



To: Chair Carol Hagan McEntee and Members, House Judiciary Committee
From: Jessica David, President of Local Return
Date: March 25, 2026
Subject: Testimony in support of House Bill 8106

Thank you for the opportunity to submit this testimony. **I write today to express our strong support of H8106, which would ban the use of new restrictive covenants which prevent properties from being used as grocery stores.**

Local Return is a nonprofit organization dedicated to building community wealth in historically disinvested neighborhoods in Rhode Island through community ownership and investment. We work to keep assets local, end economic leakages, and stop financial extraction. We also founded the state's first community investment fund at the Rhode Island Community Investment Cooperative.

Big box retailers using restrictive covenants to stop communities' access to fresh food thwarts the kind of economic and community development that Rhode Island needs. Many large, national food retailers add restrictive covenants to properties they sell. This practice results in higher grocery prices for consumers. Why should Rhode Island allow corporate entities, particularly those not based in Rhode Island, to restrict the use of land and property that they no longer own for decades? This gives them long-term, unfettered power over Rhode Islanders' economic and social well-being.

Restrictive covenants are an enormous barrier to entry; they make it even harder for smaller, local, and independently-owned grocers to break into Rhode Island markets, thereby limiting competition and raising prices. They harm communities who need access to fresh, affordable food, leaving entire neighborhoods without a local grocery store. These restrictive covenants also hurt our neighborhoods by saddling them with large vacant or underutilized properties.

Thank you for your attention to this critical issue. We are very grateful that the General Assembly is considering important ways to level the playing field for local retailers and Rhode Island consumers.