



May 13, 2025

The Honorable Marvin L. Abney, Chairman
House Finance Committee
State House
Providence, RI 02903

Re: H.6276, An Act Relating to Waters and Navigation – Rhode Island Property Resilience Act

Dear Chairman Abney,

The undersigned members of the Rhode Island Business Coalition oppose the passage of House Bill 6276 which would establish the Property Resilience Act, funded by a twenty-five dollar annual surcharge on all home or business property insurance policies.

As organizations representing a diverse group of employers across our state, we recognize the importance of resilience to protect property against floods and other climate-related weather events. Coalition members are members of several organizations and work groups discussing ways the state and businesses can be better prepared for the impact of climate change on our state.

We are concerned, however, that H6276 adds to the already high cost of doing business in Rhode Island, particularly the increasing cost of property insurance on our residents and businesses. The bill states that the Resilient Rhode Island Flood Audit Program established through the bill is a public-private partnership funded by property owners and the fund. However, we are unclear of the public sector contributions to paying for the costs as the fund itself is funded through the surcharge on home and business property insurance premiums.

In addition, the Coalition is concerned that while the proposed surcharge is twenty-five dollars, there is not a clear understanding of the demand for such a program. If demand far outweighs the available funds, will there be pressure to increase this surcharge to generate additional funds.

Lastly, while the legislation states that the restricted receipt account will not be subject to any cost recovery, the Coalition would like to express its concerns regarding the potential for a portion of these funds to be redirected to the general fund. The Coalition has testified to its concerns regarding the indirect cost recovery on workers' compensation insurance premiums and immunization fund payments where a portion are redirected to the general fund.

The Rhode Island Business Coalition represents 50 industries and 6,280 businesses that employ 231,200 people throughout Rhode Island.

We thank you for your consideration of our position on H6276 and ask that you take no action on this legislation.

Sincerely,

Associated Builders and Contractors – Rhode Island Chapter

East Greenwich Chamber of Commerce

Greater Newport Chamber of Commerce

Revity Energy

Rhode Island Hospitality Association

Rhode Island Lumber and Building Materials Dealers Association

Rhode Island Manufacturers Association

Rhode Island Marine Trade Association

Small Business Economic Summit Regulations Committee

Small Business Economic Summit Tax and Budget Committee

cc. House Finance Committee members