



Mayor of Providence

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Brett P. Smiley

March 18, 2026

The Honorable Carol Hagan McEntee, Chair  
House Judiciary Committee  
Rhode Island State House  
82 Smith Street  
Providence, RI 02903

Dear Chair McEntee and Honorable Members of the Committee:

I am writing this letter in strong opposition to House Bill 8108, *An Act Relating to Property– Residential Landlord and Tenant Act*. If enacted, this legislation would limit rent increases in the State of Rhode Island to 4 percent annually.

My Administration is engaged daily to expand housing supply, preserve affordability, and reduce the burden on so many of our households in Providence. Through this work we have an understanding of the scale of the challenge and also the importance of policies that expand access to housing rather than add constraints.

Rent stabilization does not freeze rents or lower them, it simply regulates the pace of future increases. Evidence of the impacts of these policies on peer cities, as well as direct conversations with those responsible for implementing these policies highlight the unintended consequences and risks related to this policy.

St. Paul, Minnesota, with a strict rent stabilization policy, has still experienced rising rents, and had an over 80 percent drop in new housing permits per HUD data and a 4.4 percent decrease in property values that has not rebounded. The city has had to amend its policy several times in an attempt to address these impacts. Neighboring Minneapolis, which pursued zoning reforms instead of rent stabilization, experienced a building boom and slower rent growth over the same time period. In Portland, Maine, where rent stabilization went into effect in 2021, implementation has been marked by ongoing administrative complexity with a multi-year backlog of exemption applications and appeals.

Vacancy control provisions limiting how much landlords can increase rent when a rental unit becomes vacant, like the one proposed in this legislation, can also backfire. Most jurisdictions with vacancy control have since eliminated the provisions or are in the process of unwinding them. When annual rent increases are capped, landlords are incentivized to raise rents by the maximum allowable amount every year. An independent survey in Portland found that after rent control, 87 percent of landlords reported raising rents every year, increased from only 25 percent pre-rent control.

The City is also concerned about the fiscal implications of this proposal for Rhode Island's cities and towns. Preliminary fiscal analysis on the impact rent stabilization would have in Providence estimates that nearly 44 percent of dwellings could be subject to rent stabilization provisions with a cumulative projected tax revenue loss of anywhere between \$1.9 million to \$3.25 million, based upon Providence's

property tax structure, defined by various tax classifications with accompany different tax rates. When applying the impacts observed in Portland and St. Paul, and given that those municipalities utilize a single rate of taxation and not various tax classifications as in Providence, the impact including reductions in property values, could result in tax revenue loss in Providence that could increase drastically, ranging from \$10.3 million to \$17.5 million. Any loss of municipal revenue has to be made up elsewhere, and would likely result in tax raises for residents across the city, impacting families, elderly neighbors, and community members who cannot afford an increase in their tax bill.

A recent study published by the Center for State Policy Analysis at Tufts University outlining the potential impact of Massachusetts' 2026 rent control ballot question also reinforces these concerns. The study found that if passed, proposed rent stabilization at the lower of 5% or the Consumer Price Index would shrink Massachusetts municipalities property tax base by six to nine percent, with losses projected to mount over time, costing home and property owners nearly \$300 billion. Urban centers would be the hardest hit, with projected declines ranging from 15 to 20 percent. Lost revenue would have to be made up elsewhere and cities and towns would have to decide between cuts to services or tax hikes of at least 10 percent.

I share the concerns of so many neighbors in Providence and the state as a whole who are struggling with unaffordable rents, increasing household costs, and a housing shortage. However, this legislation may unintentionally undermine the steps that the General Assembly has taken to increase investment in housing, encourage new development, and support the fiscal health and prosperity of Rhode Island's municipalities.

Rent stabilization may feel like immediate relief but it can create consequences that will make the problem harder to solve. In Providence, we are pursuing a different approach focused on production, preservation, and protection to address affordability and insufficient housing supply. The Administration has put forth a number of proposals to ease the stress of cost-burdened households and to continue encouraging the development of housing at all price points. These are all outlined in my Administration's recent release of the Housing Stabilization Package, initiatives aimed at helping Providence renters while the City continues to expand housing supply. A key part of this package is the Rental & Essential Needs Transition (RENT) Fund, designed to help Providence renters facing temporary financial hardship remain in their homes by providing emergency assistance grants to households. This is in addition to proposed funding in the City's FY27 budget for the Eviction Defense Collaborative, the Department of Inspections & Standards Revolving Fund for code repairs, and new investments in landlord/tenant education and fair housing testing. These efforts will help keep Providence residents in their homes while my Administration continues to address the root causes of housing instability by increasing housing supply.

Given these reasons, I respectfully urge the Committee to vote no on House Bill 8108.

Sincerely,



Brett P. Smiley  
Mayor