

Distinctive Communities Powerful Alliance

April 9, 2025

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

RE: BILL NUMBER H-6011 - A N A C T RELATING TO TAXATION -- PROPERTY SUBJECT TO TAXATION

Chair Abney and Honorable Committee Members,

On behalf of the Rhode Island League of Cities and Towns, thank you for the opportunity to provide testimony in support of House Bill 6011, which would remove state-owned property from the list of exemptions under § 44-3-3 of the Rhode Island General Laws.

Cities and towns across Rhode Island continue to face increasing fiscal pressures while trying to meet the rising demands for essential public services—public safety, education, sanitation, infrastructure, and more. Local governments are tasked with balancing tight budgets while ensuring high-quality services for their residents. In many cases, a significant portion of real property within a community is tax-exempt, limiting the municipal tax base and placing a greater burden on residential and commercial taxpayers.

State-owned properties, while important for public purposes, occupy valuable land in our cities and towns. Yet, under current law, municipalities cannot collect property taxes on these parcels. H6011 provides a pathway for municipalities to recover a portion of this lost revenue by removing the blanket exemption on state-owned property, thereby allowing local governments to tax these properties in the same manner as private or other taxable entities.

By expanding the taxable property base, this legislation would directly enhance the financial capacity of cities and towns to deliver critical services, invest in infrastructure, and address community needs without disproportionately increasing the tax burden on residents or businesses.

The League recognizes that the state must also manage its own fiscal responsibilities. However, we believe local governments deserve the flexibility and opportunity to raise revenue from all real property within their borders, especially when that property is not used in a manner that provides direct benefit to the local tax base. This bill would help correct an imbalance that leaves municipalities bearing the costs of services to tax-exempt state property without receiving corresponding revenue.

For these reasons, the League supports H6011 and respectfully urges the Committee to give this bill favorable consideration.

Thank you for your time and consideration of our views.

Sincerely,

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Randy R. Rossi Executive Director

Cc: Honorable Members of House Finance Committee