



March 11, 2026

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

RE: H7183 and H7184 - Oppose

Dear Chairman Bennett:

On behalf of the Rhode Island Business Leaders Alliance, we write to express concerns regarding H7183 and H7184, both of which would impose new regulatory requirements on commercial and multi-family buildings across Rhode Island.

While we share the goal of improving energy efficiency and reducing emissions, these proposals raise significant concerns for Rhode Island employers, property owners, and housing developers at a time when the state is confronting both a housing shortage and intense economic competition from neighboring states.

H7183 would require owners of large buildings to annually report detailed information regarding energy usage and greenhouse gas emissions to the state. H7184 would go further by authorizing the establishment of building performance standards designed to require emissions reductions from large buildings over time. Taken together, these proposals represent a significant expansion of regulatory obligations affecting office buildings, healthcare facilities, educational institutions, warehouses, retail centers, and large multi-family residential properties across Rhode Island.

Many Rhode Island employers operate out of the types of buildings covered by these proposals. These businesses and property owners already face high operating costs driven by energy prices, property taxes, construction costs, and regulatory compliance. Adding additional reporting mandates, performance standards, and potential retrofit requirements risks increasing costs at a time when Rhode Island is competing with other states for business investment and job creation.

The performance standards contemplated by H7184 are particularly concerning. In practice, these standards could require significant capital investments in building retrofits, electrification projects, or new energy systems in order to remain in compliance. For many building owners,

particularly those operating older properties, these requirements could translate into substantial capital expenditures.

Those costs ultimately flow through the economy in the form of higher rents, increased operating expenses for tenants, and reduced capital available for reinvestment.

Equally concerning is the potential impact these proposals may have on Rhode Island's already severe housing shortage. Rhode Island is currently experiencing one of the most significant housing supply gaps in the region. State housing officials have identified a need to permit approximately 15,000 additional homes over the next five years just to begin addressing the current shortage¹, while housing advocates estimate the state faces a deficit of more than 24,000 affordable housing units.² In this environment, it is critical that Rhode Island remove barriers to housing production, particularly multi-family housing, which plays a central role in expanding supply and stabilizing costs.

Multifamily housing development in Rhode Island is already challenged by high construction costs, financing constraints, zoning limitations, and lengthy permitting processes. Adding additional regulatory mandates tied to building energy performance introduces new uncertainty and additional costs that developers must account for when determining whether a project is financially feasible. In many cases, these requirements may translate into costly design changes, system upgrades, or future retrofit obligations. These additional costs can make already challenging projects financially unworkable. When projects do not move forward, the result is fewer housing units being built, continued upward pressure on rents, and fewer housing options for Rhode Island families.

The regulatory framework contemplated by these bills also creates significant uncertainty because many of the specific performance standards, compliance requirements, and potential penalties would be developed through future rulemaking rather than defined clearly in statute. This uncertainty makes it difficult for property owners, investors, and developers to plan long-term investments in Rhode Island.

Rhode Island's economic growth depends on maintaining a competitive and predictable environment for investment, development, and job creation. Policies that significantly increase compliance burdens, raise operating costs, or discourage housing development risk slowing economic growth while exacerbating the state's housing crisis.

We respectfully urge the committee to carefully consider the economic and housing-related impacts of H7183 and H7184 and to work collaboratively with the business and development

¹<https://www.bostonglobe.com/2025/04/23/metro/ri-housing-crisis-plan-state-goal-15000-units-production-goals>

²<https://rhodeislandcurrent.com/2024/10/09/r-i-spent-hundreds-of-millions-on-affordable-housing-did-it-get-its-moneys-worth>

communities to pursue balanced solutions that advance environmental goals while maintaining Rhode Island's competitiveness and supporting the production of much-needed housing.

The Rhode Island Business Leaders Alliance remains ready to work with the General Assembly on policies that support both environmental progress and a strong, growing Rhode Island economy.

Sincerely,

Gregory Tumolo

Gregory Tumolo, Executive Director
Rhode Island Business Leaders Alliance

CC: Members of the House Environment and Natural Resources Committee