

1800 Mineral Spring Ave Suite 271 North Providence, RI 02904 877-262-7662 NFIB.com

## Testimony of

Christopher Carlozzi, State Director, National Federation of Independent Business In Opposition to House Bill No. 5450 An Act Relating to Public Property and Works – All Electric Buildings Act Before the House Committee on Municipal Government and Housing March 20, 2025

Chairman Casey and Members of the House Committee on Municipal Government and Housing:

My name is Christopher Carlozzi. I am the Rhode Island Director of the National Federation of Independent Business (NFIB). A non-profit, non-partisan organization, NFIB is the nation's and Rhode Island's largest small business advocacy group. In Rhode Island, NFIB represents hundreds of small and independent business owners involved in all types of industry, including manufacturing, retail, wholesale, service, and agriculture. The average NFIB member has five employees and annual gross revenues of about \$450,000. In short, NFIB represents the small Main Street business owners from across the state. On behalf of those small and independent business employers in Rhode Island, I urge you to oppose House Bill No. 5450 that adds new restrictions for residential and commercial building construction.

This bill will have a negative impact on both commercial and residential construction, as well as small business operations. Rhode Island already faces a housing shortage, and this new proposal demanding buildings must be electric-ready will only increase the scarcity of affordable housing. House Bill No. 5450 will further drive up the cost of residential homes by requiring the ability to go all-electric, making them even less affordable for working families. It will also increase expenses for businesses demanding their buildings must be electric-ready too, even if another form of energy works best for their operation. As the cost of building increases significantly, construction could very well grind to a halt and will diminish the desire for new projects. These types of stringent energy mandates will not only drive-up building costs but will leave businesses at a competitive disadvantage with states that do not require the additional expense outlined in this bill.

Energy is crucial to the operation of a small business in Rhode Island. With our brutally cold winters and excessively warm summers, the price of energy is something small business owners carefully monitor as it significantly impacts their business' bottom line. A large number of small business energy use is cooling or heating the business. Both customers patronizing a business and workers performing daily duties within the building must be comfortable and safe. Heating and cooling become especially costly in larger

facilities like warehouses and factories. The state's small manufacturers require heavy energy use for operating equipment to produce products. Rhode Island is home to many precision manufacturing businesses that rely on affordable energy to remain competitive. This legislation also limits the types of appliances businesses like restaurants can utilize if they are denied connections to fuel sources like clean, natural gas.

On behalf of Rhode Island's small businesses, I urge you to oppose House Bill No. 5450. Thank you.