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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2026

A N A C T

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

Introduced By: Representatives Chippendale, Place, Nardone, J. Brien, Newberry,
Santucci, Paplauskas, Quattrocchi, Hopkins, and Fascia
Date Introduced: January 21, 2026

Referred To: House Municipal Government & Housing

It is enacted by the General Assembly as follows:

- 1 SECTION 1. Section 42-55-5 of the General Laws in Chapter 42-55 entitled "Rhode Island
2 Housing and Mortgage Finance Corporation" is hereby amended to read as follows:
- 3 **42-55-5. General powers.**
- 4 The corporation shall have all of the powers necessary and convenient to carry out and
5 effectuate the purposes and provisions of this chapter; including, but without limiting the generality
6 of the foregoing, the power to:
- 7 (1) Sue and be sued in its own name;
- 8 (2) Have an official seal and alter it at pleasure;
- 9 (3) Have perpetual succession;
- 10 (4) Maintain an office in the city of Providence or at any other place or places within this
11 state as it may designate;
- 12 (5) Adopt and from time to time amend and repeal bylaws, rules, and regulations, not
13 inconsistent with this chapter, to carry into effect the powers and purposes of the corporation and
14 the conduct of its business, and such bylaws, rules, and regulations may contain provisions
15 indemnifying any person who is or was a commissioner, officer, employee, or agent of the
16 corporation, or is or was serving at the request of the corporation as a commissioner, director,
17 officer, employee, or agent of another corporation, partnership, joint venture, trust, or other
18 enterprise, in the manner and to the extent provided in § 7-1.2-814;

1 (6) Make and execute contracts and all other instruments necessary or convenient for the
2 exercise of its powers and functions under this chapter;

3 (7) Acquire real or personal property, or any interest therein, on either a temporary or long
4 term basis in its own name by gift, purchase, transfer, foreclosure, lease, or otherwise, including
5 rights or easements in property; to hold, sell, assign, lease, encumber, mortgage, or otherwise
6 dispose of any real or personal property or any interest therein; to hold, sell, assign, or otherwise
7 dispose of any mortgage interest owned by it or under its control, custody or in its possession; and
8 to release or relinquish any right, title, claim, lien, interest, easement, or demand, however acquired,
9 including any equity or right of redemption in property foreclosed by it, and to do any of the
10 foregoing by public or private sale, with or without public bidding, notwithstanding the provisions
11 of any other law;

12 (8) Enter into agreements or other transactions with and accept grants and the cooperation
13 of the United States or any governmental agency or instrumentality thereof or of the state or any
14 governmental agency or instrumentality thereof in furtherance of the purposes of this chapter,
15 including, but not limited to, the development, maintenance, operation, and financing of any
16 housing development, housing project, or healthcare facility, and to do any and all things necessary
17 in order to avail itself of such aid and cooperation;

18 (9) Make contracts with the state or any governmental agency thereof, municipalities, and
19 counties of the state, the federal government, public corporations or bodies, and private
20 corporations or individuals;

21 (10) Receive and accept aid or contributions from any source of money, property, labor, or
22 other things of value, to be held, used, and applied to carry out the purposes of this chapter subject
23 to the conditions upon which the grants and contributions may be made, including, but not limited
24 to, gifts or grants from any governmental agency or instrumentality of the United States or this state
25 for payment of rent supplements to eligible persons or families or for the payment in whole or in
26 part of the interest expense for a housing development, housing project, or healthcare facility or for
27 any other purpose consistent with this chapter;

28 (11) Provide, contract, or arrange for consolidated processing of any aspect of a housing
29 development, housing project, or healthcare facility in order to avoid duplication thereof by either
30 undertaking that processing in whole or in part on behalf of any governmental agency, or
31 instrumentality of the United States or of this state, or, in the alternative, to delegate the processing
32 in whole or in part to any governmental agency or instrumentality;

33 (12) Stimulate environmental planning for housing for persons of low and moderate
34 income in order to enhance opportunities of those persons for self-development and employment;

1 (13) Employ architects, engineers, attorneys, accountants, housing construction and
2 financial experts, and any other advisors, consultants, and agents that may be necessary in its
3 judgment and to fix their compensation;

4 (14) Procure insurance against any loss in connection with its property and other assets,
5 including mortgages and mortgage loans, in any amounts and from any insurers as it deems
6 desirable;

7 (15) Subject to any agreement with bondholders or note holders, invest monies of the
8 corporation not required for immediate use, including proceeds from the sale of any bonds or notes,
9 in any securities, obligations, time or other deposit accounts as shall be permitted by law for
10 investment or deposit of state funds by the general treasurer and in secured promissory notes held
11 by municipal corporations which notes represent the borrowings by third parties of federal grants;

12 (16) Include in any borrowing any amount deemed necessary by the corporation to pay
13 financing charges, interest on these obligations for any period the corporation shall permit,
14 consultant, advisory and legal fees, and those other expenses that are necessary or incident to this
15 borrowing;

16 (17) Subject to any agreements with bondholders or note holders, to purchase bonds or
17 notes of the corporation out of any funds or money of the corporation available for this purpose,
18 and to hold, cancel, or resell those bonds or notes;

19 (18) Make and publish rules and regulations respecting its lending programs and any other
20 rules and regulations that are necessary to effectuate its corporate purposes;

21 (19) Make and execute contracts with mortgage bankers or other financial institutions in
22 this state for the servicing of mortgages acquired by the corporation pursuant to this chapter, and
23 pay the reasonable value of services rendered to the corporation pursuant to these contracts;

24 (20) Subject to any agreement with bondholders or note holders, renegotiate, refinance, or
25 foreclose, or contract for the foreclosure of, any mortgage in default; waive any default or consent
26 to the modification of the terms of any mortgage; commence any action to protect or enforce any
27 right conferred upon it by any law, mortgage, contract, or other agreement, and bid for and purchase
28 property at any foreclosure or at any other sale, or acquire or take possession of property; operate,
29 manage, lease, dispose of, and otherwise deal with this property, in any manner necessary to protect
30 the interest of the corporation and the holders of its bonds, notes, and other obligations;

31 (21) Borrow money and issue bonds and notes or other evidences of indebtedness;

32 (22) Subject to any agreement with bondholders or note holders, consent to any
33 modification with respect to rate of interest, time, and payment of any installment of principal or
34 interest security or any other term of any contract, mortgage, mortgage loan, mortgage loan

1 commitment, contract, or agreement of any kind to which the corporation is a party;

2 (23) Procure or agree to the procurement of insurance or guarantees from the federal
3 government or any governmental agency or instrumentality thereof, or from any private insurance
4 company, of the payment of any bonds or notes or any other evidences of indebtedness issued by
5 the corporation including the power to pay premiums on that insurance;

6 (24) Insure long-term mortgage loans made by mortgage lenders approved by the
7 corporation to eligible housing sponsors as determined by the corporation. The corporation may
8 establish any terms and conditions it deems necessary for the supervision of the holders of
9 corporation insured loans and for its insurance program, including the maximum amount which
10 may be insured, maximum interest rates, down payment requirements, refinancing terms, insurance
11 premium requirements, and remedies on default or foreclosure;

12 (25) Make temporary loans, with or without interest, to eligible housing sponsors of single-
13 family residential housing units to be owned and occupied by the sponsor to defray down payment
14 costs and charges on mortgage loans purchased or made by the corporation;

15 (26) Make and undertake to make any and all contracts and agreements, including the
16 payment of fees, with mortgage lenders in this state for assistance rendered to the corporation;

17 (27) Subject to any agreement with bondholders or note holders, to purchase and make
18 commitments for the purchase of, to invest in, and dispose of securities or other obligations issued
19 by mortgage lenders to finance residential housing for persons and families of low and moderate
20 income, including, but not limited to, securities or other obligations payable from, backed by or
21 otherwise evidencing an interest in mortgages securing mortgage loans to finance residential
22 housing for persons and families of low and moderate income;

23 (28) To the extent permitted under its contract with the holders of bonds, bond anticipation
24 notes and other obligations, enter into contracts with any mortgagor containing provisions enabling
25 the mortgagor to reduce the rental or carrying charges to families of persons unable to pay the
26 regular schedule of charges for housing where, by reason of other income or payment from any
27 department, agency, or instrumentality of the United States or this state, the reductions can be made
28 without jeopardizing the economic stability of housing being financed;

29 (29) Establish any programs of compensation, including deferred compensation and
30 retirement plans, as the commissioner may deem appropriate;

31 (30) Do any and all things necessary or convenient to carrying out its purposes and exercise
32 the powers given and granted in this chapter;

33 (31) Issue assurances and guarantees and to secure them with any collateral that the
34 corporation may deem appropriate;

1 (32) Notwithstanding any other law to the contrary, to make subsidies in furtherance of its
2 corporate purposes, whether in the form of interest cost savings or otherwise, and to require a
3 recipient thereof to repay all or any portion of that subsidy upon those terms and conditions that
4 the corporation may establish;

5 (33) Establish an insurance fund and to insure therefrom, either alone or in conjunction
6 with private enterprise, the state, the United States, or any governmental agency or instrumentality
7 thereof, mortgage loans or participations whether or not made or acquired by the corporation;

8 (34) Establish an equal employment and affirmative action program applicable to direct
9 and indirect recipients of funds of the corporation; ~~and~~

10 (35) To administer and manage Section 8 tenant based certificate programs and Section 8
11 rental voucher programs in those municipalities that do not have a local housing authority and in
12 those municipalities whose local housing authority elects to contract with Rhode Island housing
13 mortgage and finance corporation; and

14 (36) To establish, revise, and administer the qualified allocation plan ("QAP") for the
15 allocation of federal Low-Income Housing Tax Credits, and in exercising such authority, to
16 prioritize scoring criteria that maximize the production of low- and moderate-income housing,
17 including cost-efficiency and the total number of income-restricted units produced, and to limit the
18 cumulative weighting of supplemental criteria not directly related to housing production, consistent
19 with applicable federal law.

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

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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- 1 This act would expand Rhode Island Housing’s authority to revise the qualified allocation
- 2 plan to prioritize cost-efficient affordable housing production and total units, while reducing the
- 3 scoring weight of non-production-related criteria.
- 4 This act would take effect upon passage.

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