

April 23, 2025

The Honorable Stephen M. Casey Chairman House Committee on Municipal Government and Housing 82 Smith Street Providence, Rhode Island 02903

RE: H 5967 An Act Relating to Taxation – Levy and Assessment of Local Taxes

Dear Chairman Casey,

Thank you for providing the Department of Environmental Management (DEM) the opportunity to comment on H 5967, which proposes changes to how renewable energy systems are taxed and permitted. DEM supports the proposed repeal of language found on page 4, lines 20 through 25, and is neutral on the remainder of the bill.

R.I. Gen. Laws § 44-5-12(a)(5) prohibits municipalities from reclassifying properties due to the presence of renewable energy resources with an exception made for farmland enrolled in the Farm, Forest, and Open Space (FFOS) program. This provision, which was adopted in 2022, has had the unintended consequence of preventing municipalities from reclassifying forest or open space properties enrolled in FFOS which are developed with renewable energy resources. The result is that such properties continue to benefit from the preferential tax treatment provided to properties enrolled in FFOS despite no longer qualifying for the program. This legislation proposes to repeal the language which has caused this issue and DEM supports this change.

We appreciate the opportunity to offer comments on this legislation and would be pleased to make ourselves available as needed. Please feel free to contact Ryan Mulcahey, DEM Director of Legislative Affairs, at ryan.mulcahey@dem.ri.gov should you have any additional questions or wish to discuss this matter further.

Sincerely,

Terrence Gray, P.E.

Director

CC: Members of the House Committee on Municipal Government and Housing The Honorable June Speakman Nicole McCarty, Chief Legal Counsel to the Speaker of the House Lynne Urbani, House Policy Director