



April 23, 2024

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

**RE: Support with Amendment H7257 – An Act Relating to Taxation – Real Estate Conveyance Tax**

Dear Chair Abney and Members of the Committee,

On behalf of ONE Neighborhood Builders, I write in support of House Bill 7257 introduced by Representative Megan Cotter. This bill would increase the real estate conveyance tax for residential properties sold in excess of \$2,000,000 to a rate of \$3.30 for each \$500. The bill as written would allocate revenue generated through this new tax to affordable housing for the elderly, to be implemented and administered by Rhode Island Housing. I urge the Committee to support this bill but to broaden the allowable uses to include all affordable housing, not just that restricted to older adults.

Access to quality housing that a household can afford is necessary for every Rhode Islander. Our housing crisis is a significant problem – Rhode Island had the lowest per capita rate of new housing construction of any U.S. state in 2022, and Rhode Island has a shortage of approximately 24,000 rental homes that are available and affordable to households earning extremely low incomes (for a household of four people, this is an annual income of \$31,000).

Assembling the capital required to build affordable housing is complex and time consuming. This is thanks, in part, to the variety of funding sources that developers like ONE Neighborhood Builders access in order to make a development work. Oftentimes, each funding source has its own requirements or restrictions. This slows down the development process, ultimately increasing the overall cost. By reducing the restrictions on newly generated revenue, like that which would be generated via this increased conveyance tax, we can reduce burdens and increase the speed with which we meet the housing crisis facing our state.

Our state legislature has a critical role to play in incentivizing the development of quality, safe, and affordable housing for Rhode Islanders. Speaker Shekarchi and the entire House of Representatives have prioritized housing production and affordability as two of the most important policy issues our state must address. The House's leadership on this issue is moving our state forward in a meaningful way. We look forward to continued partnership on advancing more solutions such as this in the future.

**I urge the Committee to support House Bill 7257 with an amendment to allow generated revenue to be used for all affordable housing.**

Thank you for your consideration.

Sincerely,



Jennifer Hawkins  
President & CEO, ONE Neighborhood Builders  
[hawkins@onenb.org](mailto:hawkins@onenb.org)