



RIHousing State Legislative Priorities

Recap of 2022 Legislative Session

The 2022 General Assembly session was another very active session for housing on both the appropriations and legislative fronts.

Budget:

State Fiscal Recovery Funds: The 2022 General Assembly session resulted in historic investments in housing and homelessness programs including \$250 million in federal State and Fiscal Recovery Funds of which RIHousing will be administering \$210 million through a variety of programs.

RIHousing Administered Programs:

- Development of Affordable Housing: \$100 million
(includes \$10 million PHA pilot program administered by Dept of Housing)
- Predevelopment Program: \$10 million
- Middle Income Housing Program: \$20 million
- Site Acquisition Program: \$25 million
- Community Revitalization Program: \$25 million
(includes \$5 million home repair program administered by Dept of Housing)
- Down Payment Assistance Program: \$30 million

Department of Housing Administered Programs:

- Capacity building: \$1.5 million
- Homeless Assistance Program: \$21.5 million
- Homelessness Infrastructure: \$15 million
- Statewide Housing Plan: \$2 million

State Historic Preservation Program: Funded at \$28 million, and the program's sunset was extended to December 31, 2023.

Legislative Priorities

The 2022 session also saw an unprecedented volume of housing related bills, many of them introduced for the first time. In total, RIHousing staff tracked 236 bills last session. Below are highlights for some of the higher priority bills.

Speaker Shekarchi's Housing Package: Speaker Shekarchi made housing legislation a priority in 2022, introducing a package of eleven bills dealing with a range of housing related issues. All but one of the bills in the package became law, although many of the bills were significantly amended.

- **H7940Aaa/S3058:** Provides that the Deputy Secretary of Commerce and Housing becomes the Secretary of Housing. This position will be appointed by and report to the Governor and oversee the Department of Housing, which will include the Office of Housing and Community Development (OHCD). The bill also directs the Secretary of Housing to develop, with the input of state departments, agencies board and commissions a housing organizational plan to present to the General Assembly by November 1, 2022.
- **H7941A/S3044:** Permits all multi-family rental apartment units built as part of a comprehensive permit to be included in the calculation of low or moderate-income housing if 30% of the units are restricted at no more than 60% of AMI and at least 50% of the units are restricted at no more than 80% AMI.
- **7942B/S2623A:** Makes the use of accessory dwelling units by-right in districts with a minimum lot size of at least 20,000 sq ft where the ADU does not expand the building footprint and creates standard procedures for review of ADU applications while removing restrictions for occupancy.
- **H7943A/S3048:** Creates a program administered by the Secretary of Housing and regulated by the Rhode Island Department of Education for repurposing vacant and unused schools and other municipal buildings for affordable housing.
- **H7944A/S3051:** Requires RIHousing to create a searchable database of affordable housing units in the State. It also requires RIHousing to report annually on the projects receiving funding from RIHousing, the amount of funds awarded, the number of housing units created, as well as the amount of payments made to municipalities under the 8% law.
- **H7945A/S3045:** Adds two members to the State Housing Appeals Board (SHAB); one from Direct Action for Rights and Equality and one from the Center for Justice. It also requires annual reporting by the HRC on appeals before SHAB.
- **H7946A/S3049:** Requires RIHousing to collect data on the number of Section 8 Housing Choice Vouchers received and utilized by PHAs. It also requires OHCD to produce an annual report on the total fees collected by each municipality from developers in lieu of development of low- and moderate-income housing, the number of unfunded vouchers, the total number of vouchers received and utilized by all PHAs in the state during the preceding calendar year, and the administrative fees received and used by PHAs to administer the vouchers.
- **H7947A/S3052:** Requires Statewide Planning to report on Letters of Eligibility issued for a 12-month period, including the status of each comprehensive permit application for which an LOE was issued, the number of comprehensive permits that have building permits, including the number of market and LMIH units. Municipalities must provide Statewide Planning with this information annually by February 1. The legislation also removes the LOE reporting requirement from RIHousing.
- **H7949Aaa/S3046A:** This bill streamlines the comprehensive permit review and SHAB processes. The legislation also adds two members to SHAB, one from the Center for Justice and one from

Direct Action for Rights and Equality, along with two alternates appointed by the Governor and submitted by realtors or developers. The bill also shifts responsibility for the SHAB from RIHousing to the HRC.

- **H7950/S3050:** This legislation provides that the HRC will oversee an approved monitoring agent program. HRC will promulgate regulations related to the program and will report annually on monitoring activity by January 1.

Other high priority legislation passed by the General Assembly:

- **Quorum Bill (H6642/S2504):** This bill allows for a simple majority of members in attendance for decisions of planning and zoning boards. The legislation was expanded at RIHousing's request to also apply to the SHAB. The bill is effective January 1, 2023.
- **State Historic Tax Credits (H7985A/S2551B):** This legislation requires all projects over \$10 million financed with Rebuild RI or State Historic Preservation tax credits to pay prevailing wage. The law is effective on January 1, 2023.
- **HRC Legislation (H7640/S2481):** This legislation amends the composition of the HRC by replacing the insurer's seat with a seat for a representative from a community with a population of 25,000 or less. (There are fourteen communities in the State that exceed that threshold) The bill also requires a material award to such a community in each funding round.
- **New Shoreham Low-and Moderate-Income Housing (H7723-A/S2621-Aaa):** This bill would allow New Shoreham to count units deed restricted up to 140% AMI toward its affordable housing goal after it has achieved at least 10% of housing affordable at no more than 120% AMI.
- **Low- and Moderate-Income Housing Act Commission (HR7091):** This bill extended the reporting and expiration dates for the Commission to study the Low and Moderate Income Housing Act from December 16, 2021, to April 12, 2023
- **Expanding Membership of LMIH Act and Land Use Commissions (HR8330/HR8356):** These bills add the Secretary of Housing to the House Land Use Commission and the Secretary of Housing and the United Way of RI to the Low and Moderate Income Housing Act Commission.

Appointments:

State Housing Appeals Board (SHAB):

The Governor selected Sharon Conard-Wells for the Affordable Housing Developer seat. The seat for a representative from the business community remains vacant.

RIHousing Board:

The Governor selected Deputy Secretary of Commerce for Housing Joshua Saal to serve on the RIHousing board for a term ending July 1, 2025.

Housing Resources Commission (HRC):

Kyle Bennett was appointed Chairman of the HRC.

2023 Legislative Priorities

- **FY2024 Budget:** Continue to actively participate in any changes to housing related appropriations under State Fiscal Recovery Funds.
- **Foreclosure Mediation bill:** RIHousing is working with Senator Euer and Representative Felix to introduce legislation to preserve and improve the State's foreclosure mediation statute. The existing statute, which requires lenders to offer homeowners independent foreclosure mediation services prior to proceeding with foreclosure, sunsets on July 1, 2023. RIHousing is currently the only provider of foreclosure mediation services in the State.
- **Low and Moderate Income Housing Act/ Land Use Commission:** As a member of both commissions, RIHousing staff will provide input on potential legislative proposals that emerge from the work of these commissions to ensure that they encourage and facilitate the production of affordable housing.
- **State Housing Governance Structure:** It is likely that legislation will be introduced that further defines the role of the new Department of Housing and its relationship to other departments and agencies, including RIHousing. We will continue to play an active role in these conversations.
- **Defense on existing housing related statutes and input on new proposals:** We anticipate many bills dealing with housing related issues in the 2022 session. RIHousing will continue to advocate to preserve and improve important existing statutes including the Low and Moderate Income Housing Act and the 8% Law. Legislation is likely to be introduced that involves changes to the Landlord Tenant Act, efforts to reduce lead hazards and bills to promote sustainable building practices among other things. Staff will review new legislation to determine its impact on access to and production of affordable housing and RIHousing's ability to fulfill its mission.

RIHousing Federal Legislative Priorities

Recap of 2022 Congressional Session

- **Treasury guidance on use of State Fiscal Recovery Funds (SFRF):** The Rhode Island Congressional delegation joined other members of Congress in advocating that the U.S. Department of Treasury amend its guidance on the use of SFRF to allow these resources to be used effectively in conjunction with Low-Income Housing Tax Credits. Treasury adopted this change, and other amendments to facilitate the use of SFRF for the development and preservation of affordable housing, in July of 2022.
- **FY 2023 Omnibus Appropriations Bill:** The FY23 Omnibus Appropriations generally preserved funding for key HUD programs with increases in some areas including adequate funding for existing tenant based and project based rental assistance, an additional \$420 million for homeless programs.
 - **Performance Based Contract Administration (PBCA):** After significant advocacy from RIHousing, other HFAs, and NCSHA, the bill also contains language prohibiting HUD from moving forward with the Section 8 rental assistance contract administration solicitation the agency published last year. HUD's solicitation would have restructured and regionalized the PBCA functions currently carried out by state-based entities. Senator Reed and Congressman Langevin in particular played a very active role on this issue.
- **Improvements to the Low Income Housing Tax Credit Program:** Unfortunately no substantive tax provisions were passed. NCSHA and individual HFAs had advocated strongly to restore funding for the Low-Income Housing Tax Credit Program and lower the bond financing threshold from 50 percent to 25 percent.

2023 Federal Legislative Priorities

- **PBCA:** Continue to work with Senator Reed's office, HUD and NCSHA to ensure that any new HUD solicitation for PBCA functions preserves the role of state based public housing authorities.
- **Affordable Housing Credit Improvement Act (AHCIA):** Advocate for the passage of the AHCIA which would increase funding for LIHTC, lower the bond financing threshold and make other important improvements to the program.
- **Risk Share/ Federal Financing Bank (FFB):** After a four-year hiatus, the FFB restarted its partnership with the FHA Risk Share program in 2022, providing low-cost financing for the development and preservation of affordable apartments. This program has been a very effective tool in Rhode Island, particularly for housing preservation. Advocate to make this program or something similar, permanent.