

2023 -- H 5980

LC002093

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2023

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- HOUSING PRODUCTION
REVOLVING FUND

Introduced By: Representatives Speakman, Kislak, Potter, Cruz, Morales, Felix, and
Slater

Date Introduced: March 01, 2023

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 42 of the General Laws entitled "STATE AFFAIRS AND
2 GOVERNMENT" is hereby amended by adding thereto the following chapter:

3 CHAPTER 34.35

4 HOUSING PRODUCTION FUND

5 **42-34.35-1. Short title.**

6 This chapter shall be known as and may be cited as the "Housing Production Revolving
7 Fund Act."

8 **42-34.35-2. Establishment of the fund - Uses.**

9 (a) The department of housing is authorized to issue bonds in the amount of fifty million
10 dollars (\$50,000,000) (the "housing bonds"), with a maturity date not to exceed twenty (20) years,
11 to create the housing production revolving fund (the "fund"), in order to further the goals set forth
12 in this chapter and to promote, among other purposes, the development of housing in order to make
13 housing more affordable.

14 (b) The uses of the fund shall include, but are not limited to:

15 (1) Providing debt service for the housing bonds; and

16 (2) Financing real estate projects by real estate developers;

17 (c) The fund shall consist of:

18 (1) Proceeds from the issuance of housing bonds in the amount of fifty million dollars

1 (\$50,000,000);

2 (2) Annual appropriation from the general assembly for debt service of the housing bonds
3 not to exceed five hundred thousand dollars (\$500,000) per year;

4 (3) Repayments of principal and interest from loans made from the fund; and

5 (4) Any other money made available to the fund from other sources including, but not
6 limited to, gifts, grants or donations.

7 **42-34.35-3. Development of housing.**

8 The department of housing shall formulate a program for the development of housing units
9 where a portion of the housing units are set aside from housing projects to ensure affordability. The
10 program shall solicit applications from real estate developers for the construction of housing units.
11 A developer seeking assistance under this chapter shall be required to have at least:

12 (1) Twenty percent (20%) of the development of housing units to be affordable housing for
13 households earning fifty percent (50%) or less of the area median income (AMI), adjusted for
14 household size; and

15 (2) An additional ten percent (10%) of the development of housing units to be affordable
16 housing for households earning eighty percent (80%) or less of the area median income (AMI)
17 adjusted for household size.

18 **42-34.35-4. Rules and regulations.**

19 The department of housing shall be the administrator of the fund and shall promulgate rules
20 and regulations deemed necessary for the administration of the fund and for the implementation of
21 the provisions of this chapter.

22 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 -- HOUSING PRODUCTION
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1 This act would create the housing production revolving fund through the issuance of fifty
2 million dollars (\$50,000,000) in housing bonds by the department of housing in order to provide
3 affordable housing for low-income households and provide a five hundred thousand dollar
4 (\$500,000) annual appropriation from the general assembly.

5 This act would take effect upon passage.

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