



April 7, 2026

The Honorable Stephen Casey  
Chair, House Committee on Municipal Government and Housing  
Rhode Island State House,  
Providence RI 02903

**Re: Support of H8017 with comments**

Dear Chairman Casey and Members of the Committee:

On behalf of the Housing Network of Rhode Island, our member agencies, and the thousands of low-income Rhode Island renter households we serve, I write to offer our support of **H8017**, legislation that seeks to provide clarification as to when the 8% law is applied.

**H8017** amends the current law to clarify that only residential rental units under specific conditions are eligible for the 8% tax treatment. Clarifications are helpful in ensuring that there is consistent treatment across municipalities, improving predictability for affordable housing developers and minimizing the need to litigate misinterpretations.

That being said, as drafted, **H8017** fails to recognize the full spectrum of LMI units that should in fact be eligible for 8% treatment and likely would render smaller scale development of LMI housing as financially infeasible, meaning they may never get built. We do not believe this was the intent of the bill's sponsor and can provide the technical language that would ensure all LMI units are able to receive fair tax treatment under the law.

In light of our state's ongoing housing crisis, it is imperative that we take whatever actions necessary to reduce barriers to development and **H8017** is an opportunity to take action quickly. Over the last several decades, "8% Law" has been litigated numerous times and each time RI courts have upheld that it represented "full and fair cash value" taxation for rental properties encumbered by affordability restrictions. We do not need to re-litigate this finding but rather should make explicitly clear when this tax treatment is applicable and when it is not. **H8017** with some critical amendments would provide a pathway to do so.

We are happy to work with the bill sponsor on the amendments necessary to garner our full support. I am available to answer any questions you might have and can be reached at 401-721-5680 ext. 104 or [mlodge@housingnetworkri.org](mailto:mlodge@housingnetworkri.org).

Respectfully submitted,

A handwritten signature in black ink that reads "Melina Lodge".

Melina Lodge  
Executive Director