

March 19, 2024

The Honorable Evan Shanley, Chairman Honorable Members of the Committee House State Government & Elections Committee Rhode Island State House Providence. RI 02903

Re: House Bills 7846 and 8012 - Oppose

Dear Chairman Shanley:

On behalf of the member companies of The Rhode Island Chapter of Associated General Contractors (RIAGC), I am writing in opposition to House Bills 7846 and 8012 which seek to make proprietary and confidential documents and data submitted for state contracts public record, such as proprietary materials, financial statements, and intellectual property, formulas, processes, and designs - commonly called "trade secrets."

RIAGC member companies regularly bid on public works projects, adhering to the state's rigorous submittal, review, and awarding processes. The current requirements provide transparency and accountability, ensuring the public has access to the bidding documents and ultimate awards. As part of the due diligence process for public works projects, private companies are sometimes asked to provide confidential commercial and financial information, but such information is not subject to disclosure. Financial statements may include sensitive personal and corporate information and footnotes that detail business operations. This information should remain confidential and not be subject to the state's public record distribution channels which are now robust and easily accessible.

Bid responses include a significant amount of financial, trade, and corporate information that is germane to each bid – this is inherent in the public bid process. Indeed, this ensures transparency and a level playing field that the state uses to evaluate and award projects as well as the opportunity to provide taxpayers access to this public information. Companies are incentivized to be as competitive as possible in their bids in order to win work, and this is mutually beneficial to all parties. Private companies should not be required to further disclose propriety and confidential information that could help competitors gain valuable access to documents and data that should be protected.

For these reasons, the Rhode Island Chapter of Associated General Contractors strongly opposes the proposed bills. Thank you for your consideration of our opposition on this matter.

Sincerely,

Kerrie Bennett Executive Director