

## Testimony in Support of HR 5010 – House Resolution Amending the Rules to Include Equity Impact Statements

House Rules Committee

January 15, 2025

Hector Perez-Aponte, Policy Analyst, the Economic Progress Institute

**The Economic Progress Institute strongly supports Representative David Morales’ HR 5010**, which would amend the rules of the Rhode Island House of Representatives to allow the Speaker of the House and the Rhode Island Black, Latino, Indigenous, Asian American and Pacific Islander Caucus (RIBLIA) to request equity impact statements for up to five proposed pieces of legislation each. These impact statements would help decrease disparities and increase equity in Rhode Island. This tool would not only help Rhode Islanders in general but would also help legislators make better-informed decisions. Bill sponsors sometimes request fiscal notes to get a better idea of the likely economic impact of a bill – how much it might cost or how much additional revenue it might bring in – to prevent unintended consequences. Likewise, the equity impact statements called for by HR 5010 would increase transparency and help avoid unintended and unanticipated consequences of legislation.

### The Myth of Neutral Policy

While some legislation is proposed to specifically address racial or gender disparities, many pieces of legislation do not mention something like race or gender, while nevertheless having different effects on different groups. Here are a few examples of seemingly neutral policies analyzed for their equity impact:

- Tax policy often favors homeowners, to encourage ownership, yet this disfavors renters, who are disproportionately Black and Latino/Latina compared to the general population.
- Small business loan programs, especially those with limited funds that run out quickly, favor those who have established relationships with banks, yet many aspiring small business owners of color lack such longstanding banking relationships, meaning that such seemingly race-neutral loan programs disproportionately aid white business owners.
- Zoning rules tend to result in pollution-producing projects being disproportionately sited in poorer and more racially and ethnically diverse neighborhoods.
- The car tax phase out has not at all benefited the ten percent of Rhode Island households without cars, and these households are disproportionately Black, Latino/Latina, and female regardless of race or ethnicity.<sup>1</sup>

By enacting HR 5010, legislators will have a new tool to help them make better decisions and anticipate what might not be obvious at first glance. This will enable legislators to close gaps in services, to reduce or eliminate disparities, and prevent harms that could have been anticipated with good information,

### Building Upon the Work of Other States

<sup>1</sup> For data making this clear, see the National Equity Atlas:

[https://nationalequityatlas.org/indicators/Car\\_access#/?breakdown=1&geo=0200000000044000](https://nationalequityatlas.org/indicators/Car_access#/?breakdown=1&geo=0200000000044000).

Bills introducing racial equity assessments for certain legislation have been proposed in more than 24 states since 2007. In June 2021, the Sentencing Project catalogued state-level racial impact statements and identified nine states that have already implemented such statements (Iowa, Colorado, Connecticut, Florida, Oregon, Maine, Maryland, New Jersey, and Virginia) and another nine states where legislation had been introduced but not enacted. In 2018, Connecticut passed a bipartisan law that requires that a racial equity impact statement be prepared at the request of any legislator for certain bills and amendments. In 2022, Connecticut lawmakers passed legislation requiring the governor's budget proposal to include an explanation of how its provisions further efforts to ensure equity in the state. This law ensures that budget proposals identify and remedy past and present patterns of discrimination and address racial and socioeconomic inequity. Similarly, in 2019, Maine's legislature created a Permanent Commission on the Status of Racial, Indigenous and Maine Tribal Populations, and in 2021, Maine's legislature initiated a pilot project to employ racial and ethnic impact statements for legislation; the pilot is now underway.

### Rhode Island

Given the examples from other states, Representative Morales' HR 5010 is a reasonable and essential step forward on a path to more robust policies for equity impact statements. Moving in this direction will create opportunities to block legislation that might increase racial, ethnic, gender, and other disparities, and provide opportunities to boost legislation that will improve equity. Such a measure promises substantial benefits for Rhode Islanders and for policymakers seeking to improve life and lives in the Ocean State.