



STATE OF RHODE ISLAND
Rhode Island Department of Housing
80 Washington Street, 2nd Floor
Providence, RI 02903

March 12, 2025

The Honorable Representative Bennett, Chair
House Environment and Natural Resources Committee
Rhode Island State House
Providence, Rhode Island 02903

RE: H 5493, An Act Relating To Health And Safety – Building Decarbonization Act Of 2025

Dear Chairman Bennett:

The Department of Housing respectfully submits a letter of opposition for H 5493. This bill establishes an energy usage benchmarking program, structure for imposing fines on buildings that fail to meet benchmarks and requires all new construction to be electric ready (with several exemptions).

The Department of Housing recognizes the importance of addressing the climate crisis and working to meet the state's climate goals. However, as this legislation is considered, it is important to note that there will be unintended consequences of this policy on the housing market. Requiring retrofits to meet building energy benchmarks may increase rents for some Rhode Island households, as the increased costs to make necessary retrofits to a building are likely to be largely passed on to the renter. Rhode Island currently has one of the tightest rental markets in the country and adding increased rental cost burdens will pose serious challenges to renters.

In developing *Housing 2030*, the draft state housing plan, the Department of Housing has been using the Governor's *Rhode Island 2030* plan as a guide. That plan reinforces both the 2021 Act on Climate and the need for increased housing production to improve housing affordability. In this vein, the Department supports Article 3, Section 15 of the Governor's proposed budget, which would provide the State valuable data to inform future policies and programs without posing potential challenges to housing affordability. This budget article is building upon the "Building Energy Benchmarking and Performance Standards" report by the Executive Climate Change Coordinating Council.

We appreciate the opportunity to offer comments on this legislation and welcome continued conversation.

Sincerely,

/s/ Deborah J. Goddard

Deborah J. Goddard
Secretary of Housing

CC: The Honorable Members of the House Environment and Natural Resources Committee
The Honorable Representative Rebecca Kislak
Nicole McCarty, Esquire, Chief Legal Counsel to the Speaker of the House
Lynne Urbani, Director of House Policy