

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2022

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT – EXECUTIVE OFFICE OF
COMMERCE

Introduced By: Representatives Shekarchi, Speakman, Williams, Potter, Knight, Fogarty,
Hull, Cortvriend, Casimiro, and Alzate

Date Introduced: March 07, 2022

Referred To: House Municipal Government & Housing

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 42-64.19-3 of the General Laws in Chapter 42-64.19 entitled
2 "Executive Office of Commerce" is hereby amended to read as follows:

3 **42-64.19-3. Executive office of commerce.**

4 (a) There is hereby established within the executive branch of state government an
5 executive office of commerce effective February 1, 2015, to serve as the principal agency of the
6 executive branch of state government for managing the promotion of commerce and the economy
7 within the state and shall have the following powers and duties in accordance with the following
8 schedule:

9 (1) On or about February 1, 2015, to operate functions from the department of business
10 regulation;

11 (2) On or about April 1, 2015, to operate various divisions and functions from the
12 department of administration;

13 (3) On or before September 1, 2015, to provide to the Senate and the House of
14 Representatives a comprehensive study and review of the roles, functions, and programs of the
15 department of administration and the department of labor and training to devise recommendations
16 and a business plan for the integration of these entities with the office of the secretary of commerce.
17 The governor may include such recommendations in the Fiscal Year 2017 budget proposal; and

18 (4) On or before July 1, 2021, to provide for the hiring of a deputy secretary of commerce

1 and housing who shall report directly to the secretary of commerce. The deputy secretary of
2 commerce and housing shall:

3 (i) Prior to hiring, have completed and earned a minimum of a master's graduate degree in
4 the field of urban planning, economics, or a related field of study or possess a juris doctor law
5 degree. Preference shall be provided to candidates having earned an advanced degree consisting of
6 an L.L.M. law degree or Ph.D in urban planning or economics. Qualified candidates must have
7 documented five (5) years' full-time experience employed in the administration of housing policy
8 and/or development;

9 (ii) Be responsible for overseeing all housing initiatives in the state of Rhode Island and
10 developing a housing plan, including, but not limited to, the development of affordable housing
11 opportunities to assist in building strong community efforts and revitalizing neighborhoods;

12 (iii) Coordinate with all agencies directly related to any housing initiatives including, but
13 not limited to, the Rhode Island housing and mortgage finance corporation, coastal resources
14 management council (CRMC), and state departments including, but not limited to: the department
15 of environmental management (DEM), the department of business regulation (DBR), the
16 department of transportation (DOT) and statewide planning; and

17 (iv) Coordinate with the housing resources commission to formulate an integrated housing
18 report to include findings and recommendations to the governor, speaker of the house, senate
19 president, each chamber's finance committee, and any committee whose purview is reasonably
20 related to, including, but not limited to, issues of housing, municipal government, and health on or
21 before December 31, 2021, and annually thereafter which report shall include, but not be limited
22 to, the following:

23 (A) The total number of housing units in the state with per community counts, including
24 the number of Americans with Disabilities Act compliant special needs units;

25 (B) The occupancy and vacancy rate of the units referenced in subsection (a)(4)(iv)(A);

26 (C) The change in the number of units referenced in subsection (a)(4)(iv)(A), for each of
27 the prior three (3) years in figures and as a percentage;

28 (D) The number of net new units in development and number of units completed since the
29 prior report;

30 (E) For each municipality the number of single-family, two-family (2), and three-family
31 (3) units, and multi-unit housing delineated sufficiently to provide the lay reader a useful
32 description of current conditions, including a statewide sum of each unit type;

33 (F) The total number of units by income type;

34 (G) A projection of the number of status quo units;

1 (H) A projection of the number of units required to meet housing formation trends;

2 (I) A comparison of regional and other similarly situated state funding sources that support
3 housing development including a percentage of private, federal, and public support;

4 (J) A reporting of unit types by number of bedrooms for rental properties including an
5 accounting of all:

6 (I) Single-family units;

7 (II) Accessory dwelling units;

8 (III) Two-family (2) units;

9 (IV) Three-family (3) units;

10 (V) Multi-unit sufficiently delineated units;

11 (VI) Mixed use sufficiently delineated units; and

12 (VII) Occupancy and vacancy rates for the prior three (3) years;

13 (K) A reporting of unit types by ownership including an accounting of all:

14 (I) Single-family units;

15 (II) Accessory dwelling units;

16 (III) Two-family (2) units;

17 (IV) Three-family (3) units;

18 (V) Multi-unit sufficiently delineated units;

19 (VI) Mixed use sufficiently delineated units; and

20 (VII) Occupancy and vacancy rates for the prior three (3) years;

21 (L) A reporting of the number of applications submitted or filed for each community
22 according to unit type and an accounting of action taken with respect to each application to include,
23 approved, denied, appealed, approved upon appeal, and if approved, the justification for each
24 approval;

25 (M) A reporting of permits for each community according to affordability level that were
26 sought, approved, denied, appealed, approved upon appeal, and if approved, the justification for
27 each approval;

28 (N) A reporting of affordability by municipality that shall include the following:

29 (I) The percent and number of units of extremely low-, very low-, low-, moderate-, fair-
30 market rate, and above-market-rate units; including the average and median costs of those units;

31 (II) The percent and number of units of extremely low-, very low-, low-, and moderate-
32 income housing units required to satisfy the ten percent (10%) requirement pursuant to chapter 24
33 of title 45; including the average and median costs of those units;

34 (III) The percent and number of units for the affordability levels above moderate-income

1 housing, including a comparison to fair-market rent and fair-market homeownership; including the
2 average and median costs of those units;

3 (IV) The percentage of cost burden by municipality with population equivalent;

4 (V) The percentage and number of home financing sources, including all private, federal,
5 state, or other public support; and

6 (VI) The cost growth for each of the previous five (5) years by unit type at each
7 affordability level, by unit type;

8 (O) A reporting of municipal healthy housing stock by unit type and number of bedrooms
9 and providing an assessment of the state's existing housing stock and enumerating any risks to the
10 public health from that housing stock, including, but not limited to: the presence of lead, mold, safe
11 drinking water, disease vectors (insects and vermin), and other conditions that are an identifiable
12 health detriment. Additionally, the report shall provide the percentage of the prevalence of health
13 risks by age of the stock for each community by unit type and number of bedrooms; and

14 (P) A recommendation shall be included with the report required under this section that
15 shall provide consideration to any and all populations, ethnicities, income levels, and other relevant
16 demographic criteria determined by the deputy secretary, and with regard to any and all of the
17 criteria enumerated elsewhere in the report separately or in combination, provide recommendations
18 to resolve any issues that provide an impediment to the development of housing, including specific
19 data and evidence in support of the recommendation. All data and methodologies used to present
20 evidence are subject to review and approval of the chief of revenue analysis, and that approval shall
21 include an attestation of approval by the chief to be included in the report.

22 (Q) Provided, that effective July 1, 2022, and thereafter, the deputy secretary of commerce
23 for housing shall be known as the secretary of commerce for housing. All references in the general
24 laws to the deputy secretary of commerce for housing shall be construed to mean the secretary of
25 commerce for housing, except where the context clearly indicates otherwise. The secretary of
26 commerce for housing shall retain all powers, duties, responsibilities, and obligations of the deputy
27 secretary of commerce for housing, but on and after July 1, 2022, the secretary of commerce for
28 housing shall be deemed to be a cabinet level position reporting to the governor of the State of
29 Rhode Island, within the executive branch of government.

30 (b) In this capacity, the office shall:

31 (1) Lead or assist state departments and coordinate business permitting processes in order
32 to:

33 (i) Improve the economy, efficiency, coordination, and quality of the business climate in
34 the state;

1 (ii) Design strategies and implement best practices that foster economic development and
2 growth of the state's economy;

3 (iii) Maximize and leverage funds from all available public and private sources, including
4 federal financial participation, grants, and awards;

5 (iv) Increase public confidence by conducting customer centric operations whereby
6 commercial enterprise are supported and provided programs and services that will grow and nurture
7 the Rhode Island economy; and

8 (v) Be the state's lead agency for economic development.

9 (2) Provide oversight and coordination of all housing initiatives in the state of Rhode
10 Island.

11 (c) The office shall include the office of regulatory reform and other administration
12 functions that promote, enhance, or regulate various service and functions in order to promote the
13 reform and improvement of the regulatory function of the state.

14 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT – EXECUTIVE OFFICE OF
COMMERCE

1 This act would make the deputy secretary of commerce for housing the secretary of
2 commerce for housing, effective July 1, 2022. The secretary of commerce for housing would retain
3 all the powers, duties, responsibilities, and obligations of the deputy secretary, and would also be
4 a cabinet level position within the executive branch of government.

5 This act would take effect upon passage.

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