

ARTICLE 7 AS AMENDED

RELATING TO ECONOMIC DEVELOPMENT AND HOUSING

SECTION 1. Section 28-43-1 of the General Laws in Chapter 28-43 entitled "Employment Security — Contributions" is hereby amended to read as follows:

28-43-1. Definitions.

The following words and phrases as used in this chapter have the following meanings, unless the context clearly requires otherwise:

(1) "Balancing account" means a book account to be established within the employment security fund, the initial balance of which shall be established by the director as of September 30, 1979, by transferring the balance of the solvency account on that date to the balancing account.

(2) "Computation date" means September 30 of each year; provided, however, that in calendar year 2024, for the purposes of establishing which schedule shall be in effect for tax year 2025, "computation date" means any date between September 30 and December 31 in the discretion of the director of the department of labor.

(3) "Eligible employer" means an employer who has had three (3) consecutive experience years during each of which contributions have been credited to the employer's account and benefits have been chargeable to this account.

(4) "Employer's account" means a separate account to be established within the employment security fund by the director as of September 30, 1958, for each employer subject to chapters 42 — 44 of this title, out of the money remaining in that fund after the solvency account has been established in the fund, by crediting to each employer an initial credit balance bearing the same relation to the total fund balance so distributed, as his or her tax contributions to the fund during the period beginning October 1, 1955, and ending on September 30, 1958, have to aggregate tax contributions paid by all employers during the same period; provided, that nothing contained in this section shall be construed to grant to any employer prior claim or rights to the amount contributed by him or her to the fund.

(5) "Experience rate" means the contribution rate assigned to an employer's account under whichever is applicable of schedules A — I in § 28-43-8.

(6) "Experience year" means the period of twelve (12), consecutive calendar months ending September 30 of each year.

1 (7) "Most recent employer" means the last base-period employer from whom an individual
2 was separated from employment and for whom the individual worked for at least four (4) weeks,
3 and in each of those four (4) weeks had earnings of at least twenty (20) times the minimum hourly
4 wage as defined in chapter 12 of this title.

5 (8) "Reserve percentage" means, in relation to an employer's account, the net balance of
6 that account on a computation date, including any voluntary contributions made in accordance with
7 § 28-43-5.1, stated as a percentage of the employer's twelve-month (12) average taxable payroll
8 for the last thirty-six (36) months ended on the immediately preceding June 30.

9 (9) "Reserve ratio of fund" means the ratio which the total amount available for the
10 payment of benefits in the employment security fund on September 30, 1979, or any computation
11 date thereafter, minus any outstanding federal loan balance, plus an amount equal to funds
12 transferred to the job development fund through the job development assessment adjustment for
13 the prior calendar year, bears to the aggregate of all total payrolls subject to this chapter paid during
14 the twelve-month (12) period ending on the immediately preceding June 30, or the twelve-month
15 (12) average of all total payrolls during the thirty-six-month (36) period ending on that June 30,
16 whichever percentage figure is smaller.

17 (10) "Taxable payroll" means, for the purpose of this chapter, the total of all wages as
18 defined in § 28-42-3(29).

19 (11) "Tax year" means the calendar year.

20 (12) "Total payroll" means, for the purpose of this chapter, the total of all wages paid by
21 all employers who are required to pay contributions under the provisions of chapters 42 — 44 of
22 this title.

23 (13) "Unadjusted reserve ratio of fund" means the ratio which the total amount available
24 for the payment of benefits in the employment security fund on September 30, 1979, or any
25 computation date thereafter, minus any outstanding federal loan balance, bears to the aggregate of
26 all total payrolls subject to this chapter paid during the twelve-month (12) period ending on the
27 immediately preceding June 30, or the twelve-month (12) average of all total payrolls during the
28 thirty-six-month (36) period ending on that June 30, whichever percentage figure is smaller.

29 (14) "Voluntary contribution" means a contribution paid by an employer to his or her
30 account in accordance with § 28-43-5.1 to reduce the employer's experience rate for the ensuing
31 tax year.

32 SECTION 2. Section 42-64-36 of the General Laws in Chapter 42-64 entitled "Rhode
33 Island Commerce Corporation" is hereby amended to read as follows:

34 **42-64-36. Program accountability.**

1 (a) The board of the Rhode Island commerce corporation shall be responsible for
2 establishing accountability standards, reporting standards, and outcome measurements for each of
3 its programs to include, but not be limited to, the use of tax credits, loans, loan guarantees, and
4 other financial transactions managed or utilized by the corporation. Included in the standards shall
5 be a set of principles and guidelines to be followed by the board to include:

6 (1) A set of outcomes against which the board will measure each program's and offering's
7 effectiveness;

8 (2) A set of standards for risk analysis for all of the programs especially the loans and loan
9 guarantee programs; and

10 (3) A process for reporting out all loans, loan guarantees, and any other financial
11 commitments made through the corporation that includes the purpose of the loan, financial data as
12 to payment history, and other related information.

13 (b) The board shall annually prepare a report starting in January 2015 which shall be
14 submitted to the house and senate. The report shall summarize the above listed information on each
15 of its programs and offerings and contain recommendations for modification, elimination, or
16 continuation.

17 (c) The commerce corporation shall prepare a report beginning January 1, 2019, which
18 shall be submitted to the house and senate within a period of ~~thirty (30)~~ forty-five (45) days of the
19 close of each quarter. The report shall summarize the information listed in subsection (a) of this
20 section on each of its programs and offerings, including any modifications, adjustments, clawbacks,
21 reallocations, alterations, or other changes, made from the close of the prior fiscal quarter and
22 include comparison data to the reports submitted pursuant to §§ 42-64.20-9(b), 42-64.21-8(a) and
23 (c), 42-64.22-14(a), 42-64.23-5(d), 42-64.24-5(d), 42-64.25-12, 42-64.26-6, 42-64.27-4, 42-64.28-
24 9, 42-64.29-7(a), 42-64.31-3, 44-48.3-13(b) and (c), chapters 64.20, 64.21, 64.22, 64.23, 64.24,
25 64.25, 64.26, 64.27, 64.28, 64.29, 64.30, 64.31, 64.32 of title 42 and § 44-48.3-13.

26 (d) The board shall coordinate its efforts with the office of revenue analysis to not duplicate
27 information on the use of tax credits and other tax expenditures.

28 SECTION 3. Sections 42-64.16-2 and 42-64.16-3 of the General Laws in Chapter 42-64.16
29 entitled "The Innovate Rhode Island Small Business Program" are hereby amended to read as
30 follows:

31 **42-64.16-2. Establishment of matching funds program.**

32 (a) There is established the Rhode Island SBIR/STTR Matching Funds Program to be
33 administered by STAC. In order to foster job creation and economic development in the state,
34 STAC may provide grants to eligible businesses to match funds received by a business as a SBIR

1 or STTR Phase I or II award, and to encourage businesses to apply for further SBIR or STTR
2 awards, and commercialize their technology and research.

3 (b) Eligibility. In order to be eligible for a grant under this section, a business must satisfy
4 all of the following conditions:

5 (1) The business must be a for-profit, Rhode Island-based business with fifty (50) or fewer
6 employees. For the purposes of this section, Rhode Island-based business is one that has its
7 principal place of business and at least fifty-one percent (51%) of its employees residing in this
8 state.

9 (2) The business must have received an SBIR/STTR Phase I award from a participating
10 federal agency in response to a specific federal solicitation. To receive the full Phase I matching
11 grant, the business must also have submitted a final Phase I report, demonstrated that the sponsoring
12 agency has interest in the Phase II proposal, and submitted a Phase II proposal to the agency. To
13 receive the full Phase II matching grant, the business must also have submitted a final Phase II
14 report.

15 (3) The business must satisfy all federal SBIR/STTR requirements.

16 (4) The business shall not receive concurrent funding support from other sources that
17 duplicates the purpose of this section.

18 (5) For a Phase I and II matching grant, the business must certify that at least fifty-one
19 percent (51%) of the research described in the federal SBIR/STTR Phase I, II and any further
20 SBIR/STTR proposals and commercialization will be conducted in this state and that the business
21 will remain a Rhode Island-based business for the duration of the SBIR/STTR Phase I, II any
22 further SBIR/STTR projects and commercialization.

23 (6) For a Phase I and II matching grant, the business must demonstrate its ability to conduct
24 research in its SBIR/STTR Phase II proposal.

25 (7) For a Phase III commercialization grant, the business must have completed their Phase
26 II SBIR/STTR award and submitted a final Phase II report.

27 (8) For a Phase III commercialization grant, the business must certify that at least fifty-one
28 percent (51%) of the research described in the Phase III application and any other further
29 SBIR/STTR proposals and commercialization will be conducted in this state and that the business
30 will remain a Rhode Island-based business, as defined by § 42-64.16-2(b)(1) for at least five (5)
31 years following award of the Phase III grant.

32 (c) Phase I and II Matching Grant. STAC may award grants to match the funds received
33 by a business through a SBIR/STTR Phase I or II proposal up to a maximum of ~~one hundred fifty~~
34 three hundred thousand dollars ~~(\$150,000)~~ (\$300,000). Seventy-five percent (75%) of the total

1 grant shall be remitted to the business upon receipt of the SBIR/STTR Phase I or II award and
2 application for funds under this section. Twenty-five percent (25%) of the total grant shall be
3 remitted to the business upon submission by the business of the Phase II application to the funding
4 agency and acceptance of the Phase I or II report by the funding agency. A business may receive
5 only one grant under this section per year. A business may receive only one grant under this section
6 with respect to each federal proposal submission. Over its lifetime, a business may receive a
7 maximum of six (6) awards under this section.

8 (d) Phase III Commercialization Grant. STAC may award grants of up to five hundred
9 thousand dollars (\$500,000) to an eligible business to support commercialization of the results
10 achieved through SBIR/STTR Phase I and Phase II funding. Grants shall be approved in
11 consultation with the Rhode Island commerce corporation. Twenty-five percent (25%) of the total
12 grant funding shall be remitted to the business upon award of the Phase III grant and execution of
13 a grant agreement. Sixty-five percent (65%) of the total grant funding shall be remitted to the
14 business upon request for reimbursement for eligible research and development expenses, as
15 defined by STAC, in connection with the project for which the business received the award. Ten
16 percent (10%) of the total grant funding shall be remitted to the business five (5) years following
17 the date of award of the Phase III grant; provided that, the business has remained a Rhode Island-
18 based business, as defined by § 42-64.16-2(b)(1) for the duration of the grant period.

19 ~~(d)~~(e) Application. A business shall apply, under oath, to STAC for a grant under this
20 section on a form prescribed by STAC that includes at least all of the following:

21 (1) The name of the business, the form of business organization under which it is operated,
22 and the names and addresses of the principals or management of the business.

23 (2) For a Phase I or II matching grant, an acknowledgement of receipt of the Phase I or II
24 report and Phase II proposal by the relevant federal agency.

25 (3) For a Phase III commercialization grant, an acknowledgement of the terms of the grant
26 and proof of eligibility, as defined in subsection (b) of this section.

27 ~~(3)~~(4) Any other information necessary for STAC to evaluate the application.

28 **42-64.16-3. Establishment of bioscience & engineering internship program.**

29 (a) There is hereby established the Innovate Rhode Island Bioscience & Engineering
30 Internship Program to be administered by STAC. In order to promote workforce development and
31 education in the bioscience and engineering fields and enhance the talent pipeline for Rhode Island
32 businesses engaged in the biosciences and engineering, STAC may reimburse eligible bioscience
33 and engineering companies for eligible internship stipends. The reimbursements shall be paid from
34 the Innovate Rhode Island Small Business Account established in this chapter.

1 (b) Bioscience and engineering definitions.

2 (1) Bioscience definition. For the purposes of this section, “bioscience” shall mean
3 advanced and applied sciences that expand the understanding of human physiology and have the
4 potential to lead to medical advances or therapeutic applications.

5 (2) Engineering definition. For the purposes of this section, “engineering” shall mean the
6 creative application of advanced mathematics and natural sciences to design or develop complex
7 structures, machines, processes, or systems.

8 (c) Business eligibility. In order to be eligible for reimbursement under this section, a
9 business must satisfy all of the following conditions:

10 (1) The business must be a for-profit, Rhode Island-based business with fifty (50) or fewer
11 employees. For the purposes of this section, a Rhode Island-based business is one that has its
12 principal place of business and at least fifty-one percent (51%) of its employees in this state.

13 (2) The business must be primarily engaged in a bioscience or engineering field and must
14 demonstrate its ability to conduct research in bioscience or engineering.

15 (3) The business must host the internship in Rhode Island.

16 (4) The business must offer interns a hands-on learning experience and at least one mentor
17 directly overseeing the internship.

18 (5) Any two or more related businesses that are commonly controlled by any person or
19 entity, directly or indirectly, are limited to reimbursement under this section available for one
20 business only.

21 (d) Intern eligibility. In order to be an eligible intern under this section, a prospective intern
22 must satisfy all of the following requirements:

23 (1) The prospective intern must be a Rhode Island resident and must attend a college or
24 university located in Rhode Island.

25 (2) For students enrolled in community college, the student must be enrolled in an
26 Associate’s Degree or Certificate program or completed one within the past year; for students
27 enrolled in four-year college or university, the student must have or will have completed at least
28 sophomore year the semester before the internship, or have graduated within the past year; for
29 graduate students, the student must be enrolled in a Master’s Degree program or received their
30 Master’s Degree within the past year.

31 (3) The intern cannot be the spouse, child, grandchild, sibling, niece, nephew, or spouse of
32 a child, grandchild, sibling, niece, or nephew of any employee of the business.

33 (4) The intern cannot participate in more than one internship subsidized under this section
34 in the same calendar year.

1 (5) The intern cannot participate in more than two internships subsidized under this section,
2 over two calendar years, with the same business.

3 (e) Reimbursement. STAC may reimburse eligible companies for pay rates up to ~~twelve~~
4 ~~dollars (\$12) per hour~~ the Rhode Island minimum wage, as defined in § 28-12-3, for a total
5 reimbursement of no more than ~~three~~ six thousand five hundred dollars ~~(\$3,000)~~ (\$6,500) per
6 eligible intern in a bioscience or engineering internship program. Businesses may seek
7 reimbursement for up to two (2) interns per calendar year. Interns shall be paid directly by the
8 eligible business. Eligible businesses may seek reimbursement under this section by providing
9 certification and proof of payment to STAC.

10 (f) Business application. A business shall apply, under oath, to STAC to qualify for
11 reimbursement under this section on a form prescribed by STAC that includes at least all of the
12 following:

13 (1) The name of the business, the form of business organization under which it is operated,
14 and the names and addresses of the principals or management of the business.

15 (2) Certification that the business meets the requirements for eligibility under this section.

16 (3) A description of the bioscience or engineering internship program that the business
17 intends to offer.

18 (4) Any other information necessary for STAC to evaluate the application.

19 (g) Prospective intern application. A prospective intern shall apply, under oath, to STAC
20 to qualify for an internship under this section on a form prescribed by STAC that includes at least
21 all of the following:

22 (1) The prospective intern's name, address, college or university, program of study, year
23 of study at the college or university, and degree of attainment.

24 (2) Certification that prospective intern meets the requirements for eligibility under this
25 section.

26 (3) Proof of Rhode Island residency.

27 (4) Proof of enrollment in a college or university in Rhode Island or proof of having
28 graduated from a college or university in Rhode Island within the past year.

29 (5) Resume and cover letter.

30 (6) Any other information necessary for STAC to evaluate the application.

31 (h) Application process. STAC may receive applications from businesses and prospective
32 interns throughout the calendar year and make determinations relating to eligibility under this
33 section. STAC may make available to eligible businesses the eligible intern applications. Eligible
34 businesses looking to host interns may review applications, interview candidates, and select and

1 hire interns according to their qualifications and the businesses' needs.

2 SECTION 4. Section 42-64.19-3 of the General Laws in Chapter 42-64.19 entitled
3 "Executive Office of Commerce" is hereby amended to read as follows:

4 **42-64.19-3. Executive office of commerce. [Effective January 1, 2024.]**

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

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

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

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

19 (4) On or before July 1, 2021, to provide for the hiring of a deputy secretary of commerce
20 and housing who shall report directly to the secretary of commerce. On July 1, 2022, the deputy
21 secretary of commerce and housing shall succeed to the position of secretary of housing, and the
22 position of deputy secretary of commerce and housing shall cease to exist under this chapter. All
23 references in the general laws to the deputy secretary of commerce and housing shall be construed
24 to mean the secretary of housing. The secretary of housing shall be appointed by and report directly
25 to the governor and shall assume all powers, duties, and responsibilities formerly held by the deputy
26 secretary of commerce and housing. Until the formation of the new department of housing pursuant
27 to chapter 64.34 of this title, the secretary of housing shall reside within the executive office of
28 commerce for administrative purposes only. ~~The secretary of housing shall:~~

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

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

4 ~~(iii) Coordinate with all agencies directly related to any housing initiatives and participate~~
5 ~~in the promulgation of any regulation having an impact on housing including, but not limited to,~~
6 ~~the Rhode Island housing and mortgage finance corporation, the coastal resources management~~
7 ~~council (CRMC), and state departments including, but not limited to: the department of~~
8 ~~environmental management (DEM), the department of business regulation (DBR), the department~~
9 ~~of transportation (DOT) and statewide planning, and the Rhode Island housing resources~~
10 ~~commission;~~

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

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

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

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

22 ~~(D) The number of net new units in development and number of units completed since the~~
23 ~~prior report;~~

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

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

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

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

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

32 ~~(J) A reporting of unit types by number of bedrooms for rental properties including an~~
33 ~~accounting of all:~~

34 ~~(I) Single family units;~~

- 1 ~~(H) Accessory dwelling units;~~
- 2 ~~(III) Two-family (2) units;~~
- 3 ~~(IV) Three-family (3) units;~~
- 4 ~~(V) Multi-unit sufficiently delineated units;~~
- 5 ~~(VI) Mixed-use sufficiently delineated units; and~~
- 6 ~~(VII) Occupancy and vacancy rates for the prior three (3) years;~~
- 7 ~~(K) A reporting of unit types by ownership including an accounting of all:~~
- 8 ~~(I) Single-family units;~~
- 9 ~~(II) Accessory dwelling units;~~
- 10 ~~(III) Two-family (2) units;~~
- 11 ~~(IV) Three-family (3) units;~~
- 12 ~~(V) Multi-unit sufficiently delineated units;~~
- 13 ~~(VI) Mixed-use sufficiently delineated units; and~~
- 14 ~~(VII) Occupancy and vacancy rates for the prior three (3) years;~~
- 15 ~~(L) A reporting of the number of applications submitted or filed for each community~~
- 16 ~~according to unit type and an accounting of action taken with respect to each application to include,~~
- 17 ~~approved, denied, appealed, approved upon appeal, and if approved, the justification for each~~
- 18 ~~approval;~~
- 19 ~~(M) A reporting of permits for each community according to affordability level that were~~
- 20 ~~sought, approved, denied, appealed, approved upon appeal, and if approved, the justification for~~
- 21 ~~each approval;~~
- 22 ~~(N) A reporting of affordability by municipality that shall include the following:~~
- 23 ~~(I) The percent and number of units of extremely low, very low, low, moderate, fair-~~
- 24 ~~market rate, and above-market rate units; including the average and median costs of those units;~~
- 25 ~~(II) The percent and number of units of extremely low, very low, low, and moderate-~~
- 26 ~~income housing units required to satisfy the ten percent (10%) requirement pursuant to chapter 24~~
- 27 ~~of title 45; including the average and median costs of those units;~~
- 28 ~~(III) The percent and number of units for the affordability levels above moderate-income~~
- 29 ~~housing, including a comparison to fair-market rent and fair-market homeownership; including the~~
- 30 ~~average and median costs of those units;~~
- 31 ~~(IV) The percentage of cost burden by municipality with population equivalent;~~
- 32 ~~(V) The percentage and number of home-financing sources, including all private, federal,~~
- 33 ~~state, or other public support; and~~
- 34 ~~(VI) The cost growth for each of the previous five (5) years by unit type at each~~

1 affordability level, by unit type;

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

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

16 ~~(v) Have direct oversight over the office of housing and community development (OHCD)~~
17 ~~and shall be responsible for coordinating with the secretary of commerce a shared staffing~~
18 ~~arrangement until June 30, 2023, to carry out the provisions of this chapter;~~

19 ~~(vi) On or before November 1, 2022, develop a housing organizational plan to be provided~~
20 ~~to the general assembly that includes a review, analysis, and assessment of functions related to~~
21 ~~housing of all state departments, quasi public agencies, boards, and commissions. Provided,~~
22 ~~further, the secretary, with the input from each department, agency, board, and commission, shall~~
23 ~~include in the plan comprehensive options, including the advantages and disadvantages of each~~
24 ~~option and recommendations relating to the functions and structure of the new department of~~
25 ~~housing;~~

26 ~~(vii) Establish rules and regulations as set forth in § 45-24-77.~~

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

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

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

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

34 (iii) Maximize and leverage funds from all available public and private sources, including

1 federal financial participation, grants, and awards;

2 (iv) Increase public confidence by conducting customer centric operations whereby
3 commercial enterprises are supported and provided programs and services that will grow and
4 nurture the Rhode Island economy; and

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

6 (2) [Deleted by P.L. 2022, ch. 388, § 1 and P.L. 2022, ch. 442, § 1.]

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

10 SECTION 5. Sections 42-64.20-7 and 42-64.20-10 of the General Laws in Chapter 42-
11 64.20 entitled "Rebuild Rhode Island Tax Credit" are hereby amended to read as follows:

12 **42-64.20-7. Rebuild Rhode Island tax credit fund.**

13 (a) There is hereby established at the commerce corporation a restricted account known as
14 the rebuild Rhode Island tax-credit fund (the "fund") in which all amounts appropriated for the
15 program created under this chapter [and returns on investments from the fund](#) shall be deposited.
16 The fund shall be used (1) To pay for the redemption of tax credits or reimbursement to the state
17 for tax credits applied against a taxpayer's liability; and (2) To redeem or reimburse the state for
18 any sales and use tax exemptions allowed pursuant to this chapter. The commerce corporation may
19 pledge and reserve amounts deposited into the fund for the purpose of securing payment for the
20 redemption of tax credits or for making reimbursements to municipalities pursuant to chapter 64.22
21 of this title. The fund shall be exempt from attachment, levy, or any other process at law or in
22 equity. The director of the department of revenue shall make a requisition to the commerce
23 corporation for funding during any fiscal year as may be necessary to pay for the redemption of tax
24 credits presented for redemption or to reimburse the state for tax credits applied against a taxpayer's
25 tax liability. The commerce corporation shall pay from the fund such amounts as requested by the
26 director of the department of revenue necessary for redemption or reimbursement in relation to tax
27 credits granted under this chapter; provided, however, that the commerce corporation shall not be
28 required to pay from the fund such sums pledged and reserved by the commerce corporation, as
29 permitted in this section, except for redemption of tax credits.

30 (b) Notwithstanding anything in this chapter to the contrary, the commerce corporation
31 may make a loan or equity investment as an alternative incentive in lieu of the provision of tax
32 credits so long as the applicant otherwise qualifies for tax credits under this chapter. In addition to
33 the qualification requirements of this chapter, any loan or equity investment shall be subject to the
34 provisions of §§ 42-64.20-5(b), (f), (g), (h), (i), (j), (q), (r) and (s), 42-64.20-7, 42-64.20-8, 42-

1 64.20-9, and 42-64.20-10 as if the loan or equity investment were a tax credit. The commerce
2 corporation may pay, reserve, and/or pledge monies for a loan or equity investment from the fund.

3 **42-64.20-10. Sunset.**

4 No credits shall be authorized to be reserved pursuant to this chapter after ~~December 31,~~
5 ~~2024~~ [December 31, 2025](#).

6 SECTION 6. Section 42-64.21-9 of the General Laws in Chapter 42-64.21 entitled "Rhode
7 Island Tax Increment Financing" is hereby amended to read as follows:

8 **42-64.21-9. Sunset.**

9 The commerce corporation shall enter into no agreement under this chapter after ~~December~~
10 ~~31, 2024~~ [December 31, 2025](#).

11 SECTION 7. Section 42-64.22-15 of the General Laws in Chapter 42-64.22 entitled "Tax
12 Stabilization Incentive" is hereby amended to read as follows:

13 **42-64.22-15. Sunset.**

14 The commerce corporation shall enter into no agreement under this chapter after ~~December~~
15 ~~31, 2024~~ [December 31, 2025](#).

16 SECTION 8. Section 42-64.23-8 of the General Laws in Chapter 42-64.23 entitled "First
17 Wave Closing Fund" is hereby amended to read as follows:

18 **42-64.23-8. Sunset.**

19 No financing shall be authorized to be reserved pursuant to this chapter after ~~December 31,~~
20 ~~2024~~ [December 31, 2025](#).

21 SECTION 9. Section 42-64.24-8 of the General Laws in Chapter 42-64.24 entitled "I-195
22 Redevelopment Project Fund" is hereby amended to read as follows:

23 **42-64.24-8. Sunset.**

24 No funding, credits, or incentives shall be authorized or authorized to be reserved pursuant
25 to this chapter after ~~December 31, 2024~~ [December 31, 2025](#).

26 SECTION 10. Section 42-64.25-14 of the General Laws in Chapter 42-64.25 entitled
27 "Small Business Assistance Program" is hereby amended to read as follows:

28 **42-64.25-14. Sunset.**

29 No grants, funding, or incentives shall be authorized pursuant to this chapter after
30 ~~December 31, 2024~~ [December 31, 2025](#).

31 SECTION 11. Sections 42-64.26-3 and 42-64.26-12 of the General Laws in Chapter 42-
32 64.26 entitled "Stay Invested in RI Wavemaker Fellowships" are hereby amended to read as
33 follows:

34 **42-64.26-3. Definitions.**

1 As used in this chapter:

2 (1) "Applicant" means an eligible graduate who applies for a tax credit for education loan
3 repayment expenses under this chapter.

4 (2) "Award" means a tax credit awarded by the commerce corporation to an applicant as
5 provided under this chapter.

6 (3) "Commerce corporation" means the Rhode Island commerce corporation established
7 pursuant to chapter 64 of this title.

8 (4) "Eligibility period" means a term of up to four (4) consecutive service periods
9 beginning with the date that an eligible graduate receives initial notice of award under this chapter
10 and expiring at the conclusion of the fourth service period after such date specified.

11 (5) "Eligibility requirements" means the following qualifications or criteria required for an
12 applicant to claim an award under this chapter:

13 (i) That the applicant shall have graduated from an accredited two-year (2), four-year (4)
14 or graduate postsecondary institution of higher learning with an associate's, bachelor's, graduate,
15 or post-graduate degree and at which the applicant incurred education loan repayment expenses;

16 (ii) That the applicant shall be a full-time employee with a Rhode Island-based employer
17 located in this state throughout the eligibility period, whose employment is:

18 (A) For work in one or more of the following covered fields: life, natural or environmental
19 sciences; computer, information or software technology; advanced mathematics or finance;
20 engineering; industrial design or other commercially related design field; or medicine or medical
21 device technology;

22 (B) As a teacher; or

23 (C) As a healthcare applicant.

24 (6) "Eligible expenses" or "education loan repayment expenses" means annual higher
25 education loan repayment expenses, including, without limitation, principal, interest and fees, as
26 may be applicable, incurred by an eligible graduate and which the eligible graduate is obligated to
27 repay for attendance at a postsecondary institution of higher learning.

28 (7) "Eligible graduate" means an individual who meets the eligibility requirements under
29 this chapter.

30 (8) "Full-time employee" means a person who is employed by a business for consideration
31 for a minimum of at least thirty-five (35) hours per week, or who renders any other standard of
32 service generally accepted by custom or practice as full-time employment, or who is employed by
33 a professional employer organization pursuant to an employee leasing agreement between the
34 business and the professional employer organization for a minimum of thirty-five (35) hours per

1 week, or who renders any other standard of service generally accepted by custom or practice as
2 full-time employment, and whose wages are subject to withholding.

3 (9) "Fund" refers to the "Stay Invested in RI Wavemaker Fellowship Fund" established
4 pursuant to § 42-64.26-4(a).

5 (10) "Healthcare applicant" means any applicant who meets the eligibility requirements
6 and works as a full-time employee as a high-demand healthcare practitioner or mental health
7 professional, including, but not limited to, clinical social workers and mental health counselors
8 licensed by the department of health, and as defined in regulations to be promulgated by the
9 commerce corporation, in consultation with the executive office of health and human services,
10 pursuant to chapter 35 of this title.

11 (11) "Primary care" means healthcare services that cover a range of prevention, wellness
12 and treatment for common illnesses and injuries. Primary care includes patients making an initial
13 approach to a healthcare professional for treatment as well as long-term relationships established
14 between a patient and a healthcare professional and may include family medicine or medical care,
15 general internal medicine or medical care, and general medical practice.

16 ~~(11)~~(12) "Rhode Island-based employer" means: (i) An employer having a principal place
17 of business or at least fifty-one percent (51%) of its employees located in this state; or (ii) An
18 employer registered to conduct business in this state that reported Rhode Island tax liability in the
19 previous tax year.

20 ~~(12)~~(13) "Service period" means a twelve-month (12) period beginning on the date that an
21 eligible graduate receives initial notice of award under this chapter.

22 ~~(13)~~(14) "Student loan" means a loan to an individual by a public authority or private lender
23 to assist the individual to pay for tuition, books, and living expenses in order to attend a
24 postsecondary institution of higher learning.

25 ~~(14)~~(15) "Taxpayer" means an applicant who receives a tax credit under this chapter.

26 ~~(15)~~(16) "Teacher" shall have the meaning prescribed to it in rules and regulations to be
27 promulgated by the commerce corporation in consultation with the Rhode Island department of
28 elementary and secondary education.

29 **42-64.26-12. Sunset.**

30 No incentives or credits shall be authorized pursuant to this chapter after ~~December 31,~~
31 ~~2024~~ December 31, 2025.

32 SECTION 12. Section 42-64.27-6 of the General Laws in Chapter 42-64.27 entitled "Main
33 Street Rhode Island Streetscape Improvement Fund" is hereby amended to read as follows:

34 **42-64.27-6. Sunset.**

1 No incentives shall be authorized pursuant to this chapter after ~~December 31, 2024~~
2 [December 31, 2025](#).

3 SECTION 13. Sections 42-64.28-2, 42-64.28-3, 42-64.28-4, 42-64.28-5, 42-64.28-6, 42-
4 64.28-7, 42-64.28-9 and 42-64.28-10 of the General Laws in Chapter 42-64.28 entitled "Innovation
5 Initiative" are hereby amended to read as follows:

6 **42-64.28-2. Definitions.**

7 As used in this chapter:

8 (1) "Commerce corporation" means the Rhode Island commerce corporation established
9 pursuant to § 42-64-1 et seq.

10 [\(2\) "Employee-owned business" means any entity that is a small business and:](#)

11 [\(i\) Is, in whole or in part, a workers' cooperative as defined in § 7-6.2-2\(5\); or](#)

12 [\(ii\) Has an employee stock ownership plan, as defined in 26 U.S.C. § 4975\(e\)\(7\);](#)

13 ~~(3)~~ [\(3\)](#) "Manufacturer" shall mean any entity that:

14 (i) Uses any premises within the state primarily for the purpose of transforming raw
15 materials into a finished product for trade through any or all of the following operations: adapting,
16 altering, finishing, making, processing, refining, metalworking, and ornamenting, but shall not
17 include fabricating processes incidental to warehousing or distribution of raw materials, such as
18 alteration of stock for the convenience of a customer; or

19 (ii) Is described in codes 31-33 of the North American Industry Classification system, as
20 revised from time to time.

21 ~~(4)~~ [\(4\)](#) "Match" shall mean a funding match, or in kind services provided by a third party.

22 ~~(5)~~ [\(5\)](#) "Small business" means a business that is resident in Rhode Island, has its business
23 facility located within the state, and employs five hundred (500) or fewer persons.

24 ~~(6)~~ [\(6\)](#) "Small business manufacturer" shall mean a business that meets the definitions of
25 terms small business and manufacturer as defined herein.

26 ~~(7)~~ [\(7\)](#) "Targeted industry" means any advanced, promising or otherwise prioritized
27 industry identified in the economic development vision and policy promulgated pursuant to § 42-
28 64.17-1 or, until such time as any such economic development vision and policy is promulgated,
29 as identified by the commerce corporation.

30 **42-64.28-3. Programs established.**

31 (a) The Rhode Island commerce corporation shall establish a voucher program and an
32 innovation network program as provided under this chapter. The programs are subject to available
33 appropriations and such other funding as may be dedicated to the programs.

34 (b) There is established an account in the name of the "innovation initiative fund" (the

1 “fund”) under the control of the commerce corporation to fund the programs.

2 (1) The fund shall consist of:

3 (i) Money appropriated in the state budget to the fund;

4 (ii) Money made available to the fund through federal grants, programs, or private
5 contributions;

6 (iii) Application or other fees paid to the fund to process applications for awards under this
7 chapter; and

8 (iv) Any other money made available to the fund.

9 (c) Voucher program. The commerce corporation is authorized to develop and implement
10 an innovation voucher program to provide financing to small businesses to purchase research and
11 development support or other forms of technical assistance and services from Rhode Island
12 institutions of higher education and other providers and to fund research and development by and
13 for small business manufacturers.

14 (d) Innovation network program. The commerce corporation is authorized to provide
15 innovation grants to organizations, including nonprofit organizations, for-profit organizations,
16 universities, and co-working space operators that offer technical assistance, space on flexible terms,
17 and access to capital to businesses in advanced or targeted industries, or businesses that are
18 evaluating a transition to become employee-owned businesses, regardless of industry. The
19 commerce corporation shall only issue grants under this subsection when those grants are matched
20 by private-sector or nonprofit partners. The commerce corporation shall establish guidelines for
21 appropriate matching criteria under this section, including necessary matching ratios.

22 (e) Invention incentive program. The commerce corporation is authorized to develop and
23 implement an invention incentive program to provide grants to small businesses and individuals to
24 reduce barriers to filing a patent application. The commerce corporation shall establish guidelines
25 for eligible recipients under this section, including industry, business size, and other criteria.

26 **42-64.28-4. Eligible uses.**

27 (a) Vouchers available under this chapter shall be used for the benefit of small businesses
28 to access technical assistance and other services including, but not limited to: research,
29 technological development, product development, commercialization, market development,
30 technology exploration, and improved business practices that implement strategies to grow
31 business and create operational efficiencies.

32 (b) Vouchers available under this chapter shall be used to provide funding to finance
33 internal research and development by and for small business manufacturers, including, but not
34 limited to: research, technological development, product development, commercialization, market

1 development, technology exploration, and improved business practices that implement strategies
2 to grow business and create operational efficiencies. Subject to appropriation, the commerce
3 corporation shall reserve an amount not to exceed fifty percent (50%) of the voucher program's
4 annual appropriation to be made available in fiscal year 2018 for vouchers awarded to small
5 business manufacturers under this subsection.

6 (c) Matching fund awards shall be used for the benefit of small businesses in industries
7 designated from time to time by the corporation, including without limitation: life science and
8 healthcare, food and agriculture, clean technology and energy efficiency, and cyber security to pay
9 for and access technological assistance, to procure space on flexible terms, and to access capital
10 from organizations, including nonprofit organizations, for-profit organizations, universities, and
11 co-working space businesses. Provided, however, that any business that is evaluating a transition
12 to become an employee-owned business, regardless of industry, shall be an eligible beneficiary of
13 a matching fund award.

14 (d) Grant awards through the invention incentive program shall be used in the form of
15 reimbursement for allowable expenses incurred, per regulations promulgated by the commerce
16 corporation, in connection with the submission of a patent application to the United States Patent
17 and Trademark Office. Reimbursement shall only occur following the submission of a patent
18 application by the eligible recipient. No more than one award per individual shall be allowed.

19 **42-64.28-5. Qualification.**

20 (a) To qualify for a voucher, for an invention incentive grant, or for a matching fund award
21 under this chapter, a business or individual must make application to the commerce corporation,
22 and upon selection, shall enter into an agreement with the commerce corporation. The commerce
23 corporation shall have no obligation to issue any voucher, make any award, or grant any benefits
24 under this chapter.

25 (b) In a given tax year, a business shall not receive a voucher or matching-fund award
26 provided for under this chapter in conjunction with the tax credit provided for in § 44-32-3.

27 **42-64.28-6. Voucher amounts and matching fund awards**

28 (a) Voucher award amounts to a selected applicant shall be determined by the corporation,
29 to be in the minimum amount of five thousand dollars (\$5,000) and the maximum amount of
30 seventy-five thousand dollars (\$75,000), subject to appropriations or other available moneys in the
31 fund.

32 (b) Matching fund awards shall be awarded to organizations in an amount approved by the
33 corporation, subject to appropriations or other available moneys in the fund.

34 (c) Invention incentive grant amounts shall not exceed five thousand dollars (\$5,000) per

1 [awardee, subject to appropriations or other available monies in the fund.](#)

2 **42-64.28-7. Rules and regulations.**

3 The commerce corporation is hereby authorized to promulgate such rules and regulations
4 as are necessary to fulfill the purposes of this chapter, including the criteria by which voucher,
5 [invention incentive grant](#), and matching fund applications will be judged, awards will be approved,
6 and vendors of services will be approved.

7 **42-64.28-9. Reporting requirements.**

8 The commerce corporation shall submit a report annually, no later than sixty (60) days
9 after the end of the fiscal year to the speaker of the house and the president of the senate detailing:
10 (1) the total amount of innovation vouchers, [invention incentive grants](#), and matching funds
11 awarded; (2) the number of innovation vouchers, [invention incentive grants](#), and matching fund
12 awards approved, (3) the amount of each voucher, [invention incentive grant](#), or matching fund
13 award and a description of services purchased; and (4) such other information as the commerce
14 corporation deems necessary.

15 **42-64.28-10. Sunset.**

16 No vouchers, grants, or incentives shall be authorized pursuant to this chapter after
17 ~~December 31, 2024~~ [December 31, 2025](#).

18 SECTION 14. Section 42-64.31-4 of the General Laws in Chapter 42-64.31 entitled "High
19 School, College, and Employer Partnerships" is hereby amended to read as follows:

20 **42-64.31-4. Sunset.**

21 No grants shall be authorized pursuant to this chapter after ~~December 31, 2024~~ [December](#)
22 [31, 2025](#).

23 SECTION 15. Section 42-64.32-6 of the General Laws in Chapter 42-64.32 entitled "Air
24 Service Development Fund" is hereby amended to read as follows:

25 **42-64.32-6. Sunset.**

26 No grants, credits, or incentives shall be authorized or authorized to be reserved pursuant
27 to this chapter after ~~December 31, 2024~~ [December 31, 2027](#).

28 SECTION 16. Section 42-64.33-4 of the General Laws in Chapter 42-64.33 entitled "The
29 Rhode Island Small Business Development Fund" is hereby amended to read as follows:

30 **42-64.33-4. Application, approval and allocations.**

31 (a) A small business development fund that seeks to have an equity or debt investment
32 certified as a capital investment and eligible for credits under this chapter shall apply to the
33 corporation. The corporation shall begin accepting applications within ninety (90) days of July 5,
34 2019. The small business development fund shall include the following:

- 1 (1) The amount of capital investment requested;
- 2 (2) A copy of the applicant's or an affiliate of the applicant's license as a rural business
3 investment company under 7 U.S.C. § 2009cc, or as a small business investment company under
4 15 U.S.C. § 681, and a certificate executed by an executive officer of the applicant attesting that
5 the license remains in effect and has not been revoked;
- 6 (3) Evidence that, as of the date the application is submitted, the applicant or affiliates of
7 the applicant have invested at least one hundred million dollars (\$100,000,000) in nonpublic
8 companies;
- 9 (4) An estimate of the number of jobs that will be created or retained in this state as a result
10 of the applicant's qualified investments;
- 11 (5) A business plan that includes a strategy for reaching out to and investing in minority
12 business enterprises and a revenue impact assessment projecting state and local tax revenue to be
13 generated by the applicant's proposed qualified investment prepared by a nationally recognized,
14 third-party, independent economic forecasting firm using a dynamic economic forecasting model
15 that analyzes the applicant's business plan over the ten (10) years following the date the application
16 is submitted to the corporation; and
- 17 (6) A nonrefundable application fee of five thousand dollars (\$5,000), payable to the
18 corporation.
- 19 (b) Within thirty (30) days after receipt of a completed application, the corporation shall
20 grant or deny the application in full or in part. The corporation shall deny the application if:
- 21 (1) The applicant does not satisfy all of the criteria described in subsection (a) of this
22 section;
- 23 (2) The revenue impact assessment submitted with the application does not demonstrate
24 that the applicant's business plan will result in a positive economic impact on this state over a ten-
25 year (10) period that exceeds the cumulative amount of tax credits that would be issued to the
26 applicant if the application were approved; or
- 27 (3) The corporation has already approved the maximum amount of capital investment
28 authority under subsection (g) of this section.
- 29 (c) If the corporation denies any part of the application, it shall inform the applicant of the
30 grounds for the denial. If the applicant provides any additional information required by the
31 corporation or otherwise completes its application within fifteen (15) days of the notice of denial,
32 the application shall be considered completed as of the original date of submission. If the applicant
33 fails to provide the information or fails to complete its application within the fifteen-day (15)
34 period, the application remains denied and must be resubmitted in full with a new submission date.

1 (d) If the application is deemed to be complete and the applicant deemed to meet all of the
2 requirements of subsections (a) and (b), the corporation shall certify the proposed equity or debt
3 investment as a capital investment that is eligible for credits under this chapter, subject to the
4 limitations contained in subsection (g) of this section. The corporation shall provide written notice
5 of the certification to the small business development fund.

6 (e) The corporation shall certify capital investments in the order that the applications were
7 received by the corporation. Applications received on the same day shall be deemed to have been
8 received simultaneously.

9 (f) For applications that are complete and received on the same day, the corporation shall
10 certify applications in proportionate percentages based upon the ratio of the amount of capital
11 investments requested in an application to the total amount of capital investments requested in all
12 applications.

13 (g) The corporation shall certify ~~sixty-five~~ forty million dollars ~~(\$65,000,000)~~
14 (\$40,000,000) in capital investments pursuant to this section; provided that not more than twenty
15 million dollars (\$20,000,000) may be allocated to any individual small business development fund
16 certified under this section.

17 (h) Within sixty (60) days of the applicant receiving notice of certification, the small
18 business development fund shall issue the capital investment to and receive cash in the amount of
19 the certified amount from a small business fund investor. At least forty-five percent (45%) of the
20 small business fund investor's capital investment shall be composed of capital raised by the small
21 business fund investor from sources, including directors, members, employees, officers, and
22 affiliates of the small business fund investor, other than the amount of capital invested by the
23 allocatee claiming the tax credits in exchange for the allocation of tax credits; provided that at least
24 ten percent (10%) of the capital investment shall be derived from the small business investment
25 fund's managers. The small business development fund shall provide the corporation with evidence
26 of the receipt of the cash investment within sixty-five (65) days of the applicant receiving notice of
27 certification. If the small business development fund does not receive the cash investment and issue
28 the capital investment within the time period following receipt of the certification notice, the
29 certification shall lapse and the small business development fund shall not issue the capital
30 investment without reapplying to the corporation for certification. Lapsed certifications revert to
31 the authority and shall be reissued pro rata to applicants whose capital investment allocations were
32 reduced pursuant to this chapter and then in accordance with the application process.

33 SECTION 17. Chapter 42-64.33 of the General Laws entitled "The Rhode Island Small
34 Business Development Fund" is hereby amended by adding thereto the following section:

1 **42-64.33-10. Sunset.**

2 No new fund applications shall be granted and no credits shall be authorized to be reserved
3 pursuant to this chapter after June 30, 2024.

4 SECTION 18. Sections 42-64.34-1 and 42-64.34-2 of the General Laws in Chapter 42-
5 64.34 entitled "The Department of Housing" are hereby amended to read as follows:

6 **42-64.34-1. Department established. ~~Effective January 1, 2024.~~**

7 Effective January 1, 2023, there is hereby established within the executive branch of the
8 state government a department of housing. The head of the department shall be the secretary of
9 housing, who shall be appointed by the governor with the advice and consent of the senate. The
10 position of secretary is hereby created in the unclassified service. The secretary shall hold office at
11 the pleasure of the governor. Before entering upon the discharge of duties, the secretary shall take
12 an oath to faithfully execute the duties of the office. The secretary of housing shall:

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

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

22 (iii) Coordinate with all agencies directly related to any housing initiatives and participate
23 in the promulgation of any regulation having an impact on housing including, but not limited to,
24 the Rhode Island housing and mortgage finance corporation, the coastal resources management
25 council (CRMC), and state departments including, but not limited to: the department of
26 environmental management (DEM), the department of business regulation (DBR), the department
27 of transportation (DOT) and statewide planning, and the Rhode Island housing resources
28 commission;

29 (iv) Coordinate with the housing resources commission to formulate an integrated housing
30 report to include findings and recommendations to the governor, speaker of the house, senate
31 president, each chamber's finance committee, and any committee whose purview is reasonably
32 related to, including, but not limited to, issues of housing, municipal government, and health on or
33 before April 15, 2025, and annually thereafter. This report shall include, but not be limited to, the
34 following:

- 1 (A) The total number of housing units in the state with per community counts;
- 2 (B) Every three (3) years, beginning in 2026 and contingent upon funding for data
3 collection, an assessment of the suitability of existing housing stock in meeting accessibility needs
4 of residents;
- 5 (C) The occupancy and vacancy rate of the units referenced in subsection (a)(4)(iv)(A);
- 6 (D) The change in the number of units referenced in subsection (a)(4)(iv)(A), for each of
7 the prior three (3) years in figures and as a percentage;
- 8 (E) The number of net new units in development and number of units completed in the
9 previous calendar year;
- 10 (F) For each municipality the number of single-family, two-family (2), and three-family
11 (3) units, and multi-unit housing delineated sufficiently to provide the lay reader a useful
12 description of current conditions, including a statewide sum of each unit type;
- 13 (G) Every three (3) years, beginning in 2026, a projection of the number of units required
14 to meet estimated population growth and based upon household formation rates;
- 15 (H) A comparison of regional and other similarly situated state funding sources that support
16 housing development including a percentage of private, federal, and public support;
- 17 (I) A reporting of unit types by number of bedrooms for rental properties including an
18 accounting of all:
- 19 (I) Single-family units;
- 20 (II) Accessory dwelling units;
- 21 (III) Two-family (2) units;
- 22 (IV) Three-family (3) units;
- 23 (V) Multi-unit sufficiently delineated units;
- 24 (VI) Mixed use sufficiently delineated units; and
- 25 (VII) Occupancy and vacancy rates for the prior three (3) years;
- 26 (J) A reporting of unit types by ownership including an accounting of all:
- 27 (I) Single-family units;
- 28 (II) Accessory dwelling units;
- 29 (III) Two-family (2) units;
- 30 (IV) Three-family (3) units;
- 31 (V) Multi-unit sufficiently delineated units;
- 32 (VI) Mixed use sufficiently delineated units; and
- 33 (VII) Occupancy and vacancy rates for the prior three (3) years;
- 34 (K) A reporting of the number of applications submitted or filed for each community

1 according to unit type and an accounting of action taken with respect to each application to include,
2 approved, denied, appealed, approved upon appeal, and if approved, the justification for each
3 appeal approval;

4 (L) A reporting of permits for each community according to affordability level that were
5 sought, approved, denied, appealed, approved upon appeal, and if approved, the justification for
6 each approval;

7 (M) A reporting of affordability that shall include the following:

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

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

13 (III) The percent and number of units for the affordability levels above moderate-income
14 housing, including a comparison to fair-market rent; including the average and median costs of
15 those units;

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

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

19 (VI) The disparities in mortgage loan financing by race and ethnicity based on Home
20 Mortgage Disclosure Act data by available geographies;

21 (VII) The annual median gross rent growth for each of the previous five (5) years by
22 municipality; and

23 (VIII) The annual growth in median owner-occupied home values for each of the previous
24 five (5) years by municipality;

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

31 (O) A recommendation shall be included with the report required under this section that
32 shall provide consideration to any and all populations, ethnicities, income levels, and other relevant
33 demographic criteria determined by the secretary, and with regard to any and all of the criteria
34 enumerated elsewhere in the report separately or in combination, provide recommendations to

1 resolve any issues that provide an impediment to the development of housing, including specific
2 data and evidence in support of the recommendation. All data and methodologies used to present
3 evidence are subject to review and approval of the chief of revenue analysis, and that approval shall
4 include an attestation of approval by the chief to be included in the report;

5 (P) Municipal governments shall provide the Department of Housing’s requested data
6 relevant to this report on or before February 15, 2025 and annually thereafter.

7 (v) Have direct oversight over the office of housing and community development (OHCD);

8 (vi) On or before November 1, 2022, and on or before December 31, 2024 develop a
9 housing organizational plan to be provided to the general assembly that includes a review, analysis,
10 and assessment of functions related to housing of all state departments, quasi-public agencies,
11 boards, and commissions. Provided, further, the secretary, with the input from each department,
12 agency, board, and commission, shall include in the plan comprehensive options, including the
13 advantages and disadvantages of each option and recommendations relating to the functions and
14 structure of the department of housing, including suggested statutory revisions.

15 (vii) Establish rules and regulations as set forth in § 45-24-77.

16 **42-64.34-2. Powers and duties. [Effective January 1, 2024.]**

17 (a) The department of housing shall be the state’s lead agency for housing, homelessness,
18 and community development in the state of Rhode Island.

19 (b) The secretary of housing shall have the following powers and duties:

20 (1) All powers and duties pursuant to ~~§ 42-64.19-3(a)(4)~~ chapter 64.34 of title 42;

21 (2) To supervise the work of the department of housing and to act as its chief administrative
22 officer;

23 (3) To coordinate the administration and financing of various departments or offices within
24 the department of housing;

25 (4) To serve as the governor’s chief advisor and liaison to federal policymakers on housing,
26 homelessness, and community development as well as the principal point of contact on any such
27 related matters;

28 (5) To coordinate the housing, homelessness, and community development programs of
29 the state of Rhode Island and its departments, agencies, commissions, corporations, and
30 subdivisions;

31 (6) To employ such personnel and contracts for such consulting services as may be required
32 to perform the powers and duties conferred upon the secretary of housing;

33 (7) To oversee and direct the administration of funds that may be appropriated from time
34 to time to the department of housing; and

1 (8) Creation of a written guide for consumers relating to the rights and duties of landlords
2 and tenants pursuant to chapter 18 of title 34, which the secretary shall update at minimum on an
3 biennial basis. The guide shall be posted on the website of the department of housing and shall be
4 published in both English and Spanish.

5 (c) In addition to such other powers as may otherwise be delegated elsewhere to the
6 department of housing, the department is hereby expressly authorized, by and through the secretary
7 of housing:

8 (1) To purchase, receive, lease, or otherwise acquire, own, hold, improve, use, and
9 otherwise deal in and with, real or personal property, or any interest in real or personal property,
10 wherever situated;

11 (2) To accept any gifts or grants or loans of funds or property or financial or other aid in
12 any form from the federal government or any agency or instrumentality of the federal government,
13 or from the state or any agency or instrumentality of the state, or from any other source and to
14 comply, subject to the provisions of this chapter, with the terms and conditions of the gifts, grants,
15 or loans;

16 (3) Subject to the provisions of § 37-2-1 et seq., to negotiate and to enter into contracts,
17 agreements, and cooperative agreements with agencies and political subdivisions of the state, not-
18 for-profit corporations, for-profit corporations, and other partnerships, associations, and persons
19 for any lawful purpose necessary and desirable to effectuate the purposes of the department of
20 housing; and

21 (4) To carry out this chapter and perform the duties of the general laws and public laws
22 insofar as those provisions relate to any regulatory areas within the jurisdiction of the department
23 of housing.

24 SECTION 19. Section 42-128-2 of the General Laws in Chapter 42-128 entitled "Rhode
25 Island Housing Resources Act of 1998" is hereby amended to read as follows:

26 **42-128-2. Rhode Island housing resources agency created.**

27 There is created within the executive department a housing resources agency with the
28 following purposes, organization, and powers:

29 (1) **Purposes:**

30 (i) To provide coherence to the housing programs of the state of Rhode Island and its
31 departments, agencies, commissions, corporations, and subdivisions.

32 (ii) To provide for the integration and coordination of the activities of the Rhode Island
33 housing and mortgage finance corporation and the Rhode Island housing resources commission.

34 (2) **Coordinating committee — Created — Purposes and powers:**

1 (i) The coordinating committee of the housing resources agency shall be comprised of the
2 chairperson of the Rhode Island housing and mortgage finance corporation; the chairperson of the
3 Rhode Island housing resources commission; the director of the department of administration, or
4 the designee of the director; and the executive director of the Rhode Island housing and mortgage
5 finance corporation. The chairperson of the Rhode Island housing resources commission shall be
6 chairperson of the coordinating committee.

7 (ii) The coordinating committee:

8 (A) Shall develop and implement, with the approval of the Rhode Island housing and
9 mortgage finance corporation and the Rhode Island housing resources commission, a memorandum
10 of agreement describing the fiscal and operational relationship between the Rhode Island housing
11 and mortgage finance corporation and the Rhode Island housing resources commission and shall
12 define which programs of federal assistance will be applied for on behalf of the state by the Rhode
13 Island housing and mortgage finance corporation and the Rhode Island housing resources
14 commission.

15 (B) Is authorized and empowered to negotiate and to enter into contracts and cooperative
16 agreements with agencies and political subdivisions of the state, not-for-profit corporations, for
17 profit corporations, and other partnerships, associations and persons for any lawful purpose
18 necessary and desirable to effect the purposes of this chapter, subject to the provisions of chapter 2
19 of title 37 as applicable.

20 (3) There is hereby established a restricted receipt account within the general fund of the
21 state [known as the Housing Resources and Homelessness restricted receipt account](#). Funds from
22 this account shall be [administered by the Department of Housing through the Housing Resources](#)
23 [Commission until such time as § 42-128-2\(4\) takes effect and shall be](#) used to provide for housing
24 and homelessness initiatives including housing production, lead hazard abatement, housing rental
25 subsidy, housing retention assistance, and homelessness services and prevention assistance with
26 priority to veterans.

27 [\(4\) Effective December 31, 2024 or after fulfillment of the reporting requirements](#)
28 [established under § 42-64.34-1\(vi\), whichever is later, the restricted account established under §](#)
29 [42-128-2\(3\) shall be administered by the Department of Housing in consultation with the Housing](#)
30 [Resources Commission. Funds in this account will be used in accordance with the uses established](#)
31 [in § 42-128-2\(3\).](#)

32 SECTION 20. Section 44-25-1 of the General Laws in Chapter 44-25 entitled "Real Estate
33 Conveyance Tax" is hereby amended to read as follows:

34 **44-25-1. Tax imposed — Payment — Burden.**

1 (a) There is imposed, on each deed, instrument, or writing by which any lands, tenements,
2 or other realty sold is granted, assigned, transferred, or conveyed to, or vested in, the purchaser or
3 purchasers, or any other person or persons, by his, her, or their direction, or on any grant,
4 assignment, transfer, or conveyance or such vesting, by such persons that has the effect of making
5 any real estate company an acquired real estate company, when the consideration paid exceeds one
6 hundred dollars (\$100), a tax at the rate of two dollars and thirty cents (\$2.30) for each five hundred
7 dollars (\$500), or fractional part of it, that is paid for the purchase of property or the interest in an
8 acquired real estate company (inclusive of the value of any lien or encumbrance remaining at the
9 time the sale, grant, assignment, transfer or conveyance or vesting occurs, or in the case of an
10 interest in an acquired real estate company, a percentage of the value of such lien or encumbrance
11 equivalent to the percentage interest in the acquired real estate company being granted, assigned,
12 transferred, conveyed or vested). The tax is payable at the time of making, the execution, delivery,
13 acceptance or presentation for recording of any instrument affecting such transfer grant,
14 assignment, transfer, conveyance or vesting. In the absence of an agreement to the contrary, the tax
15 shall be paid by the grantor, assignor, transferor or person making the conveyance or vesting.

16 (b) In addition to the tax imposed by subsection (a), there is imposed, on each deed,
17 instrument, or writing by which any residential real property sold is granted, assigned, transferred,
18 or conveyed to, or vested in, the purchaser or purchasers, or any other person or persons, by his,
19 her, or their direction, or on any grant, assignment, transfer, or conveyance or such vesting, by such
20 persons that has the effect of making any real estate company an acquired real estate company,
21 when the consideration paid exceeds eight hundred thousand dollars (\$800,000), a tax at the rate of
22 two dollars and thirty cents (\$2.30) for each five hundred dollars (\$500), or fractional part of it, of
23 the consideration in excess of eight hundred thousand dollars (\$800,000) that is paid for the
24 purchase of property or the interest in an acquired real estate company (inclusive of the value of
25 any lien or encumbrance remaining at the time the sale, grant, assignment, transfer, or conveyance
26 or vesting occurs, or in the case of an interest in an acquired real estate company, a percentage of
27 the value of such lien or encumbrance equivalent to the percentage interest in the acquired real
28 estate company being granted, assigned, transferred, conveyed, or vested). The tax imposed by this
29 subsection shall be paid at the same time and in the same manner as the tax imposed by subsection
30 (a).

31 (c) In the event no consideration is actually paid for the lands, tenements, or realty, the
32 instrument or interest in an acquired real estate company of conveyance shall contain a statement
33 to the effect that the consideration is such that no documentary stamps are required.

34 (d) The tax shall be distributed as follows:

1 (1) With respect to the tax imposed by subsection (a): the tax administrator shall contribute
2 to the distressed community relief program the sum of thirty cents (\$.30) per two dollars and thirty
3 cents (\$2.30) of the face value of the stamps to be distributed pursuant to § 45-13-12, and to the
4 housing resources ~~commission and homelessness~~ restricted ~~receipts~~ receipt account established
5 pursuant to § 42-128-2 the sum of thirty cents (\$.30) per two dollars and thirty cents (\$2.30) of the
6 face value of the stamps. ~~Funds will be administered by the office of housing and community~~
7 ~~development, through the housing resources commission.~~ The state shall retain sixty cents (\$.60)
8 for state use. The balance of the tax shall be retained by the municipality collecting the tax.

9 (2) With respect to the tax imposed by subsection (b): the tax administrator shall contribute
10 the entire tax to the housing production fund established pursuant to § 42-128-2.1.

11 (3) Notwithstanding the above, in the case of the tax on the grant, transfer, assignment or
12 conveyance or vesting with respect to an acquired real estate company, the tax shall be collected
13 by the tax administrator and shall be distributed to the municipality where the real estate owned by
14 the acquired real estate company is located; provided, however, in the case of any such tax collected
15 by the tax administrator, if the acquired real estate company owns property located in more than
16 one municipality, the proceeds of the tax shall be allocated amongst said municipalities in the
17 proportion the assessed value of said real estate in each such municipality bears to the total of the
18 assessed values of all of the real estate owned by the acquired real estate company in Rhode Island.
19 Provided, however, in fiscal years 2004 and 2005, from the proceeds of this tax, the tax
20 administrator shall deposit as general revenues the sum of ninety cents (\$.90) per two dollars and
21 thirty cents (\$2.30) of the face value of the stamps. The balance of the tax on the purchase of
22 property shall be retained by the municipality collecting the tax. The balance of the tax on the
23 transfer with respect to an acquired real estate company, shall be collected by the tax administrator
24 and shall be distributed to the municipality where the property for which interest is sold is
25 physically located. Provided, however, that in the case of any tax collected by the tax administrator
26 with respect to an acquired real estate company where the acquired real estate company owns
27 property located in more than one municipality, the proceeds of the tax shall be allocated amongst
28 the municipalities in proportion that the assessed value in any such municipality bears to the
29 assessed values of all of the real estate owned by the acquired real estate company in Rhode Island.

30 (e) For purposes of this section, the term “acquired real estate company” means a real estate
31 company that has undergone a change in ownership interest if (1) The change does not affect the
32 continuity of the operations of the company; and (2) The change, whether alone or together with
33 prior changes has the effect of granting, transferring, assigning, or conveying or vesting,
34 transferring directly or indirectly, 50% or more of the total ownership in the company within a

1 period of three (3) years. For purposes of the foregoing subsection (e)(2), a grant, transfer,
2 assignment, or conveyance or vesting, shall be deemed to have occurred within a period of three
3 (3) years of another grant(s), transfer(s), assignment(s), or conveyance(s) or vesting(s) if during the
4 period the granting, transferring, assigning, or conveying party provides the receiving party a
5 legally binding document granting, transferring, assigning, or conveying or vesting the realty or a
6 commitment or option enforceable at a future date to execute the grant, transfer, assignment, or
7 conveyance or vesting.

8 (f) A real estate company is a corporation, limited liability company, partnership, or other
9 legal entity that meets any of the following:

10 (1) Is primarily engaged in the business of holding, selling, or leasing real estate, where
11 90% or more of the ownership of the real estate is held by 35 or fewer persons and which company
12 either (i) derives 60% or more of its annual gross receipts from the ownership or disposition of real
13 estate; or (ii) owns real estate the value of which comprises 90% or more of the value of the entity's
14 entire tangible asset holdings exclusive of tangible assets that are fairly transferrable and actively
15 traded on an established market; or

16 (2) Ninety percent or more of the ownership interest in such entity is held by 35 or fewer
17 persons and the entity owns as 90% or more of the fair market value of its assets a direct or indirect
18 interest in a real estate company. An indirect ownership interest is an interest in an entity 90% or
19 more of which is held by 35 or fewer persons and the purpose of the entity is the ownership of a
20 real estate company.

21 (g) In the case of a grant, assignment, transfer or conveyance or vesting that results in a
22 real estate company becoming an acquired real estate company, the grantor, assignor, transferor, or
23 person making the conveyance or causing the vesting, shall file or cause to be filed with the division
24 of taxation, at least five (5) days prior to the grant, transfer, assignment, or conveyance or vesting,
25 notification of the proposed grant, transfer, assignment, or conveyance or vesting, the price, terms
26 and conditions thereof, and the character and location of all of the real estate assets held by the real
27 estate company and shall remit the tax imposed and owed pursuant to subsection (a). Any such
28 grant, transfer, assignment, or conveyance or vesting which results in a real estate company
29 becoming an acquired real estate company shall be fraudulent and void as against the state unless
30 the entity notifies the tax administrator in writing of the grant, transfer, assignment, or conveyance
31 or vesting as herein required in subsection (g) and has paid the tax as required in subsection (a).
32 Upon the payment of the tax by the transferor, the tax administrator shall issue a certificate of the
33 payment of the tax which certificate shall be recordable in the land evidence records in each
34 municipality in which such real estate company owns real estate. Where the real estate company

1 has assets other than interests in real estate located in Rhode Island, the tax shall be based upon the
2 assessed value of each parcel of property located in each municipality in the state of Rhode Island.

3 SECTION 21. Section 44-31.2-11 of the General Laws in Chapter 44-31.2 entitled "Motion
4 Picture Production Tax Credits" is hereby amended to read as follows:

5 **44-31.2-11. Sunset.**

6 No credits shall be issued on or after July 1, ~~2027~~ 2029, unless the production has received
7 initial certification under § 44-31.2-6(a) prior to July 1, ~~2027~~ 2029.

8 SECTION 22. Section 44-31.3-4 of the General Laws in Chapter 44-31.3 entitled "Musical
9 and Theatrical Production Tax Credits" is hereby amended to read as follows:

10 **44-31.3-4. Sunset.**

11 No credits shall be issued on or after July 1, ~~2027~~ 2029, unless the production has received
12 initial certification under § 44-31.3-2(c) prior to July 1, ~~2027~~ 2029.

13 SECTION 23. Section 44-33.6-11 of the General Laws in Chapter 44-33.6 entitled
14 "Historic Preservation Tax Credits 2013" is hereby amended to read as follows:

15 **44-33.6-11. Sunset.**

16 No credits shall be authorized to be reserved pursuant to this chapter on or after June 30,
17 ~~2024~~ 2026, or upon the exhaustion of the maximum aggregate credits, whichever comes first.

18 SECTION 24. Section 44-48.3-14 of the General Laws in Chapter 44-48.3 entitled "Rhode
19 Island New Qualified Jobs Incentive Act 2015" is hereby amended to read as follows:

20 **44-48.3-14. Sunset.**

21 No credits shall be authorized to be reserved pursuant to this chapter after ~~December 31,~~
22 ~~2024~~ December 31, 2025.

23 SECTION 25. This article shall take effect upon passage.