



March 27, 2024

Honorable Robert Craven, Sr.
Chairman, House Judiciary Committee
Rhode Island State House
Providence, RI 02903

RE: H.7049, An Act Relating to Property – Residential Landlord and Tenant Act
H.7372, An Act Relating to property – Residential Landlord and Tenant Act

Chairman Craven and Committee Members,

The undersigned members of the Rhode Island Business Coalition oppose the passage of H.7049, An Act Relating to Property – Residential Landlord and Tenant Act, and H.7372, An Act Relating to property – Residential Landlord and Tenant Act

H.7049 places very strict limitations on the ability of landlords to manage properties. A landlord is prohibited from raising the rent during the first twelve months of a tenancy and limits rent increases after the first twelve months, to 4%. Additionally, if the landlord terminates a tenancy “without cause” or refuses to extend a tenancy at the end of the contracted time, the rent for the subsequent tenant still must be limited to the 4% increase cap. A landlord that violates the proposed law is liable to the tenant for an amount equal to three times the monthly rent plus actual damages.

H.7372 limits residential rent increases to ten percent (10%) plus the increase in the Consumer Price Index (CPI) annually.

When housing providers are not able to increase rents to keep up with rising costs, they are less likely to develop in markets that have rent control. This lack of development can further exacerbate the shortage of rental housing. The capping of rent prices decreases the value of a rental property and discourages investment in the rental market. This also places pressure on housing providers to sell the properties before the investment declines ever further. Lastly, capping rental prices deters maintenance on properties as the revenue is simply not there for the landlord to invest.

For these reasons, the Coalition opposes the passage of both H.7049 and H.7372. Thank you for your consideration.

Sincerely,

Associated Builders and Contractors, Rhode Island

East Greenwich Chamber of Commerce

Rhode Island Association of REALTORS®

Rhode Island Business Group on Health

Rhode Island Manufacturers Association

Rhode Island Mortgage Bankers Association

Rhode Island Small Business Economic Summit Regulations Committee

Rhode Island Small Business Economic Summit Tax and Budget Committee

Rhode Island Society of Certified Public Accountants

Rhode Island Staffing Association

Sustainable Benefits Strategies, LLC