



*Distinctive Communities
Powerful Alliance*

April 15, 2026

The Honorable Arthur J. Corvese, Chair
House Labor Committee
Rhode Island House of Representatives
82 Smith Street
Providence, RI 02903

RE: HOUSE BILL 7967– AN ACT RELATING TO LABOR AND LABOR RELATIONS -- LABOR RELATIONS ACT--NO LIMITATION ON HEALTH CARE BENEFIT PROVIDERS

Dear Chairman Corvese and Honorable Committee Members,

On behalf of the Rhode Island League of Cities and Towns, we respectfully submit this testimony in opposition to House Bill 7967.

House Bill 7967 seeks to repeal existing law prohibiting collective bargaining agreements for state employees, public school teachers, and municipal employees from requiring that an employer procure a healthcare benefit plan from a specific provider. While we recognize and respect the importance of collective bargaining and the role of employee unions in representing public workers, we have significant concerns that this legislation would have unintended negative consequences for municipalities and taxpayers across Rhode Island.

This bill would effectively allow governmental employee union contracts to include provisions that mandate specific health insurance providers. Such a change would significantly limit the ability of municipalities to manage healthcare benefit offerings in a fiscally responsible manner. It would also interfere with local decision-making authority by constraining municipal leaders' ability to evaluate and select health insurance options based on cost, quality, and sustainability.

Municipalities operate within constrained and often unpredictable budget environments. Local officials must retain the flexibility to negotiate healthcare benefits that balance the needs of employees with the financial realities faced by their communities. Preserving this discretion is essential to maintaining long-term fiscal stability and ensuring that limited resources are allocated effectively to essential public services.

In addition, requiring the use of specific healthcare providers through collective bargaining agreements would reduce competition within the healthcare market. Reduced competition can lead to increased costs over time, placing additional financial pressure on municipalities and, ultimately, taxpayers. Maintaining a competitive marketplace for healthcare services is critical to controlling costs and ensuring that municipalities can continue to provide comprehensive benefits without compromising other core services.

For these reasons, we respectfully urge you to oppose House Bill 7967 and any similar legislation that would limit municipal flexibility in negotiating healthcare benefits. It is vital to preserve the ability of local governments to make informed, cost-effective decisions that best serve their employees, residents, and taxpayers.

On behalf of the Rhode Island League of Cities and Towns, thank you for your consideration of our concerns.

Sincerely,

A handwritten signature in dark ink, appearing to read "R. R. Rossi". The signature is fluid and cursive, with the first and last letters of each name being capitalized and prominent.

Randy R. Rossi
Executive Director

Cc: Honorable Members of House Labor Committee