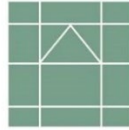


H O U S I N G



N E T W O R K

May 10, 2022

Chair Ryan Pearson
Senate Committee on Finance
Rhode Island State House
Providence, RI 0293

Re: Support for S-2264

Dear Chairman Pearson and Members of the Senate Committee on Finance:

The Housing Network of Rhode Island (HNRI) is writing today **in strong support of Senate Bill 2264**, which proposes a new income tax bracket that would apply to the taxable income of the top one percent of Rhode Island taxpayers, to raise revenue for the State of Rhode Island.

The Housing Network of Rhode Island is the State's membership association of 17 nonprofit community development agencies across Rhode Island who contribute to the sustainability of our local and regional economy. We also serve as the backbone organization for Homes RI, a coalition of organizations working together to increase and preserve the supply of safe, healthy, and affordable homes throughout Rhode Island.

S2264 would raise much needed revenue for Rhode Island by adding one new tax bracket for households earning over \$500,000 a year – the top one percent of earners in Rhode Island. The proposal will generate an estimated \$144.5 million in new revenue. As Rhode Island continues to recover from the pandemic that has ravaged communities across the state and further exacerbated the existing housing crisis, we need an additional and equitable source of state revenue to help stabilize our economy. Affordable home construction and infrastructure are essential components of economic viability and Rhode Islanders' quality of life. Right sizing our revenue stream is critical to ensuring adequate funding for these initiatives in years to come, beyond the one-time infusion of time-limited federal relief funds.

This year, Governor McKee and the General Assembly have made a commitment to continue investing in building and preserving long-term affordable homes and housing stabilization supports. This proposal provides a pathway to do that outside of the opportunity that American Rescue Plan funds provide, and add to a sustainable revenue stream for this essential component of our economy. Revenue raised from this sensible and popular (72% of voters support) proposal will also fund complementary and crucial investments in our schools, workforce, natural resources, and diverse communities. We strongly support S2264 and encourage the Committee to approve this legislation for passage.

Please feel free to reach me at mlodge@housingnetworkri.org or (401) 721-5680 x 38 for any questions.

Sincerely,

A handwritten signature in black ink that reads "Melina Lodge". The signature is written in a cursive, flowing style.

Melina Lodge
Executive Director