

March 18, 2025

The Honorable Robert E. Craven, Sr. Chair, House Judiciary Committee Rhode Island State House, 82 Smith Street, Providence, Rhode Island 02903

RE: Support for HB 5264 – An Act Relating to Property – Residential Landlord and Tenant Act; and HB 5503 – An Act Relating to Property – Residential Landlord and Tenant Act

Dear Chair Craven and Members of the Committee,

On behalf of One Neighborhood Builders, a Rhode Island housing and community development organization based in Providence, I write in support of House Bill 5264 introduced by Representative Potter, which would stabilize rents, and House Bill 5503, which would limit evictions to just causes. These bills advance protections for tenants while including practical exemptions.

HB 5264 would limit rent increases to four percent (4%) annually, while exempting affordable and subsidized housing, cases of significant tax or insurance insurances, and when there have been necessary repairs to the housing to meet minimum health and safety standards. These exemptions address opponents' concerns that rent stabilization policies contribute to decreased maintenance and are unresponsive to rising costs for property owners. According to a <u>U.S. Government Accountability Office</u> report, when controlling for other factors, a \$100 increase in median rent is associated with a nine percent increase in homelessness. Studies of rent control presented to the Special Legislative Commission to Study the Residential Landlord and Tenant Act by Dr. Molly Richard demonstrate that rent control policies did not reduce housing supply.

HB 5503 would limit evictions to certain causes, including nonpayment of rent (except if rent increases by more than four percent, or 4%), tenant violation of the lease, and illegal activity. According to the <u>National</u> <u>Low Income Housing Coalition</u>, 11 states (including Connecticut and New Hampshire) and 27 localities have some form of just cause eviction policy. Research demonstrates that just cause eviction policies meet their goals, mitigate displacement, and do not discourage housing construction. Dr. Molly Richard's testimony to the Special Legislative Commission to Study the Residential Landlord and Tenant Act discussed a 2025 working paper from the University of Minnesota and Loyola University Maryland that housing permits in California, Oregon, and New Hampshire counties with just cause protections did not decline relative to country-level trends in neighboring states that did not have just cause protections.

Affordable and subsidized housing through public funds are already subject to rental increase limits and limits to cases for eviction. It is critical that more Rhode Island tenants have access to protections to not increase housing instability and worsen our state's already dire housing crisis.

I would encourage the sponsors of HB 5503 to ensure language regarding exemptions is aligned with the language in HB5264 to minimize confusion for residents and landlords.

I encourage the committee to pass these bills. ONB applauds and shares the General Assembly's commitment to advancing housing production and preservation for Rhode Islanders at all income levels,

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especially the lowest-income Rhode Islanders. **These bills would not interfere with that goal**. I am happy to talk further about these issues; please feel free to reach out to me at chapman@onenb.org.

Thank you for your consideration.

Sincerely,

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Peter H. Chapman President & CEO, One Neighborhood Builders

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