

Ariana Costa

From: bounce@bounce.votervoice.net on behalf of Hashem Shehadeh <user@votervoice.net>
Sent: Tuesday, March 17, 2026 7:29 AM
To: House Judiciary Committee
Subject: OPPOSE RENT CONTROL - H8108 & S2271

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Dear Committee Clerk DiMezza,

I respectfully submit testimony in opposition to H8108 & S2271 (Rent Control)

The discussion around this proposal is not a landlord-tenant dispute; it is a statewide economic policy that will shape housing availability, investment decisions, and the cost of living across Rhode Island. Even individuals or properties that appear exempt would still experience its consequences, because regulating prices changes behavior throughout the entire housing market — influencing lending, insurance, screening practices, reinvestment, and whether housing is created at all.

The bill would also require a substantial administrative system. Boards, hearings, compliance review, and enforcement actions cost millions of dollars to operate while producing no additional housing supply. Rhode Island's limited public resources would be better directed toward targeted and proven approaches that assist residents who are struggling to afford housing rather than maintaining a permanent regulatory bureaucracy.

There is also a tax impact. When regulated properties lose value or stagnate, municipalities must still fund schools, public safety services, and essential services. That burden does not disappear — it shifts, most often onto single-family homeowners.

Across decades of research, economists broadly agree that rent control reduces housing supply and worsens long-term affordability for the following reasons:

- Market distortion — Artificial price ceilings separate rents from supply and demand, discouraging participation in the rental market and creating shortages.
- Declining housing quality — Limited income potential reduces the ability and incentive to maintain or improve properties.
- Allocation inefficiency — Subsidies are not reliably targeted to those most in need, while others cannot find available housing.
- Reduced investment — New construction and reinvestment become less financially viable, slowing housing creation.
- Unintended consequences — Supply shrinks, screening becomes stricter, and housing shifts to alternative uses.
- Market segmentation — A divided market forms between controlled and uncontrolled units, increasing disparities.
- Administrative burden — Complex rules require ongoing enforcement and litigation at public expense.
- Legal and operational strain — Expanded litigation exposure and capped turnover rents make it difficult to fund necessary repairs between tenancies while also adding pressure to already burdened courts.

Rhode Island faces a real housing affordability challenge, but policies that restrict housing creation and shift costs onto homeowners will not solve it. Expanding supply and using targeted assistance for households in need are more effective approaches.

For these reasons, I respectfully urge the committee to oppose all rent control proposals.

Thank you for your consideration.

Sincerely,

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