

**2026 -- H 7226**

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**S T A T E   O F   R H O D E   I S L A N D**

**IN GENERAL ASSEMBLY**

**JANUARY SESSION, A.D. 2026**

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**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;

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;

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;

(15) Subject to any agreement with bondholders or note holders, invest monies of the corporation not required for immediate use, including proceeds from the sale of any bonds or notes, in any securities, obligations, time or other deposit accounts as shall be permitted by law for investment or deposit of state funds by the general treasurer and in secured promissory notes held 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;

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

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

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

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