

2008 -- H 7384

LC01357

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2008

A N A C T

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

Introduced By: Representatives Naughton, E Coderre, and Dennigan

Date Introduced: February 06, 2008

Referred To: House Finance

It is enacted by the General Assembly as follows:

- 1           SECTION 1. Legislative findings -- (a) The general assembly hereby finds and declares  
2 that:  
3           (1) All Rhode Islanders, regardless of age or disability, want to live independently in the  
4 community or housing arrangement of their choice;  
5           (2) The lack of available, affordable and accessible housing for people with disabilities  
6 and the elderly prevent many Rhode Islanders from obtaining this goal;  
7           (3) The use of home modifications provides people with disabilities and elders the  
8 opportunity to live and remain in the living environment of their choice;  
9           (4) Accessibility features can assist an individual in completing daily living tasks as well  
10 as enhance opportunities for work, community or social events, and supportive services;  
11           (5) Without necessary home modifications, many people feel isolated from the  
12 community and some are left with no choice but to move into a nursing home or institutional  
13 setting;  
14           (6) Currently, in Rhode Island, there is limited funding for home modifications and the  
15 funding that is available is difficult to identify and obtain;  
16           (7) The implementation of a home modification revolving loan fund will provide loans  
17 for accessibility modifications to the residences, whether rentals or purchased homes, of people  
18 with disabilities and the elderly so they can remain active members of our society.

1           SECTION 2. **Proposition to be submitted to the people.** -- At the general election to be  
2 held on the Tuesday next after the first Monday in November 2008, there shall be submitted to  
3 the people for their approval or rejection the following proposition:

4           "Shall the action of the general assembly, by an act passed at the January 2008 session,  
5 authorizing the issuance of bonds, refunding bonds, and temporary notes of the state in the  
6 amount of five million dollars (\$5,000,000) be approved, and the issuance of bonds, refunding  
7 bonds, and temporary notes authorized in accordance with the provisions of said act?"

8           SECTION 3. **Ballot labels and applicability of general election laws.** – The secretary  
9 of state shall prepare and deliver to the state board of elections ballot labels for the project  
10 provided for in section 2 hereof with the designations "approve" or "reject" provided next to the  
11 description of each such project to enable voters to approve or reject each such proposition. The  
12 general election laws, so far as consistent herewith, shall apply to this proposition.

13           SECTION 4. Chapter 42-55 of the General Laws entitled "Rhode Island Housing and  
14 Mortgage Finance Corporation" is hereby amended by adding thereto the following section:

15           **42-55-31. Home modification revolving loan fund program for people with**  
16 **disabilities and the elderly.** – (a) There is created, as a separate fund within the treasury, the  
17 home modifications revolving loan fund for people with disabilities and the elderly. The fund  
18 shall consist of general obligation bonds and temporary notes approved by the people, any sums  
19 that the state may from time to time appropriate, as well as money received from donations, gifts,  
20 bequests, or otherwise from any public or private source, which money is intended for the  
21 purpose of making home modifications to the primary residence of persons who:

22           (1) Have a disability; or (2) are age 65 or older; or (3) are the caregiver of a family  
23 member who has a disability who lives in the caregiver's primary residence, to allow such persons  
24 improved accessibility and/or an opportunity to live more independently in the community.

25           (b) The treasurer shall contract with the Rhode Island housing and mortgage finance  
26 corporation for the administration and disbursement of funding. The Rhode Island housing and  
27 mortgage finance corporation shall adopt rules and regulations in conjunction with the governor's  
28 commission on disabilities consistent with the purposes of this section and the Administrative  
29 Procedures Act, chapter 35 of this title, which provides for the orderly and equitable disbursement  
30 and repayment of funds.

31           (c) All funds placed in the home modifications revolving loan fund for people with  
32 disabilities and the elderly shall be made available to make loans to individuals, and landlords for  
33 the purpose of making modifications to the primary residence of persons who: (1) have a  
34 disability; or (2) are age 65 or older; or (3) are the caregiver of a family member who has a

1 disability and lives in the caregiver's primary residence, to allow such persons to live more  
2 independently in the community and for necessary costs for the administration of the program.

3 (d) Loans made available under the provisions of this section may be made directly, or in  
4 cooperation with independent living centers, other public and private lenders, or any agency,  
5 department, or bureau of the federal government or the state.

6 (1) The loans pursuant to this section shall be available on the basis of a sliding scale  
7 relative to the homeowner's income and assets to the cost of the home modifications.

8 (2) Interest rates shall be means tested and may be determined pursuant to income  
9 standards developed by the director of the Rhode Island housing and mortgage finance  
10 corporation.

11 (3) Repayment of any loan pursuant to this chapter may be delayed until the sale of the  
12 principal residence by the homeowner.

13 (e) The proceeds from the repayment of any loans made for that purpose shall be  
14 deposited in and returned to the home modifications revolving loan fund for people with  
15 disabilities and the elderly to constitute a continuing revolving loan fund for the purposes  
16 provided in this section.

17 (f) Nothing contained herein shall be construed as giving rise to enforceable legal rights  
18 on entitlement to any services.

19 (g) The director of Rhode Island housing and mortgage finance corporation shall submit  
20 annually reports to the general assembly detailing the status of the home modification revolving  
21 loan fund program.

22 (h) As used in this section the term:

23 (1) "Home modification" shall mean an adaptation to the physical living environment for  
24 ease of use, safety, security and/or to allow such persons to live more independently in the  
25 community;

26 (2) "Major life activities" include walking, talking, hearing, seeing, breathing, learning,  
27 performing manual tasks, and caring for oneself; and

28 (3) "Person who has a disability" shall mean a person who has a physical or mental  
29 impairment which substantially limits one or more of such person's major life activities.

30 **SECTION 5. Independent evaluation of home modification revolving loan fund**  
31 **program.** – An independent evaluation of the effectiveness and administration of this program  
32 will take place no later than one year after the fund becomes operational. The evaluation and a  
33 full report with findings will be presented to the house and senate finance committees for review  
34 no later than eighteen months after the fund becomes operational. Funding for this evaluation is

1 authorized from the revolving loan fund.

2 SECTION 6. Sections 1, 2, and 3 of this act shall take effect upon passage. As to sections  
3 4 and 5, if a majority of the people voting on the proposition provided for in section 2 of this act  
4 shall vote to approve the proposition as to any project provided for in section 2 hereof, sections 4  
5 and 5 shall take effect upon approval of voters.

6 SECTION 7. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO STATE AFFAIRS AND GOVERNMENT - RHODE ISLAND HOUSING  
AND MORTGAGE FINANCE CORPORATION

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1           This act would establish a program of loan guarantees or interest subsidies within the  
2 Rhode Island housing and mortgage finance corporation for the purpose of making home  
3 modifications to the primary residence of persons who have a disability, or age 65 or older, or are  
4 the caregiver of a family member with a disability or age 65 or older; for the purpose of improved  
5 accessibility to allow such persons to live more independently in the community.

6           Sections 1, 2 and 3 of this act would take effect upon passage. As to sections 4 and 5, if a  
7 majority of the people voting on the proposition provided for in section 2 of this act shall vote to  
8 approve the proposition as to any project provided for in section 2 hereof, sections 4 and 5 would  
9 take effect upon passage.

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