



March 19, 2025

Hon. Arthur Corvese
Chairperson
House Committee on Labor
HouseLabor@rilegislature.gov
State House
Providence, RI 02903

Re: HB 5683; An Act Relating to Public Property and Works—Minority Business Enterprise

Dear Chairman Corvese:

BuildRI is a domestic non-profit trade association comprised of four (4) contractor associations (the Labor Relations Division of the RI Chapter of the Associated General Contractors, the New England Mechanical Contractors' Ass'n, the RI Mason Contractors' Ass'n, and the RI and Southeast MA Chapter of the National Electrical Contractors' Ass'n), and seventeen (17) Local Trade Unions comprised of approximately 10,000 local tradesmen and women. On behalf of our organization, I write in **OPPOSITION** of the above referred to legislation for the reasons that follow.

Conceptionally, this legislation is admirable. The problem, however, is that the state does not currently have enough MBE/WBE capacity to meet the requirements of existing state law. Increasing requirements will not change this. What will change this is legislation that makes it easier for these companies to have access to capital and other resources. To that end this year BuildRI, and our partners, worked last session to pass HB-7057 that will give the state the authority to waive bonding requirements for certified MBE/WBE companies; and, release retainage easier to certified MBE/WBE companies.

We believe that legislation, which just went into effect at the end of last session that provide these, and other resources will benefit MBE/WBE capacity more than just simply increasing the threshold for their participation without providing any other assistance. Since the easing of bonding requirements just went into effect, we should allow the market to adjust to see if this increases the current participation in MBE/WBE companies on public sector construction projects.

In sum, we think that this legislation is premature, and it will not be effective until there is more MBE/WBE capacity. Therefore, we encourage this body to pass bills like the BuildRI MBE subcommittee legislation that will increase capacity now, and at a later time when we actually have the capacity to mandate 20% pass this legislation.

Sincerely,

A handwritten signature in blue ink that reads "Anthony J. Cherry".

Anthony J. Cherry
Assistant Executive Director
Build Rhode Island