

**RHODE ISLAND GOVERNMENT REGISTER
PUBLIC NOTICE OF PROPOSED RULEMAKING
GOVERNOR'S COMMISSION ON DISABILITIES**

Title of Rule: Rhode Island Livable Home Modifications (525-RICR-20-00-03)

Rule Identifier: 525-RICR-20-00-3

Rulemaking Action: Proposed Amendment

Important Dates:

Date of Public Notice: December 7, 2022

End of Public Comment: January 9, 2023

Rulemaking Authority:

R.I. Gen. Laws § 42-51-13

Summary of Rulemaking Action:

To increase the maximum Livable Home Modification Grant awards from \$4,000 to \$4,500 to offset the increased cost of residential construction.

Additional Information and Public Comments:

All interested parties are invited to request additional information or submit written or oral comments concerning the proposed amendment until January 9, 2023 by contacting the appropriate party at the address listed below:

Bob Cooper
Governor's Commission on Disabilities
John O. Pastore Center
2 Cherry Dale Court
Cranston, RI 02831-3049
bob.cooper@gcd.ri.gov

In accordance with R.I. Gen. Laws § 42-35-2.8, an oral hearing will be granted if requested by twenty-five (25) persons, by a governmental agency or by an association having at least twenty-five (25) members. A request for an oral hearing must be made within ten (10) days of the publication of this notice.

Regulatory Analysis Summary and Supporting Documentation:

To increase the maximum Livable Home Modification Grant awards from \$4,000 to \$4,500 to offset the increased cost of residential construction.

“According to the latest Producer Price Index (PPI) report released by the Bureau of Labor Statistics, the prices of goods used in residential construction ex-energy (not seasonally adjusted) climbed 1.4% in March, following an upwardly revised increase of 2.2% in February and 4.1% in January. This adds up to an 8% jump in building materials prices since the start of 2022.

Building materials prices increased 20.4% year over year and have risen 33% since the start of the pandemic.

The price index of services inputs to residential construction registered even steeper increases, rising 3.2% in March, 5.1% in February and 6.2% in January. As a result, the price index of services used in home building (including trade services, transportation and warehousing) went up 15.2% since the start of the year. The index increased 18.5% year over year.

Since the start of the pandemic, services prices are now 39% higher.

Here's how PPI for individual materials have shifted during this timeframe:

- Softwood lumber increased 6% (seasonally adjusted) in March following a 2.6% increase in February and 25.6% jump in January. As a result, the index increased 36.7% over the first three months of 2022. Since reaching its most recent trough in September 2021, prices have almost doubled, rising 90.4%.
- Gypsum products increased 1.6% (seasonally adjusted) in March. Gypsum products prices are 20.8% higher year over year.
- Ready-mix concrete came down 0.6% (seasonally in March but remains elevated after climbing over the prior 13 months. It is 9% higher compared to the January 2021 reading.
- Steel products, in contrast, declined 4.9% (not seasonally adjusted) in March — the third consecutive monthly decrease after record-breaking increases over the prior 15 months. Although the first three months of 2022 have been good months for the cost of derivative steel products, the price index more than doubled since the start of the pandemic.”

Source: Building Materials Prices Start 2022 with 8% Increase - NAHB

For full regulatory analysis or supporting documentation contact the agency staffperson listed above.