



March 12, 2025

Honorable David Bennett  
Chairman, House Environment and Natural Resources Committee  
Rhode Island State House  
82 Smith Street  
Providence, RI 02903

RE: H5493 – AN ACT RELATING TO HEALTH AND SAFETY – BUILDING  
DECARBONIZATION ACT OF 2025

Dear Chairman Bennett and Honorable Members of the House Environment and Natural  
Resources Committee:

As the Board Chair of Rhode Island Business Leaders Alliance (the “Alliance”), I am grateful for the opportunity to provide the House Environment and Natural Resources Committee with this written testimony in response to H5493 - AN ACT RELATING TO HEALTH AND SAFETY -- BUILDING DECARBONIZATION ACT OF 2025, which establishes a program for the energy and water benchmarking of large buildings in Rhode Island and a standard for their energy performance.

The Alliance is a coalition of Rhode Island business leaders, trade associations, and educational institutions united by a shared commitment to improving Rhode Island’s business climate and overall economic competitiveness. Year after year, Rhode Island ranks near the bottom of national business climate surveys. In response, the Alliance has come together in an unprecedented effort to revitalize Rhode Island’s struggling economy and create broad-based economic growth and opportunity for all Rhode Islanders. Our goal is to transform Rhode Island into a national model of economic strength and competitiveness.

In 2021, the General Assembly enacted the Act on Climate (the “Act”), tasking the Executive Climate Change Coordinating Council (“EC4”) with formulating a strategy to achieve the mandatory greenhouse gas emissions targets set forth in the Act. H5493 is similar to H7617, the Building Decarbonization Act of 2024, that was introduced to this Committee last year. Just like

H7617, the Alliance is unsure if any of the additions in H5493 came with the support of the EC4 or if they were intended to serve as supplemental guidelines.

H5493 gives the EC4 authority to carry out this legislation, and the additional authority to “issue forms and guidance, promulgate rules and regulations, apply for and receive federal funds, assess and receive fees, and contract with third parties.”

This legislation establishes energy benchmarking to track and analyze energy and water usage in large buildings to identify efficiency improvements and emission reduction opportunities. H5493 creates reporting requirements for “covered properties,” defined as buildings that have at least 25,000 sq. ft. and are a single building, one or more buildings held in the condominium form of ownership, or two or more buildings that are served by the same electric or gas meter or are served by the same heating or cooling system.

### **Reporting Deadlines:**

- **Public buildings** with 25,000+ sq. ft. – first report due **March 31, 2027** (for 2026 data).
- **Private buildings** with 50,000+ sq. ft. – first report due **March 31, 2027** (for 2026 data).
- **Private buildings** with 25,000–50,000 sq. ft. – first report due **March 31, 2028** (for 2027 data).

The “energy use information” collected by EC4 includes, at minimum:

- Name, mailing address, email, and telephone number of the owner/operator;
- Address of the building and municipality;
- Primary use, any additional uses, and gross floor area of the building;
- Building's total energy use in kBTU and total greenhouse gas emissions in pounds of carbon equivalent;
- Building's energy use by electricity, gas, and other sources;
- Any electricity generated by on-site renewable sources;
- Energy performance rating.

EC4 would then use this information to create benchmarks by **August 31, 2028**, and adopt and publish recommended measures, policies, and programs to achieve building emission reductions aligned with Rhode Island’s net zero goal. EC4 would establish building performance metrics and standards for each property type and subcategory by **June 30, 2029**. Building owners would then be required to adapt their buildings to meet the new standards.

### **Permit Restrictions:**

H5493 prohibits building permits for certain buildings:

- No municipality shall issue a permit submitted after **December 31, 2025** for new

construction or alteration of any residential, commercial, or mixed-use building that is not electric-ready.

- "Electric ready" means the building is designed with sufficient capacity for a future retrofit of a mixed-use full building to an all-electric building, including space, drainage, electrical conductors, etc.
- An exemption exists if some component is physically or technically infeasible – financial considerations alone are not sufficient.
- No permit shall be issued (submitted after **December 31, 2025**) for new Rhode Island-owned building construction or alteration projects that are not all-electric – unless physically or technically infeasible.
- There is an apprenticeship program requirement of **15% total labor hours** on the construction job.
- The definition of “all-electric building” allows for a back-up system that only operates when the electric grid goes down.

### **Concerns and Alternative Approach:**

Currently, twenty-four states plus Washington D.C. and Puerto Rico have adopted 100% clean energy goals. However, Rhode Island’s goal of 100% renewable energy by 2033 is among the most aggressive in the nation, second only to Washington D.C.’s 100% goal by 2032. Most other states have targeted 2040, 2045, or 2050, recognizing the technical and economic challenges involved.

Despite the lack of acknowledgment, it is evident that the targets set in the Act on Climate are unlikely to be met. Imposing unattainable requirements risks driving businesses away and undermining Rhode Island’s economic competitiveness. A more pragmatic and achievable approach is essential.

**Importantly, the Alliance believes that this legislation is unnecessary** because the Alliance has already worked with key stakeholders from business, labor, and other sectors to form the **Rhode Island Climate Change Commission**. This Commission is focused on addressing the path to decarbonization and achieving the state’s energy goals in a balanced and strategic manner. Through this collaborative effort, stakeholders are already working to develop practical solutions that will advance the state’s climate goals without placing an undue burden on businesses and property owners.

The Alliance urges the Committee to carefully evaluate whether H5493 aligns with the broader strategy being developed by the Rhode Island Climate Change Commission. We believe that a unified and coordinated approach, guided by input from all key stakeholders, is the most effective way to balance environmental progress with economic stability and growth.

Thank you for your time and consideration. Please feel free to contact me to continue this

important conversation.

Respectfully submitted by:

*Melissa Travis*

Melissa Travis, Board Chair  
Rhode Island Business Leaders Alliance