

February 10, 2026

Chairman Louis P. DiPalma
Senate Committee on Finance
Rhode Island State House
Providence, RI 02903

RE: Testimony on HB7127- Article 3: Section 17, Article 6: Question 5, and Article 11: Section 3-11

Dear Chair DiPalma and members of the Senate Committee on Finance,

On behalf of the Rhode Island AFL-CIO, which represents over 80,000 union members across the public and private sectors, we offer the following comments regarding the Governor's proposed budget, with a particular focus on Article 3: Section 17, Article 6: Question 5, and Article 11: Section 3-11.

For nearly a decade, Rhode Island's clean energy policies have supported thousands of good local jobs, particularly in the building trades, while delivering measurable savings to municipalities, hospitals, school districts, and other public institutions. The provisions in this budget, specifically those affecting net-metering and the renewable energy growth standard, threaten to dismantle that progress, which in turn, eliminates jobs and undermines local and affordable clean energy investments.

Article 3: Section 17 – Energy Benchmarking and Building Performance

The Rhode Island AFL-CIO supports Article 3: Section 17, which allocates funding for a state facility energy benchmarking and performance standards program. This is a smart investment in both Rhode Island's climate goals and its workforce.

By requiring state-owned and occupied buildings over 25,000 square feet to track and reduce their emissions, the state is creating a long-term, predictable pipeline of work for skilled union tradespeople in energy efficiency, HVAC, electrical, mechanical, and building operations. These standards are not theoretical climate goals; they are good-paying, career-sustaining jobs that support Rhode Island families while advancing the state's emissions reduction commitments.

Article 6: Question 5 – Green Economy and Clean Energy Bonds

The Rhode Island AFL-CIO supports Article 6: Question 5, which includes \$10 million for energy efficiency infrastructure in the Green Bond. However, we urge the General Assembly to increase this investment to \$25 million and to prioritize funding for:

- Utility-scale geothermal infrastructure;
- Distributed energy resources;
- Solar on public schools; AND
- Transportation planning

Strategic bond investments in these areas would accelerate emissions reductions while creating a robust, in-state pipeline of jobs across the building trades. While bond funding is an important tool, it should complement, not replace, stable investments that sustain long-term employment and energy investments.

Article 11: Section 3, 8, and 10 – Energy Regulation and Affordability

The Rhode Island AFL-CIO opposes the following provisions in Article 11:

- Sections 3 – Cap on Energy Efficiency Programs;
- Section 8 – Delay of the Renewable Energy Standard by 17 Years; AND
- Section 10 – Changes to the Net-Metering Program.

Energy efficiency is among the most cost-effective tools available to lower energy bills while supporting high-quality local jobs. Capping these programs would directly reduce employment across the trades, eliminate apprenticeship opportunities, and destabilize employers who rely on predictable program funding.

According to the [Energy Efficiency Council's most recent annual report](#), energy efficiency programs in RI resulted in:

- \$448 million in total benefits to Rhode Islanders
- 740 full time jobs in the state
- \$3 in benefits to Rhode Islanders for every \$1 invested

These are not abstract cuts; they translate directly into lost jobs and reduced economic activity across Rhode Island. Additionally, delaying the Renewable Energy Standard (RES) by seventeen (17) years sends a damaging signal to both workers and employers. The existing standard has been a key driver of clean energy construction, grid modernization, and long-term operations and maintenance jobs.

Policies like the RES are essential for workforce planning, and weakening this policy undermines private investment, threatens local jobs, and jeopardizes Rhode Island's ability to meet its economy-wide emission reduction targets.

Lastly, the proposed changes to the net-metering program would have devastating consequences for Rhode Island's solar industry and the union jobs it supports. The proposed budget imposes new grid access fees on both existing and future projects, even though developers are already required by law to pay the full cost of interconnect and grid upgrades. This proposal would force developers to pay twice, rendering many projects financially unviable.

Additionally, locking net metering credits at the lowest annual electricity rate and accelerating the reduction in credit value would undermine existing contracts relied upon by municipalities, schools, hospitals, and nonprofits. These entities depend on energy savings to fund essential services, staffing, and operation.

Most concerning, these changes apply to existing projects, essentially making them retroactive. As a result, many currently operating solar projects would be pushed into structural monthly losses and could be forced to shut down or be decommissioned. This raises the real possibility of dismantling Rhode Island's existing solar infrastructure and destroying the jobs created through its development.



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In conclusion, the Rhode Island AFL-CIO recognizes Governor McKee's intention of alleviating the cost-burden of utility bills on all Rhode Islanders, but as written, this budget proposal will not have its intended impact. Instead, this proposal would dismantle an industry that is supplying good union jobs, while clawing back local investments that provide clean, affordable energy to the electric grid.

The Rhode Island AFL-CIO appreciates the Governor's Executive Order which stands up a working group to discuss these issues. As written, we have significant concerns with Article 11 – Relating to Affordability, and we look forward to working with our affiliated local unions and the Administration to address these concerns and identify a reasonable path forward.

Respectfully submitted,

A handwritten signature in blue ink, reading 'Erica A. Hammond'.

Erica A. Hammond
Legislative Director, Rhode Island AFL-CIO