

May 7, 2025

The Honorable Marvin L. Abney Chair, House Finance Committee Rhode Island State House, 82 Smith Street, Providence RI 02903

Re: Comments on H-5076 New Article, Governor's Budget Amendment #12

Dear Chair Abney and Members of the Committee:

On behalf of the Housing Network of Rhode Island and our members, I write to respectfully offer our comments on the changes proposed by the Governor's Budget amendment to the state's housing governance structure. While we support the overall effort to streamline and enhance coordination across the state entities governing housing, we wish to outline some areas of key concerns and caution regarding the proposed governance changes to the Committee for your consideration. We previously submitted our concerns in writing to the Department of Housing in December 2024 as part of the stakeholder feedback process available during the drafting of the governance structure proposal.

## Relationship between RIHousing and the Department of Housing

We agree that the Secretary of Housing should serve on the RIHousing Board of Commissioners, however, we oppose enacting a statutory requirement that they serve as Chair. RIHousing was established as a quasi-public entity, helping to insulate them from political influence and preserve operational independence. This degree of separation from the executive branch enables RIHousing to focus on long-term housing goals and maintain program stability, regardless of changes in political leadership or priorities. As proposed, we would have concerns about how RIHousing would retain its operational independence while being tethered so closely to the State and Department of Housing.

## Interagency Councils and Advisory Councils, Housing Resources Commission

The proposed amendments (1) amends the membership of the Interagency Council on Homelessness and eliminates its Advisory Committee (2) establishes a new Interagency Council on Housing Production and Preservation, (3) eliminates the Housing Resources Commission (HRC) and its Coordinating Committee, and (4) creates an new Advisory Council on Housing and Homelessness (ACHH). As proposed, the Secretary of Housing would chair both of the Interagency Councils (1) and (2).

The HRC was enacted to serve as a decision-making body for the State's planning, policy, standards, and programming related to housing. Its membership is diverse and represents a wide range of issues related to housing and homelessness. With appropriate staffing and resources to support Commissioners, the HRC and its existing infrastructure could serve as a valuable asset within a new State housing governance structure. The choice to eliminate it and replace it with an advisory body is concerning. Without clear parameters as to how its recommendations will be received and acted upon by the respective Interagency Councils and Executive Office of Housing, we worry that the ACHH will be perfunctory. The 20-member ACHH is proposed to be entirely appointed by the Governor, which is a significant shift from the current appointment structure of the HRC, whose representation is clearly dictated in statue and not solely by the Governor. In our view, the proposed model concentrates both advisory influence and decision-making power under the Governor's authority and restricts independent community voices.

Housing production and homelessness are intrinsically linked, but each also have distinct challenges. With the ACHH being tasked with both advising on state housing and homelessness strategic plans, reviewing priority needs, and making recommendations to both Interagency Councils, we are concerned about the potential for the discrete needs of housing production and emergency responses to the unhoused crisis to be diluted within a group discussion. An alternative to this consolidation may be to maintain distinct focus areas while ensuring collaboration through shared leadership (such as Chairs of Housing Advisory and Homeless Advisory serving on each Council), as well as having representation on the respective Interagency Councils.

## Concentration of Authority

Overall, the new governance structure de facto concentrates significant authority with the Secretary of Housing and the Governor. We are in full support of a streamlined governance structure that helps to enhance coordination, optimize and align resources, and facilitates efficiency across agencies. However, under the proposed amendments, we are deeply concerned as to whether there are sufficient checks and balances and safeguards to prevent conflicts of interest. It is unclear how this governance structure aligns with principles of transparency, accountability, and community representation. We believe that the proposed governance structure could be strengthened by some modest changes that ensure independent oversight, shared decision-making, and meaningful engagement of external stakeholders.

As always, I am happy to discuss my testimony with any member of the Committee and can be reached at 401-721-5680 x 105 or mlodge@housingnetworkri.org.

Respectfully,

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Melina Louge, Executive Director