

STATE OF RHODE ISLAND OFFICE OF THE ATTORNEY GENERAL

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Peter F. Neronha Attorney General

April 24, 2025

The Honorable Robert E. Craven, Sr. Chairman House Committee on Judiciary State House, House Lounge Providence, RI 02903

Re: HB 6173: Rhode Island Bid Rigging Act

Dear Chairman Craven and Members of the House Judiciary Committee,

I write today to express my support for HB 6173, the Rhode Island Bid Rigging Act, legislation that will make it unlawful to commit or attempt to commit bid rigging, and unlawful for any government employee or official to interfere with contract submission and award. My Office drafted this bill at the request of House and Senate leadership, including House Speaker K. Joseph Shekarchi, House Oversight Committee Chairwoman Patricia Serpa, and Senate Finance Chairman Louis DiPalma – all committed public servants who I thank for their leadership on this issue. As evidenced by the House and Senate sponsors of the bill, it is a proposal that comes with broad-based bipartisan support.

The broad support to end unlawful bid rigging in Rhode Island comes as no surprise to me as this legislation fills an important gap in our state law – we currently have no mechanism to ensure accountability when double-dealing officials and vendors unduly influence bidding processes or interfere with contract submissions. Rhode Islanders deserve a transparent public process when the State opens bids for public projects. In the same vein, honest contractors who apply to provide services for the people of Rhode Island deserve to know that they are subject to fair consideration. The proposed legislation would accomplish both goals, ensuring that the needs of Rhode Island taxpayers are represented in an unbiased bidding process.

The legislation defines bid rigging as a concerted activity by two or more persons to predetermine the winning bidder of a public contract. It then goes on to prohibit conspiring, attempting, or rigging the state bidding process for any contract or subcontract for the purchase of goods and services. Additionally, the legislation prohibits public officials from improperly conveying any confidential bid-related information to unauthorized persons and/or from intentionally taking any action to corruptly influence the awarding of a contract to a particular bidder. It establishes a maximum criminal penalty of no more than three years imprisonment and a civil fine of up to one million dollars (or three times the value of the submitted bid) and, in appropriate cases, would prohibit contractors from State contracting for up to five years.

The lack of a comprehensive bid rigging statute prevents the State from holding individuals fully responsible for their actions. If the General Assembly approves this legislation, it will close that accountability gap. The Attorney General would be able to criminally prosecute or pursue civil actions against people committing similar corrupt acts in the future, which

should deter potential wrongdoers and further protect the integrity of the State's procurement process.

Laws prohibiting bid rigging are nothing new. Many states — including Colorado, Illinois, Pennsylvania, Minnesota, and California — have had similar commonsense laws on the books for decades. HB 6173 is carefully and thoughtfully drafted and modeled on these long-standing, non-controversial bid-rigging laws from other states.

There is no sound basis for standing in opposition to this legislation. Rhode Island taxpayers deserve the same protections as residents of other states. For these reasons, I urge the Committee to strongly consider this legislation, and I am available for any questions the Committee may have.

Sincerely,

Peter F. Neronha Attorney General

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