



**Minutes of the Legislative Committee  
April 1, 2009**

The Legislative Committee of the Board of Commissioners of Rhode Island Housing met on April 1, 2009 at the offices of Rhode Island Housing to analyze individual pieces of legislation that address the broader policy areas adopted by the Committee at the previous meeting and identify any other bills that may impact the agency.

In attendance were committee members Denise Barge and Perry Clough. Staff attending were Susan Bodington, Amy Rainone, Jessica Buhler, and Jo-Ann Ryan. Also in attendance was a member of the public, Lynn Ardit, a reporter from the Providence Journal.

The committee identified the following bills for Rhode Island Housing's attention.

**Funding**

---

- **Rhode Island Housing - State property purchase and development (\$16m purchase) - Monitor**

*H 5019 and H 5983 (the Governor's FY09 Supplemental and FY10 Budget)*

As a means to close the budget gap in the FY09 Supplemental and FY10 budgets the Governor proposed selling \$16 million in state land to Rhode Island Housing, or another entity, to be further developed and leased back to the state. These properties include the Garrahy Garage, the Forand Building and property at the Pastore Complex.

**Update: Original proposal made in FY09 Supplemental Budget. Governor's revised supplemental budget moved the sale of the Forand and Pastore properties to the 2010 budget. House Finance has passed an FY09 Budget Supplemental that removes all three property sales proposals. Expected to be voted on by the House this week.**

- **Thresholds Program-MHRH - Support**  
*FY10 Budget*

Governor recommends \$500,000 for FY10 budget. This is an increase of \$100,000 over the FY09 level.

**Update: FY10 Budget Article Hearings scheduled for next week.**

- **Neighborhood Opportunities Program Funding (NOP)** - Support  
*H 5987 (Fax)*  
Continues support for funding the Neighborhood Opportunities Program at \$7.5 million. The Governor's FY10 budget does not include funding for NOP.  
**Update: Not included in Governor's FY10 budget. Bill introduced.**
- **Building Homes RI (BHRI)** - Support  
*FY10 Budget*  
Support continuing release of bond funds under BHRI in FY10.  
**Update: \$12.5 million included in Governor's FY10 budget.**
- **Level Funding for Housing Resources Commission (HRC)** - Support  
*FY10 Budget*  
Funding for HRC includes funding for the State Lead Hazard Reduction Program and for critical homeless programs like Housing First and First Step.  
**Update: HRC level funded in FY10 budget.**

#### Foreclosure/Tax Sale

---

- **Madeline Walker Act Amendments** - Support  
*H5931 (Almeida) and S0606 (Metts)*  
Legislation amends the statute to allow Rhode Island Housing to redeem our lien after 1 year for abandoned or foreclosed properties or for unresponsive owners and 2 years for all others instead of the current 5 years and requires that municipalities submit tax lien information to Rhode Island Housing electronically.  
**Update: Heard and held in the House. Madeline Walker Advisory Board met and agreed to support. A Sub A with clarifying language is being submitted.**
- **Foreclosure Tenant Protection** - Support  
*H 5742 (Almeida) and S 0040 (Pichardo)*

Bill provides advance notice to tenants of the possibility of foreclosure; adequate notice to tenants post-foreclosure before eviction proceedings can begin; and ensures that essential services to tenants that had been provided by the foreclosed owner continue to be provided during the post-foreclosure notice period.

**Update: S0040 heard and held in the Senate. Other related bills also introduced, heard and held.**

- **Foreclosure Data Tracking** **-Support**  
*S 0684 (Pichardo)*

This act would establish a "Foreclosure Registry" within Rhode Island Housing in conjunction with the Housing Resource Commission (HRC). Rhode Island Housing in partnership with the HRC shall accept notices of intent to foreclose and monthly foreclosure deed reports from municipalities, file those reports in a format it deems appropriate in order to protect the identities of the mortgagee that was foreclosed upon, and keep the database current.

**Update: Introduced. No hearings scheduled.**

- **Other Foreclosure Bills** **- Monitor**

Over twenty bills relating to tenants in foreclosed properties and other foreclosure issues have been introduced, including bills establishing landlord/tenant relationships, efforts to impose a foreclosure moratorium, and foreclosed property maintenance bills. See attached bill summary for the full list of foreclosure related legislation.

## **Green Building/Renewable Energy**

---

- **Green Building Act** **-Support with Modification**  
*H 5347 (Dennigan) and S0671 (DiPalma)*

Would require all public buildings to be constructed or renovated, to meet standards established by the US Green Building Council Leadership in Energy & Environment Design (LEED) green building rating silver standard. As written may affect developments funded through HRC. Rhode Island Housing requests language to clarify that the Act would not impact residential development.

**Update: Senate bill heard and held. No House hearing scheduled.**

- **Building Code/Stimulus Funding** - **Support**  
*H 5986 (Fox)*  
Would mandate the adopting of a state energy conservation code. For residential buildings, the code would meet or exceed the most recently published International Energy Conservation Code (IECC), or achieve equivalent or greater energy savings. Changes required to access state energy stimulus funding.

**Update: Heard and held.**

- **“Green” Revolving Loan Fund** - **Monitor**  
*H 5721 (Handy)*  
Directs Rhode Island Housing to establish a loan program for the funding of low and medium-level energy retrofitting in owner-occupied properties. Rhode Island Housing has been working with sponsor on utilizing existing Home Repair Loan for this purpose and discussing other financing options (including the Energy Office proposal for stimulus funds). Rhode Island Housing does not have the resources to start up a new program at this time without additional funding.

**Update: Heard and held.**

### **Lending Practices**

---

- **SAFE Act Implementation:** - **Support**  
*H 5704 (Kennedy) and S 0461 (Bates)*  
DBR introduced. Would amend existing requirements for the licensing of mortgage loan originators in order to effect the provisions of the Secure and Fair Enforcement for Mortgage Licensing Act passed in H.E.R.A. last year. Strengthens consumer protections by requiring more training and closer regulation of mortgage industry.

**Update: Heard and held in House. Scheduled for hearing in Senate.**

### **Development**

---

- **Prevailing Wage** - **Oppose**  
*H 5674 (Lally)*

Would expand the definition of public works to include work financed through quasi public agencies. This would include requiring that any development over 12 residential units assisted under any Rhode Island Housing program would have to be undertaken at prevailing wage.

**Update: Heard and Held.**

- **Historic Tax Credit** **-Monitor**  
*no bill number yet- (Fox)*  
Legislation reestablish a modified historic tax credit program. (No details available).

*H 5543 (Segal)*

Would also reestablish the program and require that 25% of the credits be used to support affordable housing.

**Update: H5543 heard and held. Coalition of developers and Grow Smart are working with Representative Fox on bill language.**

- **Affordable Housing/Comprehensive Plans** **-Oppose**  
*H 5593 (Gallison)*  
Provides that in instances where a city/town has not yet amended its zoning ordinances to reflect amendments to the city/towns comprehensive plan (affordable housing plans), any conflicts contained therein would be in favor of the current zoning ordinances/map)

Update: Scheduled for hearing.

**Public Agencies**

---

- **Charitable Donations** **- Monitor-/Amend**  
*H 5915 (Costantino)*

This bill would prohibit public corporations of the state from making charitable donations. Rhode Island Housing seeks to amend this bill to tighten the definition of a grant to ensure that it does not impact the broad range of programs we administer in keeping with our mission.

**Update: Introduced. No hearing scheduled.**

## **Other**

---

- **Global Waiver** **- Monitor**

*H 5122 (Costantino), S0053 (DaPonte)*

The Global Waiver came into affect in mid January. This legislation gives the General Assembly more influence over the decisions that are made at DHS regarding the implementation of the waiver. Legislation also establishes a Global Waiver Advisory Committee.

**Update: Passed Senate. Slated to pass House.**

**Rhode Island Housing has requested to serve on Advisory Committee.**