



CITY OF CENTRAL FALLS
MAYOR MARIA RIVERA

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April 29, 2025

Hon. Marvin Abney
Chairman, House Committee on Finance
Rhode Island State House

RE: Support for HB-5782

Dear Chairman Abney and Members of the House Finance Committee,

I am writing to enthusiastically support HB-5782, a modest piece of legislation to add the state-created Central Falls Detention Facility Corporation (CFDFC or Wyatt) to the state's payment in lieu of taxes program which would yield a meaningful annual payment to the city.

Pursuant to R.I.G.L. 45-13-5.1, there is a payment in lieu of taxes (PILOT) program in the state budget (approximately \$50 million) that reimburses municipalities for property taxes that would have been due on real property exempted from taxation by state law, including property owned by private nonprofit higher educational institutions, nonprofit hospitals, or any state-owned hospital, veterans' residential facility, or correctional facility. Municipalities may be reimbursed up to 27% of the tax that would have been collected if the property had been taxable.

In Central Falls, the Wyatt was created in 1991 pursuant to RIGL 45-54-1, which allowed municipalities to pursue economic development through the acquisition or construction of correctional facilities. While the enabling legislation the General Assembly envisioned the Wyatt as an economic engine for the City, it has failed to do so in the last fifteen years. From 1994 through 2008, the City received a total of \$5.3 million in impact fees from the Wyatt facility, but, since then, the City has only received a handful of payments including just one payment of \$50,000 in the last six years.

This legislation helps to address a complex problem including the Wyatt's ongoing fiscal troubles (including a prior receivership in 2014 and ongoing federal litigation), the presence of other correctional facilities in the PILOT program and the city's need for the facility to live up to its promise as an economic engine. I have read the Division of Municipal Finance's testimony, and we are open-minded to an amendment pushing the effective date until FY2027 to address their concerns.

I am enclosing a copy of the city council resolution in support thereof. Thank you in advance for your consideration of my testimony.

Sincerely,



Maria Rivera
Mayor

Cc: Members of the House Committee on Municipal Government and Housing

Encl.