



May 7, 2026

The Honorable Senator Louis P. DiPalma, Chair
Senate Finance Committee
Rhode Island State Senate
82 Smith Street
Providence, RI 02903

RE: SENATE BILL 2808 - AN ACT RELATING TO TAXATION -- LEVY AND ASSESSMENT OF LOCAL TAXES -- TAX DEFERRAL PROGRAM

Chair DiPalma and Honorable Committee Members,

On behalf of the Rhode Island League of Cities and Towns and our 39 member municipalities, we respectfully submit this testimony in opposition to Senate Bill 2808, which would establish a mandatory municipal property tax deferral program for certain classes of taxpayers.

The League recognizes and appreciates the intent behind this legislation. Municipal officials across Rhode Island understand the financial pressures facing many residents, particularly seniors and individuals on fixed incomes who are struggling with rising housing and living costs. Helping vulnerable residents remain in their homes is an important policy objective shared by cities and towns throughout the state.

However, while well-intentioned, Senate Bill 2808 raises several significant concerns for municipalities regarding fiscal impact, local administration, and municipal autonomy.

Property taxes remain the primary source of revenue for cities and towns and are essential to funding core local services, including public safety, education, public works, and infrastructure maintenance. By requiring municipalities to defer the collection of otherwise lawfully assessed taxes, this legislation would directly impact local cash flow and budget stability without providing a corresponding state reimbursement mechanism.

Municipalities are required to adopt and maintain balanced budgets annually. Delayed tax collections can create operational challenges, particularly for communities already facing fiscal constraints, and could ultimately shift additional financial burdens onto other taxpayers.

Additionally, the bill would impose new administrative responsibilities on municipal tax collectors, finance departments, and assessors. Eligibility verification, program administration, tracking of deferred balances, lien management, repayment enforcement, and ongoing compliance oversight would all require additional local resources and staff time. The legislation does not provide funding or support for these new administrative obligations.

The League is also concerned that the bill establishes a statewide mandate without preserving sufficient local flexibility. Many Rhode Island municipalities already operate local hardship, tax stabilization, or senior assistance programs tailored to the specific fiscal and demographic needs of their communities. A one-size-fits-all statewide mandate may unintentionally undermine existing local approaches that are already functioning effectively.

For these reasons, the Rhode Island League of Cities and Towns respectfully opposes Senate Bill 2808 in its current form. That said, we stand ready to work collaboratively with the sponsor and members of the General Assembly to explore approaches that support vulnerable homeowners while also protecting municipal fiscal stability and preserving local flexibility.

Thank you for your consideration of our comments and for your continued partnership with Rhode Island's municipalities.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Rossi", written in a cursive style.

Randy R. Rossi
Executive Director

Cc: Honorable Members of Senate Finance Committee