



April 2, 2025

The Honorable Stephen M. Casey, Chairman
House Municipal Government and Housing Committee
State House
Providence, RI 02903

Re: H.5956, An Act Relating to State Affairs and Government – Rhode Island Housing Resources Act of 1998

Dear Chairman Casey:

The undersigned members of the Rhode Island Business Coalition are writing in support of House Bill 5956. This bill proposes revising the law regarding eligibility for affordable housing to spur the development of more moderately priced homes in the state to meet the housing needs of lower and moderate-income Rhode Islanders looking for home ownership.

H.5956 would change the current law which mandates home sale pricing be no more than 30 percent of household income. The bill modifies the requirement to allow houses to be priced up to 38 percent of household income. The bill does not preclude pricing of homes at less than 38 percent of household income when market and income conditions apply.

Due to increased land, materials, and construction costs over the past several years, the cost of building homes has seen a significant rise. This has made it increasingly difficult to build more affordable homes for many Rhode Islanders. This legislation would enhance the ability of housing developers to build affordable housing without the need for government subsidies.

As the members of this Committee know well, the rising cost of housing is one of the most pressing issues facing Rhode Island's residents and businesses. In fact, according to a recently released poll by Neighbors Welcome! Rhode Island, 59 percent of respondents listed the cost of housing as the most important issue facing Rhode Islanders today.

With limited affordable housing options, businesses are struggling to recruit and retain talent, while employees are increasingly burdened by high housing costs. This bill looks to address an issue with the construction of homes for lower and moderate-income households in our state.

Thank you for your consideration of our position on H.5956. We ask for the Committee's support.

The Rhode Island Business Coalition represents 50 industries and 6,280 businesses that employ 231,200 people throughout Rhode Island.

Sincerely,

East Greenwich Chamber of Commerce

Rhode Island Builders Association

Rhode Island Business Group on Health

Rhode Island Hospitality Association

Rhode Island Manufacturers Association

Rhode Island Marine Trade Association

Rhode Island Staffing Association

Small Business Economic Summit Regulations Committee

Small Business Economic Summit Tax and Budget Committee

cc. House Municipal Government and Housing Committee members