

2008 -- H 7990

=====
LC01390
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2008

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- RHODE ISLAND HOUSING
AND MORTGAGE FINANCE CORPORATION

Introduced By: Representatives Naughton, Dennigan, and Slater

Date Introduced: February 26, 2008

Referred To: House Finance

It is enacted by the General Assembly as follows:

- 1 SECTION 1. Legislative findings. -- (a) The general assembly hereby finds and declares
2 that:
3 (1) All Rhode Islanders, regardless of age or disability, want to live independently in the
4 community or housing arrangement of their choice;
5 (2) The lack of available, affordable and accessible housing for people with disabilities
6 and the elderly prevent many Rhode Islanders from obtaining this goal;
7 (3) The use of home modifications provides people with disabilities and elders the
8 opportunity to live and remain in the living environment of their choice;
9 (4) Accessibility features can assist an individual in completing daily living tasks as well
10 as enhance opportunities for work, community or social events, and supportive services;
11 (5) Without necessary home modifications, many people feel isolated from the
12 community and some are left with no choice but to move into a nursing home or institutional
13 setting;
14 (6) Currently, in Rhode Island, there is limited funding for home modifications and the
15 funding that is available is difficult to identify and obtain;
16 (7) The implementation of a home modification revolving loan fund will provide loans
17 for accessibility modifications to the residences, whether rentals or purchased homes, of people
18 with disabilities and the elderly so they can remain active members of our society.

1 SECTION 2. Chapter 42-55 of the General Laws entitled "Rhode Island Housing and
2 Mortgage Finance Corporation" is hereby amended by adding thereto the following section:

3 **42-55-31. Funding assistance for home modification.** – (a) Beginning on July 1, 2008,
4 three hundred thousand dollars (\$300,000) will be allocated to a separate fund within the treasury
5 which shall contract with the Rhode Island housing and mortgage finance corporation for the
6 administration and disbursement of funding for the home modification loan program for people
7 with disabilities and the elderly. The fund is intended for the purpose of making home
8 modifications to the primary residence of persons who:

9 (1) Have a disability; or (2) are age 65 or older; or (3) are the caregiver of a family
10 member who has a disability who lives in the caregiver's primary residence, to allow such persons
11 improved accessibility and/or an opportunity to live more independently in the community.

12 (b) The treasurer shall contract with the Rhode Island housing and mortgage finance
13 corporation for the administration and disbursement of funding. The Rhode Island housing and
14 mortgage finance corporation shall adopt rules and regulations in conjunction with the governor's
15 commission on disabilities consistent with the purposes of this section and the Administrative
16 Procedures Act, chapter 35 of this title, which provides for the orderly and equitable disbursement
17 and repayment of funds.

18 (c) All funds placed in the home modifications revolving loan fund for people with
19 disabilities and the elderly shall be made available to make loans to individuals, and landlords for
20 the purpose of making modifications to the primary residence of persons who: (1) have a
21 disability; or (2) are age 65 or older; or (3) are the caregiver of a family member who has a
22 disability and lives in the caregiver's primary residence, to allow such persons to live more
23 independently in the community and for necessary costs for the administration of the program.

24 (d) Loans made available under the provisions of this section may be made directly, or in
25 cooperation with independent living centers, other public and private lenders, or any agency,
26 department, or bureau of the federal government or the state.

27 (1) The loans pursuant to this section shall be available on the basis of a sliding scale
28 relative to the homeowner's income and assets to the cost of the home modifications.

29 (2) Interest rates shall be means tested and may be determined pursuant to income
30 standards developed by the director of the Rhode Island housing and mortgage finance
31 corporation.

32 (3) Repayment of any loan pursuant to this chapter may be delayed until the sale of the
33 principal residence by the homeowner.

34 (e) The proceeds from the repayment of any loans made for that purpose shall be

1 deposited in and returned to the home modifications revolving loan fund for people with
2 disabilities and the elderly to constitute a continuing revolving loan fund for the purposes
3 provided in this section.

4 (f) Nothing contained herein shall be construed as giving rise to enforceable legal rights
5 or entitlement to any services.

6 (g) The director of Rhode Island housing and mortgage finance corporation shall submit
7 annually reports to the general assembly detailing the status of the home modification revolving
8 loan fund program.

9 (h) As used in this section the term:

10 (1) "Home modification" shall mean an adaptation to the physical living environment for
11 ease of use, safety, security and/or to allow such persons to live more independently in the
12 community;

13 (2) "Major life activities" include walking, talking, hearing, seeing, breathing, learning,
14 performing manual tasks, and caring for oneself; and

15 (3) "Person who has a disability" shall mean a person who has a physical or mental
16 impairment which substantially limits one or more of such person's major life activities.

17 SECTION 3. **Independent evaluation of home modification revolving loan fund**
18 **program.** – An independent evaluation of the effectiveness and administration of this program
19 will take place no later than one year after the fund becomes operational. The evaluation and a
20 full report with findings will be presented to the house and senate finance committees for review
21 no later than eighteen (18) months after the fund becomes operational. Funding for this evaluation
22 is authorized from the revolving loan fund.

23 SECTION 4. This act shall take effect upon passage.

=====
LC01390
=====

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO STATE AFFAIRS AND GOVERNMENT -- RHODE ISLAND HOUSING
AND MORTGAGE FINANCE CORPORATION

1 This act would establish a program of loan guarantees or interest subsidies within the
2 Rhode Island housing and mortgage finance corporation for the purpose of making home
3 modifications to the primary residence of persons who have a disability, or age 65 or older, or are
4 the caregiver of a family member with a disability or age 65 or older; for the purpose of improved
5 accessibility to allow such persons to live more independently in the community.

6 This act would take effect upon passage.

=====
LC01390
=====