

TO: Chairwoman Carol Hagan McEntee, Vice Chair Jason Knight and Members of the House Judiciary Committee

FROM: Conor McDonough, Resident of Barrington, RI

DATE: March 4, 2026

RE: Testimony regarding House Bill No. 7436 (Immigration Detention Contracts)

Dear Chairwoman McEntee, Vice Chair Knight and Members of the Committee,

As a constituent of District 67, I am writing today regarding House Bill 7436. I am glad to see our leaders taking the initiative to end our state's complicity in federal civil immigration detention. However, as the bill is currently written, I fear that the forbearance agreement between the Wyatt Detention Facility and its bondholders (represented by UMB Bank) is the Sword of Damocles hanging over Central Falls, and this bill does not address it.

While the moral intent of HB 7436 is sound, passing a pure prohibition mandate that ignores the facility's tens of millions of dollars in debt creates a dangerous paradox.

If this legislation forces the Central Falls Detention Facility Corporation to prematurely break its federal ICE contract, and without another contract to fill the empty beds, it will instantly trigger a "Termination Event" default. UMB Bank and the institutional bondholders will immediately sue, forcing the facility into federal receivership. The brutal irony of this bill is that it will likely result in a hostile Wall Street takeover of the facility, stripping away all remaining local oversight, transparency and revenue, while the ICE contract remains legally protected by a federal judge.

We cannot pass a symbolic, cost-free mandate and leave the local community to face the wrath of Wall Street alone while ultimately doing nothing to help our brothers and sisters who remain detained inside.

I urge this committee to **Support and Amend HB 7436**. To actually achieve the goals of this legislation without handing the keys to a federal receiver, the committee should amend the text to execute the following:

- **Include a Grandfather Clause** for the current contract, and
- **Attach a Financial Starvation mechanism** that revokes the corporation's statutory authority to issue any new refunding bonds under RIGL § 45-54-16.

We must legally and methodically squeeze the capital, rather than recklessly cutting the contract and triggering a lawsuit we cannot win.

Thank you for your time and for your service to Rhode Island.

Sincerely,

Conor McDonough

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