



March 18, 2024

The Honorable Stephen M. Casey  
Chair  
House Municipal Government and Housing committee

***RE: H 7655— “An Act relating to Property – Community Opportunity to Purchase Act”***

Dear Chair Casey and Committee Members:

Thank you for allowing the Rhode Island Association of REALTORS® (RIAR) to comment on H 7655, An Act Relating to Property – Community Opportunity to Purchase Act. H 7655 would require property owners to offer for purchase certain real estate to nonprofit organizations prior to listing on the open market.

During the last several years, RIAR has worked closely with lawmakers on legislation that aims to increase housing development throughout Rhode Island. From making low- and moderate-income housing easier to develop to adaptive reuse tools, RIAR looks forward to seeing the efforts of the General Assembly play a role in creating new housing opportunities for Rhode Island residents. However, we are concerned about some of the housing-related legislation that is being considered by lawmakers during the 2024 legislative session.

RIAR appreciates the sponsors’ intent of H 7655. We can all agree that affordable housing must be a priority that every stakeholder advocates for. But mandating a right of first refusal for any real estate could have an adverse impact on Rhode Island’s ability to create much-needed affordable housing in the immediate future. RIAR is concerned that a right of first refusal can lead to real estate transaction delays, which is not ideal in a highly competitive real estate market such as Rhode Island’s. By delaying the real estate transaction, the State would be limiting and jeopardizing housing for many Rhode Island residents.

According to the legislation, the sales process for certain properties defined in H 7655 could not begin until an initial notification is completed for non-profits. Additionally, every seller must submit a signed declaration of compliance with this proposed law within 15 days of the sale of the property. At a time when listings for residential real estate are at an all-time low, is it prudent for the General Assembly to create additional uncertainty that makes it challenging for sellers to plan real estate transactions?

RIAR, once again, looks forward to working with lawmakers on legislation that spurs development and reduces housing costs for Rhode Islanders, while preserving private property rights, such as buying and selling real estate on the open market. For the reasons stated in this testimony, RIAR respectfully asks this committee to take no action on H 7655.

Respectfully,

Philip B. Tedesco, RCE, CAE, CIPS  
Chief Executive Officer  
RI Association of REALTORS®