



March 4, 2025

The Honorable Stephen M. Casey, Chair
House Municipal Government and Housing
Rhode Island House of Representatives
82 Smith Street
Providence, RI 02903

RE: BILL NUMBER H-5688 – AN ACT RELATING TO TAXATION -- LEVY AND ASSESSMENT OF LOCAL TAXES

Dear Chair Casey and Honorable Committee Members,

On behalf of the Rhode Island League of Cities and Towns, I am writing to express our strong support for H-5688, which is a priority piece of legislation for the League and our municipal members. This bill provides a structured and predictable tax rate for properties dedicated to affordable housing, ensuring both fairness in taxation and stability for municipalities.

H-5688 would establish an 8% tax rate for properties encumbered by a deed restriction for low-income housing, defined at 80% or 60% of the adjusted median income as determined by HUD. Additionally, it introduces a tax stabilization schedule for buildings converted to residential properties, beginning at 8% of rent rolls and gradually increasing over 30 years.

Affordable housing is a critical issue across Rhode Island, and municipalities play a key role in fostering development while maintaining stable and sustainable tax bases. This legislation strikes an important balance by incentivizing the creation of affordable housing while ensuring that local governments can plan for long-term financial impacts. By providing clear tax guidelines, municipalities will be better equipped to support housing development without undue strain on local resources.

We would like to extend our sincere thanks to Representative June Speakman for her sponsorship of this important legislation and her continued leadership on housing policy.

Thank you for your attention and commitment to ensuring that Rhode Island communities have the tools necessary to help municipalities address critical local challenges. We commend your leadership on this important issue and look forward to offering our support throughout the process.

We appreciate your consideration of our perspective as you work to advance H-5688.

Sincerely,

Randy R. Rossi