the city of Woonsocket not be required to accept additional residential properties subject to the alternative tax assessment due to its stock of affordable housing meeting the ten percent (10%) housing requirement. **Sponsor:** Sen. Picard.
- [H7984](#): Provides that mobile and manufactured homes in resident owned mobile home parks be included as affordable housing under certain conditions. **Sponsor:** Rep. McEntee (*part of Speaker's housing package*). *RIHousing recommended amendments.*

### Accessibility

- [S2186/H7063](#): Incorporates universal design principals into new construction of low- and moderate-income housing to provide greater accessibility for persons with disabilities. **Sponsors:** Sen. Gu/ Rep. Spears. *RIHousing memo to sponsor identifying concerns, recommendations for next steps.*

- [S2409/H7377](#): Establishes a new article in the state building code that provides that certain new housing construction contain at least one floor that meets the requirements for a Type C "ANSI" Standards for Accessible and Usable Buildings and Facilities. **Sponsors:** Sen. Bell/ Rep. Stewart

## Landlord/Tenant

- [S2188/H7963](#): Prohibits a landlord from inquiring about the immigration status of a tenant subject to any federal laws or regulations, but may request financial information or proof of identity. **Sponsors:** Sen. Quezada/ Rep. Giraldo
- [S2438](#): Limits the use of certain criminal records and credit history reports in denying housing to prospective applicants, and provides for fines for failure to comply, and requires notices of denials to be sent to the prospective tenants. **Sponsor:** Sen. Kallman
- [H7174](#): Prohibits landlords from inquiring about an applicant's prior incarceration and from discriminating against those who have been released from prison. **Sponsor:** Rep. Lombardi
- [S2189/H7304](#): Increases the time requirements notice for rental increases from 30 days to 90 days and for persons older than 62 to 120 days. **Sponsors:** Sen. Mack/ Rep Stewart. *RIHousing recommended changes to sponsor.*
- [H7049](#): Limits rent increases to no more than four percent (4%) annually and provides tenants with a civil action to recover damages for any violations. **Sponsor:** Rep. Potter. *RIHousing recommended changes to sponsor.*
- [H7372](#): Limits residential rent increases to ten percent (10%) plus the increase in the Consumer Price Index (CPI) annually. **Sponsor:** Rep. Perez
- [S2407/H7162](#): Permits those other residents of a residential dwelling unit to extend the term of the rental agreement for a period not to exceed three (3) months after the death of the lessee. **Sponsors:** Sen. Bell/ Rep. Lombardi. *RIHousing recommended changes to sponsor.*
- [S2417](#): Creates a tenant bill of rights to the right to counsel, the right to habitability, the right to organize free, the right to be free from discrimination, the right to first refusal if the landlord decides to sell the property, and right to renew lease. **Sponsor:** Sen. Mack
- [H7962](#): Recognizes tenants' unions and provides a procedure whereby the housing resources commission shall administer a hearing process for consolidated complaints filed by tenants' unions, pertaining to the rights and obligations of tenants and landlords. **Sponsor:** Rep. Morales
- [H7989](#): Authorizes cities and towns to establish a housing authority to adopt tenant protection measures, including rent control, annual rent increase ordinances and no-fault evictions, subject to certain exemptions. **Sponsor:** Rep. Sanchez
- [H7960](#): Provides for just cause evictions for residential landlord tenancies. **Sponsor:** Rep. Cruz
- [S2643/H7647](#): Requires landlords to list all mandatory fees when advertising any residential property for rent as well as on the first page of any lease. Prohibits a landlord from charging a convenience fee when the tenant pays rent. **Sponsors:** Sen. Mack/ Rep. Kislak. *RIHousing recommended changes to sponsor.*
- [H7961](#): Imposes a fine up to \$150 a day on a landlord for failure to deliver a copy of a state or local housing code violation to each residential tenant and a notice to prospective tenants of the building affected by said violation within 30 days of its receipt. **Sponsor:** Rep. Cruz
- [S2752/H8000](#): Establishes and fund an affordable housing pilot program at reduced rents to be administered by the state department of housing with an appropriation of three million dollars (\$3,000,000) for fiscal year 2024-2025. **Sponsors:** Sen. Kallman/ Rep. Morales

- [S2824/H7746](#): require that residential landlords of six or more units hold their tenants' security deposits in interest-bearing federally insured deposit accounts and, within twenty days of the end of the tenancy, any remaining interest accrued shall be paid to tenant. **Sponsors:** Sen. Murray/ Rep. Cruz

### Minority Business Enterprises (MBE)

- [S2466/ H7792](#): Increases the minimum required awarded to minority business enterprises to 20% and of that, require a minimum of 10% be awarded to minority owned businesses and that a minimum of 10% be awarded to women owned businesses. **Sponsors:** Sen. Cano/ Rep. Giraldo
- [S2468/ H7791](#): Requires the department of administration to provide a list of certified minority and women-owned business enterprises to each prospective contractor of a construction project. **Sponsors:** Sen. Cano/ Rep. Giraldo

### Environment and Energy

- [S166/ H5425](#): Creates building energy performance standards based on the size of buildings, to achieve, by way of benchmarking and reporting, a statewide analysis of energy use and strategies to increase energy efficiency. **Sponsors:** Sen. Gu/ Rep. Kislak
- [H7617](#): Establishes a program for the energy and water benchmarking of large buildings in Rhode Island and a standard for their energy performance. **Sponsor:** Rep. Kislak
- [S2035](#): Allows a property owner with eligible net-metering systems with a master meter to allocate excess net metering credits to any meter on the property. **Sponsor:** Sen. Murray

### Other

- [S2206](#): Allows a homebuyer to void a purchase and sales agreement prior to the transfer if the seller fails to provide a written sales disclosure. **Sponsor:** Sen. Lombardi
- [H7533](#): Requires renovation projects of pre-1978 buildings to comply with provisions of chapter 24.6 of title 23 and chapter 21 of title 28, and require presence of lead inspector and supervisor and require lead training. DLT would ensure compliance. **Sponsor:** Rep. Corvese
- [S2347](#): Creates a new tax on gains from the sale or exchange of real property held for short periods of time, six years or less, establish a comprehensive framework to calculate and implement its enforcement and provides penalties for imprisonment and/or fines for those who evade the taxes. **Sponsor:** Sen. Euer
- [S2596/H7486](#): Changes the capital gain tax rates and reduce the holding period of assets from five years to one year. Also imposes capital gains tax rates for investment management services interest as well as a non-owner occupied property tax on residential properties assessed in excess of one million dollars (\$1,000,000). All Sections of this act, except for Section 2, would take effect on January 1, 2025, and Section 2 would take effect on July 1, 2024. **Sponsors:** Sen. Kallman/ Rep. Ajello.
- [H7659](#): Replaces the tax sale auction process with a real estate broker listing of the land for fair market value and any surplus proceeds realized upon sale shall be paid to the owner of the real estate at the time of the sale. If no fair market value is received, the town or city collector may purchase the real estate at fair market value. **Sponsor:** Rep. Morgan.

- [H7965](#): Provides prospective owner-occupants a first opportunity to purchase properties acquired through foreclosure and would prohibit bundled foreclosure sales. **Sponsor:** Rep. Cruz
- [S2500/H7787](#): Creates the Rhode Island Data Transparency and Privacy Protect Act for data privacy protections for the personal data of the citizens of Rhode Island. **Sponsors:** Sen. DiPalma/ Rep. Shanley

RIHousing is also tracking a number of bills making changes to public records administration and access to public records, as well as bills dealing with the regulation of Artificial Intelligence (AI).