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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2026

A N A C T

RELATING TO PROPERTY -- ABANDONED PROPERTY

Introduced By: Senators Bissaillon, and LaMountain

Date Introduced: March 04, 2026

Referred To: Senate Housing & Municipal Government

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 34-44-12 of the General Laws in Chapter 34-44 entitled "Abandoned
2 Property" is hereby amended to read as follows:

3 **34-44-12. Sale of building and property by receiver.**

4 (a) If a receiver appointed pursuant to § 34-44-4 files with the judge in the civil action
5 described in § 34-44-4 a report indicating that the public nuisance has been abated, and if the judge
6 confirms that the receiver has abated the public nuisance, and if the receiver or any interested party
7 requests the judge to enter an order directing the receiver to sell the building and the property on
8 which it is located, then the judge may enter that order after holding a hearing as described in
9 subsection (c).

10 (b)(1) If the abatement of the nuisance has not yet occurred; and

11 (2) If the court approves the abatement plan presented by the receiver or any interested
12 party; and

13 (3) The building at the subject property is unoccupied, then the court may enter an order,
14 upon the receiver's recommendation, directing the receiver to sell the building and property upon
15 which it is located after holding a hearing as described in subsection (c) of this section. Any sale
16 order and sale deed under this subsection shall include a requirement that the transfer of the property
17 include a reverter if the abatement plan is not completed in accordance with its terms and in the
18 timeframe established in the plan. The abatement of the property by the purchaser shall be at the
19 purchaser's sole cost and expense.

1 (c) The receiver or interested party requesting an order as described in subsection (a) or (b)
2 of this section shall cause a notice of the date and time of a hearing on the request to be served on
3 the owner of the building involved and all other interested parties in accordance with § 34-44-3.
4 The judge in the civil action described in § 34-44-3 shall conduct the scheduled hearing. At the
5 hearing, if the owner or any interested party objects to the sale of the building and the property, the
6 burden of proof shall be upon the objecting person to establish, by a preponderance of the evidence,
7 that the benefits of not selling the building and the property outweigh the benefits of selling them.
8 If the judge determines that there is no objecting person, or if the judge determines that there is one
9 or more objecting persons but no objecting person has sustained the burden of proof specified
10 herein, the judge may enter an order directing the receiver to offer the building and the property for
11 sale upon terms and conditions that the judge shall specify, and may further order the removal of
12 any clouds on the title to the building and property by reason of any liens or encumbrances that are
13 inferior to any claims of the receiver, as provided by § 34-44-6(9), or if the receivership action is
14 pending in a court other than the superior court, the judge may order the receiver to petition the
15 superior court to order the removal of any clouds on the title to the building or property. An order
16 by the superior court to remove any cloud on the title to the building and property shall be binding
17 upon all those claiming by, through, under, or by virtue of, any inferior liens or encumbrances.

18 (d) The court may give priority in a sale to any party willing to:

19 (1) Designate and deed restrict the property for low- and moderate-income housing, as
20 defined in § 45-53-3; or

21 (2) Resell the property at least ten percent (10%) below an appraised market value; or

22 (3) Designate any residential units in the property for occupancy through any housing
23 choice voucher program; or

24 (4) Restrict use of the property to owner-occupancy for a period of not less than twenty-
25 four (24) months from the date of the issuance of a certificate of occupancy; ~~or~~

26 (5) Install an energy storage system, as defined in § 39-33-1, on the property.

27 The waiver of any portion of the delinquent real estate taxes or zoning or minimum housing
28 fines pursuant to subsection (e) of this section may qualify as a municipal subsidy under § 45-53-
29 3.

30 (e) If a sale of a building and the property on which it is located is ordered pursuant to
31 subsections (a) — (d) and if the sale occurs in accordance with the terms and conditions specified
32 by the judge in the judge's order of sale, then the receiver shall distribute the proceeds of the sale
33 and the balance of any funds that the receiver may possess, after the payment of the costs of the
34 sale, in the following order of priority and in the described manner:

1 (1) First, the amount due for delinquent taxes and assessments owed to this state or a
2 political subdivision of this state;

3 (2) Second, in satisfaction of any mortgage liability incurred by the receiver pursuant to §
4 34-44-6, in their order of priority;

5 (3) Third, any unreimbursed expenses and other amounts paid in accordance with § 34-44-
6 6 by the receiver, and the fees of the receiver assessed pursuant to § 34-44-8; and

7 (4) Fourth, the amount of any pre-receivership mortgages, liens, or other encumbrances, in
8 their order of priority.

9 (f) Following a distribution in accordance with subsection (e), the receiver shall request the
10 judge in the civil action described in § 34-44-3 to enter an order terminating the receivership. If the
11 judge determines that the sale of the building and the property on which it is located occurred in
12 accordance with the terms and conditions specified by the judge in his or her order of sale under
13 subsection (c) and that the receiver distributed the proceeds of the sale and the balance of any funds
14 that the receiver possessed, after the payment of the costs of the sale, in accordance with subsection
15 (e), and if the judge approves any final accounting required of the receiver, the judge may terminate
16 the receivership.

17 (g) If a judge in a civil action described in § 34-44-3 enters a declaration that a public
18 nuisance has been abated by a receiver, and if, within three (3) days after the entry of the
19 declaration, all costs, expenses, and approved fees of the receivership have not been paid in full,
20 the judge may enter an order directing the receiver to sell the building involved and the property
21 on which it is located. The order shall be entered, and the sale shall occur, only in compliance with
22 subsections (b) — (d), as applicable.

23 (h) An energy storage system, as defined in § 39-33-1, proposed to be located on a property
24 for which a court of competent jurisdiction has made the necessary findings under § 34-44-4, shall
25 be a by-right, permitted use under the zoning code for the municipality in which the energy storage
26 system is proposed to be located. An energy storage system proposed to be located on such a
27 property shall be deemed consistent with the municipality's comprehensive plan pursuant to § 45-
28 23-60 and shall be deemed to have no significant negative environmental impacts pursuant to § 45-
29 23-60. Subject to the provisions of this section, the proposed energy storage system shall proceed
30 through the municipality's planning and zoning procedures generally applicable to a by-right use
31 and the proposed energy storage system shall comply with the ordinance requirements set forth in
32 the municipality's industrial and/or manufacturing zone provided; however, that the maximum
33 structural lot coverage shall be sixty-five percent (65%). This subsection (h) shall not apply in areas
34 zoned for residential use only.

1 SECTION 2. Section 42-140.5-9 of the General Laws in Chapter 42-140.5 entitled
2 "Renewable Ready Program" is hereby amended to read as follows:

3 **42-140.5-9. Permitting of renewable energy resources Permitting of renewable energy**
4 **resources and energy storage systems.**

5 (a) A renewable energy resource, as defined in § 39-26-5, and/or an energy storage system,
6 as defined in § 39-33-1, proposed to be located on a previously contaminated property shall be a
7 by-right, permitted use under the zoning code for the municipality in which the renewable energy
8 resource and/or the energy storage system is proposed to be located. A renewable energy resource
9 and/or an energy storage system proposed to be located on a previously contaminated property shall
10 be deemed consistent with the municipality's comprehensive plan pursuant to § 45-23-60 and shall
11 be deemed to have no significant negative environmental impacts pursuant to § 45-23-60. The
12 applicant shall bear the burden of establishing that the proposed site is a previously contaminated
13 property.

14 (b) A site shall be presumed to be a previously contaminated property if:

- 15 (1) Any agency of the state or federal government has designated the property as such;
16 (2) The applicant presents a phase I or phase II environmental site assessment evidencing
17 the presence of one or more "hazardous substances" (as defined in 42 U.S.C. § 9601(14)) and/or
18 "pollutant or contaminant" (as defined in 42 U.S.C. § 9601(33)) on the property; or
19 (3) The property meets the definition of a "brownfield site" (as defined in 42 U.S.C. §
20 9601(39)(A)).

21 (c) Subject to the provisions of this section, the proposed renewable energy resource and/or
22 the energy storage system shall proceed through the municipality's planning and zoning procedures
23 generally applicable to a by-right use and the proposed renewable energy resource and/or the
24 energy storage system shall comply with the ordinance requirements set forth in the municipality's
25 industrial and/or manufacturing zone; provided, however, that the maximum structural lot coverage
26 shall be seventy-five percent (75%).

27 (d) Nothing in this section alters the eligibility requirements for the renewable ready fund
28 as provided in § 42-140.5-6.

29 SECTION 3. 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 provide that energy storage systems located on abandoned or contaminated
2 property be permitted by right as a permitted use and not considered to have negative environmental
3 impacts.

4 This act would take effect upon passage.

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