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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2015

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A N A C T

RELATING TO MOTOR AND OTHER VEHICLES - BRIDGE AND TURNPIKE
AUTHORITY - TOLLS

Introduced By: Senators Ruggerio, DiPalma, Paiva Weed, DaPonte, and Goodwin

Date Introduced: June 16, 2015

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 1-2 of the General Laws entitled "Airports and Landing Fields" is
2 hereby amended by adding thereto the following section:

3 **1-2-1.2. T.F. Green economic development fund for shippers.** -- (a) There is hereby
4 established an economic development fund for shippers ("the fund") under the jurisdiction of the
5 Rhode Island airport corporation which shall be administered by the Rhode Island airport
6 corporation. The purpose of the fund is to provide economic development benefits to the owners
7 or operators of large commercial trucks that frequent T.F. Green state airport based on the
8 number of trips taken to and from T.F. Green state airport. For the purpose of this section, large
9 commercial trucks shall be defined pursuant to the Federal Highway Administration vehicle
10 classification schedule as any vehicle from Class 8 up to and including Class 13.

11 (b) The Rhode Island airport corporation shall adopt regulations establishing the
12 requirements for eligibility for the economic development benefits authorized in this section and
13 the method for calculating the amounts of such benefits to be awarded to any person meeting the
14 eligibility requirements. The Rhode Island airport corporation may adopt such other guidelines,
15 rules, or regulations as are necessary for the implementation of this section.

16 (c) Beginning in fiscal year 2017 and annually thereafter, five hundred thousand dollars
17 (\$500,000) shall be appropriated from the general fund to the T.F. Green economic development
18 fund for shippers. The fund shall only be used for the purposes set forth in this section. Any

1 unspent funds remaining in the fund at the end of a fiscal year, shall be returned to the general
2 fund.

3 (d) In no event shall the total amount of the economic development benefits received
4 under this section exceed seventy percent (70%) of the total dollar amount of tolls actually paid
5 by said person, entity or taxpayer in any calendar year pursuant to chapter 13.1 of title 42.

6 (e) In no event shall the total amount of:

7 (1) The rebates paid to any person or entity under §§ 31-36-24 and 44-3-65 plus

8 (2) The tax credits applied to any taxpayer under § 44-11-46 and the tax credits for
9 vehicle registration fees under § 44-30-2.6 plus

10 (3) The economic development benefits received under this section and § 42-64.10-16,
11 exceed thirteen million five hundred thousand dollars (\$13,500,000).

12 SECTION 2. Section 24-12-9 of the General Laws in Chapter 24-12 entitled "Rhode
13 Island Turnpike and Bridge Authority" is hereby amended to read as follows:

14 **24-12-9. Powers of authority.** -- (a) The authority is hereby authorized and empowered:

15 (1) To adopt bylaws for the regulation of its affairs and the conduct of its business;

16 (2) To adopt an official seal and alter it at pleasure;

17 (3) To maintain an office at such place or places within the state as it may designate;

18 (4) To sue and be sued in its own name, plead and be impleaded; provided, however, that
19 any and all actions at law or in equity against the authority shall be brought only in the county in
20 which the principal office of the authority shall be located;

21 (5) To determine, subject to the approval of the director of transportation, the location
22 and the design standards of the Newport Bridge, the turnpike and any additional new facility to be
23 constructed;

24 (6) To issue bonds of the authority for any of its purposes and to refund its bonds, all as
25 provided in this chapter and to issue bonds based on the pledge of monies received in accordance
26 with the authority provided under § 42-13.1-6;

27 (7) To combine for financing purposes the Newport Bridge, the Mount Hope Bridge, the
28 Sakonnet River Bridge, the Jamestown Verrazzano Bridge, the turnpike and any additional
29 facility or facilities, or any two (2) or more of such projects;

30 (8) To borrow money in anticipation of the issuance of bonds for any of its purposes and
31 to issue notes, certificates, or other evidences of borrowing in form as may be authorized by
32 resolution of the authority, the notes, certificates, or other evidence of borrowing to be payable in
33 the first instance from the proceeds of any bonds issued under the provisions of this chapter and
34 to contain on their face a statement to the effect that neither the state, the authority nor any

1 municipality or other political subdivision of the state shall be obligated to pay the same or the
2 interest thereon except from the proceeds of bonds in anticipation of the issuance of which the
3 notes, certificates, or other evidences of borrowing shall have been issued, or from revenues;

4 (9) To fix and revise from time to time, subject to the provisions of this chapter, and to
5 charge and collect tolls for transit over the turnpike and the several parts or sections thereof, and
6 for the use of the Newport Bridge, the Mount Hope Bridge, the Sakonnet River Bridge, the
7 Jamestown Verrazzano Bridge and any additional facility acquired, financed or leased under the
8 provisions of this chapter;

9 (10) To acquire, hold and dispose of real and personal property in the exercise of its
10 powers and the performance of its duties;

11 (11) To acquire in the name of the authority by purchase or otherwise, on such terms and
12 conditions and in such manner as it may deem proper, or by the exercise of the rights of
13 condemnation in the manner as provided by this chapter, public or private lands, including public
14 parks, playgrounds, or reservations, or parts thereof or rights therein, rights-of-way, property,
15 rights, easements and interests as it may deem necessary for carrying out the provisions of this
16 chapter; provided, however, that all public property damaged in carrying out the powers granted
17 by this chapter shall be restored or repaired and placed in its original condition as nearly as
18 practicable;

19 (12) To designate the locations, with the approval of the director of transportation, and
20 establish, limit and control the points of ingress to and egress from the turnpike and any
21 additional facility as may be necessary or desirable in the judgment of the authority to insure the
22 proper operation and maintenance thereof, and to prohibit entrance to and exit from any point or
23 points not so designated;

24 (13) To employ, in its discretion, consulting engineers, attorneys, accountants,
25 construction and financial experts, superintendents, managers, and such other employees and
26 agents as may be necessary in its judgment, and to fix their compensation;

27 (14) To apply for, receive and accept from any federal agency aid and/or grants for or in
28 aid of the repair, maintenance and/or construction of the turnpike, the Newport Bridge, the
29 Sakonnet River Bridge, the Mount Hope Bridge, the Jamestown Verrazzano Bridge or any
30 additional facility, and to receive and accept from the state, from any municipality, or other
31 political subdivision thereof and from any other source aid or contributions of either money,
32 property, labor or other things of value, to be held, used and applied only for the purposes for
33 which the grants and contributions may be made;

34 (15) To construct grade separations at intersections of the turnpike, the approaches and

1 highway connections of the Newport Bridge, the Sakonnet River Bridge, the Mount Hope Bridge,
2 the Jamestown Verrazzano Bridge and any additional facility with public highways, streets, or
3 other public ways or places, and to change and adjust the lines and grades thereof so as to
4 accommodate the same to the design of the grade separation; the cost of the grade separations and
5 any damage incurred in changing and adjusting the lines and grades of the highways, streets,
6 ways, and places shall be ascertained and paid by the authority as a part of the cost of the project;

7 (16) To vacate or change the location of any portion of any public highway, street, or
8 other public way or place, sewer, pipe, main, conduit, cable, wire, tower, pole, and other
9 equipment and appliance of the state or of any municipality or other political subdivision of the
10 state and to reconstruct the same at such new location as the authority shall deem most favorable
11 for the project and of substantially the same type and in as good condition as the original
12 highway, street, way, place, sewer, pipe, main, conduit, cable, wire, tower, pole, equipment, or
13 appliance, and the cost of the reconstruction and any damage incurred in vacating or changing the
14 location thereof shall be ascertained and paid by the authority as a part of the cost of the project;
15 any public highway, street or other public way or place vacated or relocated by the authority shall
16 be vacated or relocated in the manner provided by law for the vacation or relocation of public
17 roads, and any damages awarded on account thereof shall be paid by the authority as a part of the
18 cost of the project;

19 (17) The authority shall also have the power to make reasonable regulations, subject to
20 the approval of the public utility administrator, for the installation, construction, maintenance,
21 repair, renewal, relocation and removal of tracks, pipes, mains, conduits, cables, wires, towers,
22 poles, and other equipment and appliances (herein called "public utility facilities") of any public
23 utility as defined in § 39-1-2, in, on, along, over or under any project. Whenever the authority
24 shall determine that it is necessary that any public facilities which now are, or hereafter may be,
25 located in, on, along, over, or under any project should be relocated in the project, or should be
26 removed from the project, the public utility owning or operating the facilities shall relocate or
27 remove the facilities in accordance with the order of the authority; provided, however, that the
28 cost and expenses of the relocation or removal, including the cost of installing the facilities in a
29 new location, or new locations, and the cost of any lands, or any rights or interests in lands, and
30 any other rights acquired to accomplish the relocation or removal, less the cost of any lands or
31 any rights or interests in lands of any other rights of the public utility paid to the public utility in
32 connection with the relocation or removal of the property, shall be ascertained and paid by the
33 authority as a part of the cost of the project. In case of any relocation or removal of facilities the
34 public utility owning or operating the facilities, its successors or assigns, may maintain and

1 operate the facilities, with the necessary appurtenances, in the new location or new locations, for
2 as long a period, and upon the same terms and conditions, as it had the right to maintain and
3 operate the facilities in their former location or locations;

4 (18) To make reasonable regulations and to grant easements for the installation,
5 construction, maintenance, repair, renewal, relocation, and removal of pipelines, other equipment,
6 and appliances of any corporation or person owning or operating pipelines in, on, along, over, or
7 under the turnpike, whenever the authority shall determine that it is necessary that any facilities
8 which now are, or hereafter may be located in, on, along, over or under the turnpike should be
9 relocated in the turnpike, or should be removed from the turnpike, the corporation or person
10 owning or operating the facilities shall relocate or remove the facilities in accordance with the
11 order of the authority; provided, however, that the cost and expense of the relocation or removal,
12 including the cost of installing the facilities in a new location, or new locations, and the cost of
13 any lands, or any rights or interests in lands, and any other rights acquired to accomplish the
14 relocation or removal, less the cost of any lands or any rights or interests in lands or any other
15 rights of any corporation or person paid to any corporation or person in connection with the
16 relocation or removal of the property, shall be ascertained and paid by the authority as a part of
17 the cost of the project. In case of any relocation or removal of facilities the corporation or person
18 owning or operating the facilities, its successors or assigns, may maintain and operate the
19 facilities, with the necessary appurtenances, in the new location or new locations, for as long a
20 period, and upon the same terms and conditions, as it had the right to maintain and operate the
21 facilities in their former location or locations;

22 (19) To enter upon any lands, waters, and premises for the purpose of making such
23 surveys, soundings, borings, and examinations as the authority may deem necessary or
24 convenient for its purposes, and the entry shall not be deemed a trespass, nor shall an entry for
25 such purposes be deemed an entry under any condemnation proceedings; provided, however, the
26 authority shall pay any actual damage resulting to the lands, water, and premises as a result of the
27 entry and activities as a part of the cost of the project;

28 (20) To enter into contracts or agreements with any board, commission, public
29 instrumentality of another state or the federal government or with any political subdivision of
30 another state relating to the connection or connections to be established between the turnpike or
31 any additional facility with any public highway or turnpike now in existence or hereafter to be
32 constructed in another state, and with respect to the construction, maintenance and operation of
33 interstate turnpikes or expressways;

34 (21) To enter into contracts with the department of transportation with respect to the

1 construction, reconstruction, renovation, acquisition, maintenance, repair, operation or
2 management of any project and with the Rhode Island state police with respect to the policing of
3 any project;

4 (22) To make and enter into all contracts and agreements necessary or incidental to the
5 performance of its duties and the execution of its powers under this chapter; and

6 (23) To do all other acts and things necessary or convenient to carry out the powers
7 expressly granted in this chapter.

8 (24) To grant and/or contract through the transfer of funds of the authority to the
9 department of transportation for the construction, reconstruction, acquisition, maintenance, repair,
10 operation or management by the department of transportation of any project or projects
11 authorized by this chapter, and the department of transportation is authorized to accept any such
12 grant or transfer of funds.

13 (b) Provided, the authority in carrying out the provisions of this section shall hold public
14 hearings prior to the finalization of any specifications or the awarding of any contracts for any
15 project.

16 (c) The authority is authorized to enter into contracts with the state or any department of
17 the state to operate and/or manage toll facilities on state roads or bridges not owned, leased by or
18 under the control of the authority, and to collect tolls from such facilities on behalf of the
19 department of transportation, provided such tolls shall be set by the state acting through the
20 department of transportation pursuant to chapter 13.1 of title 42 and to pledge such tolls and/or
21 any loan or other payments from the department of transportation pursuant to any bond or note
22 indenture to secure such bonds and notes issued pursuant to chapter 13.1 of title 42.

23 (d) Any pledge by the authority of tolls or other revenues, including payments due to the
24 authority under any loan agreement with the department of transportation, shall be valid and
25 binding at the time such pledge is made. Such tolls and other revenues so pledged and then or
26 thereafter received by the authority shall immediately be subject to the lien of such pledge
27 without any physical delivery thereof or further act. The lien of any such pledge shall be valid and
28 binding as against all parties having claims of any kind against the authority, regardless of
29 whether such parties have notice of the lien. Notwithstanding any other provision to the contrary,
30 the resolution of the authority or any other instrument by which a pledge is created need not be
31 recorded or filed to perfect such pledge.

32 SECTION 3. Chapter 31-36 of the General Laws entitled "Motor Fuel Tax" is hereby
33 amended by adding thereto the following section:

34 **31-36-24. Motor fuel tax rebate program for large commercial trucks. -- (a) The**

1 division of taxation shall offer a rebate program for the motor fuel tax paid or apportioned to this
2 state for large commercial trucks. For the purposes of this section, large commercial trucks shall
3 be defined pursuant to the Federal Highway Administration vehicle classification schedule as any
4 vehicle from Class 8 up to and including Class 13.

5 (b) The amount of the rebate paid to a person or entity for the motor fuel tax paid or
6 apportioned to this state shall be no greater than the actual amount of the motor fuel tax paid or
7 apportioned to this state by said person or entity in any calendar year.

8 (c) To be eligible for a rebate under this section, a person or entity shall complete and
9 submit an application for the rebate on the forms prescribed by the tax administrator.

10 (d) In no event shall the total amount of: (1) The rebates paid to any person or entity
11 under this section and § 44-3-65; plus (2) The tax credits applied to any taxpayer under § 44-11-
12 46 and the tax credits for vehicle registration fees under § 44-30-2.6; plus (3) The economic
13 development benefits received under §§ 1-2-1.2 and 42-64.10-16, exceed thirteen million five
14 hundred thousand dollars (\$13,500,000).

15 (e) The tax administrator shall promulgate rules and regulations to implement the
16 provisions of this section.

17 SECTION 4. Section 31-41.1-7 of the General Laws in Chapter 31-41.1 entitled
18 "Adjudication of Traffic Offenses" is hereby amended to read as follows:

19 **31-41.1-7. Application for dismissal based on good driving record.** -- (a) Any person
20 who has had a motor vehicle operator's license for more than three (3) years, and who has been
21 issued traffic violations which are his or her first violations within the preceding three (3) years,
22 may request a hearing seeking a dismissal of the violations based upon the operator's good
23 driving record.

24 (b) Upon submission of proper proof that the operator has not been issued any other
25 traffic violation within the past three (3) years, the charge shall, except for good cause shown or
26 as otherwise provided by law, be dismissed based upon a good driving record; provided, that the
27 operator pay a thirty-five dollar (\$35.00) administrative fee for court costs associated with the
28 dismissal. Additionally, beginning July 1, 2014, there shall be imposed a twenty-five dollar
29 (\$25.00) surcharge on all dismissals based upon a good driving record to be deposited into the
30 Rhode Island highway maintenance account. Beginning July 1, 2017, the twenty-five dollar
31 (\$25.00) surcharge on all dismissals based upon a good driving record shall be deposited into the
32 state general fund.

33 (c) The traffic tribunal may not dismiss a charge pursuant to this section after six (6)
34 months from the date of disposition. For purposes of this section, a parking ticket shall not

1 constitute a prior violation.

2 (d) The following violations shall not be dismissed pursuant to this statute:

3 (1) Any violation within the original jurisdiction of superior or district court;

4 (2) A refusal to submit to a chemical test of breath, blood or urine pursuant to § 31-27-
5 2.1;

6 (3) Any violation involving a school bus;

7 (4) Any violation involving an accident where there has been property damage or
8 personal injury;

9 (5) Any speeding violation in excess of fourteen miles per hour (14 m.p.h.) above the
10 posted speed limit;

11 (6) Any violation involving child restraints in motor vehicles pursuant to § 31-22-22;

12 (7) Any violation committed by a holder of a commercial license as defined in § 31-
13 10.3-3 or any violation committed in a commercial motor vehicle as defined in § 31-10.3-3 by an
14 operator who does not hold a commercial license.

15 (e) If the charge is dismissed pursuant to this section, records of the dismissal shall be
16 maintained for a period of three (3) years.

17 (f) The judge or magistrate shall have the discretion to waive court costs and fees when
18 dismissing a violation pursuant to this section, with the exception of the mandatory thirty-five
19 dollars (\$35.00) administrative fee and the twenty-five dollar (\$25.00) surcharge provided for in §
20 31-41.1-7(b).

21 SECTION 5. Section 39-18.1-4 of the General Laws in Chapter 39-18.1 entitled
22 "Transportation Investment and Debt Reduction Act of 2011" is hereby amended to read as
23 follows:

24 **39-18.1-4. Rhode Island highway maintenance account created.** -- (a) There is hereby
25 created a special account in the intermodal surface transportation fund as established in section
26 31-36-20 that is to be known as the Rhode Island highway maintenance account. (b) The fund
27 shall consist of all those moneys which the state may from time to time direct to the fund,
28 including, not necessarily limited to, moneys derived from the following sources: (1) There is
29 imposed a surcharge of thirty dollars (\$30.00) per vehicle or truck, other than those with specific
30 registrations set forth below in subsection (b)(1)(i). Such surcharge shall be paid by each vehicle
31 or truck owner in order to register that owner's vehicle or truck and upon each subsequent
32 biennial registration. This surcharge shall be phased in at the rate of ten dollars (\$10.00) each
33 year. The total surcharge will be ten dollars (\$10.00) from July 1, 2013 through June 30, 2014,
34 twenty dollars (\$20.00) from July 1, 2014 through June 30, 2015, and thirty dollars (\$30.00) from

1 July 1, 2015 through June 30, 2016 and each year thereafter. (i) For owners of vehicles or trucks
2 with the following plate types, the surcharge shall be as set forth below and shall be paid in full in
3 order to register the vehicle or truck and upon each subsequent renewal:

4 Plate Type	Surcharge
5 Antique	\$5.00
6 Farm	\$10.00
7 Motorcycle	\$13.00

8 (ii) For owners of trailers, the surcharge shall be one-half (1/2) of the biennial
9 registration amount and shall be paid in full in order to register the trailer and upon each
10 subsequent renewal. (2) There is imposed a surcharge of fifteen dollars (\$15.00) per vehicle or
11 truck, other than those with specific registrations set forth in subsection (b)(2)(i) below, for those
12 vehicles or trucks subject to annual registration, to be paid annually by each vehicle or truck
13 owner in order to register that owner's vehicle, trailer or truck and upon each subsequent annual
14 registration. This surcharge will be phased in at the rate of five dollars (\$5.00) each year. The
15 total surcharge will be five dollars (\$5.00) from July 1, 2013 through June 30, 2014, ten dollars
16 (\$10.00) from July 1, 2014 through June 30, 2015, and fifteen dollars (\$15.00) from July 1, 2015
17 through June 30, 2016 and each year thereafter. (i) For registrations of the following plate types,
18 the surcharge shall be as set forth below and shall be paid in full in order to register the plate, and
19 upon each subsequent renewal:

20 Plate Type	Surcharge
21 Boat Dealer	\$6.25
22 Cycle Dealer	\$6.25
23 In-transit	\$5.00
24 Manufacturer	\$5.00
25 New Car Dealer	\$5.00
26 Used Car Dealer	\$5.00
27 Racer Tow	\$5.00
28 Transporter	\$5.00
29 Bailee	\$5.00

30 (ii) For owners of trailers, the surcharge shall be one-half (1/2) of the annual registration
31 amount and shall be paid in full in order to register the trailer and upon each subsequent renewal.

32 (iii) For owners of school buses, the surcharge will be phased in at the rate of six dollars
33 and twenty-five cents (\$6.25) each year. The total surcharge will be six dollars and twenty-five
34 cents (\$6.25) from July 1, 2013 through June 30, 2014 and twelve dollars and fifty cents (\$12.50)

1 from July 1, 2014 through June 30, 2015 and each year thereafter.

2 (3) There is imposed a surcharge of thirty dollars (\$30.00) per license to operate a motor
3 vehicle to be paid every five (5) years by each licensed operator of a motor vehicle. This
4 surcharge will be phased in at the rate of ten dollars (\$10.00) each year. The total surcharge will
5 be ten dollars (\$10.00) from July 1, 2013 through June 30, 2014, twenty dollars (\$20.00) from
6 July 1, 2014 through June 30, 2015, and thirty dollars (\$30.00) from July 1, 2015 through June
7 30, 2016 and each year thereafter. In the event that a license is issued or renewed for a period of
8 less than five (5) years, the surcharge will be prorated according to the period of time the license
9 will be valid.

10 (c) All funds collected pursuant to this section shall be deposited in the Rhode Island
11 highway maintenance account and shall be used only for the purposes set forth in this chapter.

12 (d) Unexpended balances and any earnings thereon shall not revert to the general fund but
13 shall remain in the Rhode Island highway maintenance account. There shall be no requirement
14 that monies received into the Rhode Island highway maintenance account during any given
15 calendar year or fiscal year be expended during the same calendar year or fiscal year.

16 (e) The Rhode Island highway maintenance account shall be administered by the director,
17 who shall allocate and spend monies from the fund only in accordance with the purposes and
18 procedures set forth in this chapter.

19 (4) ~~All fees~~ Fees assessed pursuant to § 31-47.1-11, and chapters 3, 6, 10, and 10.1 of
20 title 31 shall be deposited into the Rhode Island highway maintenance account based upon the
21 following schedule ~~, provided that for fiscal years 2016, 2017 and 2018 these fees be transferred~~
22 ~~as follows:~~

23 (i) From July 1, 2015 through June 30, 2016, twenty-five percent (25%) will be
24 deposited;

25 (ii) From July 1, 2016 through June 30, 2017, ~~seventy five percent (75%)~~ sixty-two and
26 one-half percent (62.5%) will be deposited; and

27 (iii) From July 1, 2017 and each year thereafter, ~~one hundred percent (100%)~~ seventy-
28 five percent (75%) will be deposited;

29 (5) All remaining funds from previous general obligation bond issues that have not
30 otherwise been allocated.

31 SECTION 6. Title 42 of the General Laws entitled "STATE AFFAIRS AND
32 GOVERNMENT" is hereby amended by adding thereto the following chapter:

33 CHAPTER 13.1
34 THE RHODE ISLAND BRIDGE REPLACEMENT, RECONSTRUCTION AND

1 MAINTENANCE FUND

2 **42-13.1-1. Short title.** -- This chapter shall be known and may be cited as "The Rhode
3 Island bridge replacement, reconstruction and maintenance fund act of 2015."

4 **42-13.1-2. Legislative findings.** -- The general assembly finds that:

5 (1) The state of Rhode Island, through the Rhode Island department of transportation
6 ("the department"), funds the reconstruction, replacement, and maintenance of all bridges in
7 Rhode Island, except the Newport Bridge, the Mount Hope Bridge, the Jamestown-Verrazzano
8 Bridge, and the Sakonnet River Bridge.

9 (2) According to the Federal Highway Administration (FHWA) 2015 National Bridge
10 Inventory (NBI) data, there are seven hundred sixty-four (764) bridges in Rhode Island longer
11 than twenty feet (20'). Of these NBI bridges, one hundred seventy-seven (177) bridges, or twenty-
12 three percent (23%), are classified as structurally deficient.

13 (3) According to the United States General Accounting Office, just one fully-loaded five
14 (5) axle tractor trailer truck has the same impact on an interstate highway as nine thousand six
15 hundred (9,600) automobiles.

16 (4) For the past several decades, Rhode Island has depended on three (3) primary sources
17 for funding all transportation infrastructure construction, maintenance, and operations: Federal
18 funds, state bond funds, and motor fuel tax revenue. Of these sources, two (2) (federal funds and
19 motor fuel tax revenue) are mutable.

20 (5) The 2008 governor's blue ribbon panel on transportation funding, the 2011 senate
21 special commission on sustainable transportation funding, and the 2013 special legislative
22 commission to study the funding for East Bay bridges determined that there is insufficient
23 revenue available from all existing sources to fund the maintenance and improvement of Rhode
24 Island transportation infrastructure.

25 (6) In 2011, the Rhode Island general assembly adopted a component of the
26 recommended systemic change to transportation funding by creating the Rhode Island highway
27 maintenance account, to be funded by an increase in license and registration fees and
28 contributions from the Rhode Island capital plan fund, beginning in FY2014.

29 (7) In 2014, the Rhode Island general assembly adopted changes to the Rhode Island
30 highway maintenance account to provide additional state revenue for transportation infrastructure
31 in future years.

32 (8) Although the state is shifting from long-term borrowing to reliance upon annual
33 revenues to fund transportation infrastructure on a pay-as-you-go basis, and although a recurring
34 state source of capital funds has been established, there is still a funding gap between the revenue

1 needed to maintain all bridges in structurally sound and good condition and the annual amounts
2 generated by current dedicated revenue sources.

3 **42-13.1-3. Definitions.** -- As used in this chapter, the following words and terms shall
4 have the following meanings, unless the context shall indicate another or different meaning:

5 (1) "Availability payment" means a payment by the department under a contract for a toll
6 facility or any other facility, which is based on the availability of the facility at a specified
7 performance level and may include, without limitation, compensation for operations, maintenance
8 and financing of the facility.

9 (2) "Bonds or notes" means the bonds, notes, securities or other obligations or evidences
10 of indebtedness issued by the Rhode Island turnpike and bridge authority pursuant to chapter 12
11 of title 24, all of which shall be issued under the name of and known as obligations of the
12 turnpike and bridge authority.

13 (3) "Department" means the department of transportation, or, if the department shall be
14 abolished, the board, body, or commission succeeding to the principal functions thereof or upon
15 whom the powers are granted by chapter 5 of title 37.

16 (4) "Large commercial truck" shall be defined pursuant to the Federal Highway
17 Administration (FHWA) vehicle classification schedule as any vehicle within Class 8 – single
18 trailer, three (3) or four (4) axles up to and including Class 13 - seven (7) or more axle multi-
19 trailer trucks, as such classifications may be revised from time to time by the FHWA.

20 (5) "Other vehicle" shall be defined pursuant to the Federal Highway Administration
21 (FHWA) vehicle classification schedule as any vehicle within Class 1 – motorcycles and Class 2
22 – passenger cars up to and including Class 7 – single unit four (4) or more axle trucks, as such
23 classifications may be revised from time to time by the FHWA.

24 (6) "Radio frequency identification transponder (RFID)" means a toll collection system
25 approved by the department that may consist of a toll tag placed inside the vehicle and an
26 overhead antenna which reads the toll tag and collects the toll.

27 (7) "Toll evader" means, for the purposes of this chapter, any registered owner of any
28 large commercial truck that passes through any electronic tolling location as authorized pursuant
29 to § 42-13.1-4 and who does not pay the required toll and/or fees, fines, or penalties within the
30 maximum allowable period specified under § 42-13.1-12.

31 (8) "Toll facility" means equipment or capital improvements funded in whole or in part
32 by toll revenue, or required to effectuate toll collection.

33 (9) "Turnpike and bridge authority" means the Rhode Island turnpike and bridge
34 authority, a public instrumentality of the state of Rhode Island, created by the general assembly

1 pursuant to chapter 12 of title 24.

2 **42-13.1-4. Authority to collect tolls on large commercial trucks only.** -- (a) The
3 department is hereby authorized to fix, revise, charge, and collect tolls for the privilege of
4 traveling on Rhode Island bridges to provide for replacement, reconstruction, maintenance and
5 operation of Rhode Island bridges. The tolls shall be fixed after conducting a cost benefit analysis
6 and providing an opportunity for public comment. These tolls shall be collected on large
7 commercial trucks only and shall not be collected on any other vehicle. Such tolls may be
8 implemented utilizing all-electric toll collection methodologies on a cashless basis, or utilizing
9 any other methodologies determined by the department.

10 (b) The department will establish a program to limit the assessment of the tolls upon the
11 same individual large commercial truck using a Radio Frequency Identification ("RFID"), to once
12 per toll facility, per day in each direction or an equivalent frequency use program based upon
13 individual large commercial truck use.

14 (c) The department will establish a program to limit the daily maximum amount of the
15 toll collected upon the same individual large commercial truck using a RFID to the amount of a
16 border to border round trip on Route 95 Connecticut through Rhode Island to Route 95
17 Massachusetts. The daily maximum amount of the toll shall be consistent with the applicable toll
18 collection methodology in use by the individual large commercial truck. Tolls imposed pursuant
19 to this program shall be adjusted accordingly to fulfill obligations of any and all bonds and notes
20 issued pursuant to this chapter.

21 **42-13.1-5. Collection of tolls on passenger cars and light trucks expressly prohibited.**
22 -- Notwithstanding any other provisions of this chapter, the department is expressly prohibited
23 from collecting tolls hereunder on other vehicles, herein defined to include motorcycles,
24 passenger cars, and all vehicles classed one through seven (7) by the Federal Highway
25 Administration (FHWA) vehicle classification schedule.

26 **42-13.1-6. Authority to pledge monies received.** -- The turnpike and bridge authority
27 shall have the power to pledge all or any portion of the monies received from the department as
28 authorized by this chapter to the payment of bonds or notes of the turnpike and bridge authority
29 issued or incurred pursuant to the provisions of this chapter, including the joint resolution
30 authorizing revenue bonds adopted herewith, and/or to the payment of any amounts due under
31 contracts for toll facilities, including availability payments, leases or any other financing
32 mechanism undertaken to further the objectives of this chapter. Without limiting the generality of
33 the foregoing, the department and the authority are authorized to enter into loan agreements,
34 whereby the authority lends the net proceeds of bonds and notes to the department. Any pledges

1 made pursuant to this section shall be valid and binding from the time such pledge is made.

2 **42-13.1-7. Rhode Island bridge, replacement, reconstruction and maintenance fund.**

3 -- (a) There is hereby created a special account in the intermodal surface transportation fund, as
4 established by § 31-36-20, to be known as the Rhode Island bridge replacement, reconstruction
5 and maintenance fund (the "fund").

6 (b) The fund shall consist of all those monies received by the department under this
7 chapter, including:

8 (1) The monies received through the collection of tolls on bridges in Rhode Island;

9 (2) Any fees, fines or penalties collected pursuant to this chapter;

10 (3) Proceeds of any bonds or notes of the turnpike and bridge authority to the extent
11 required by any trust agreement for such bonds; and

12 (4) Investment earnings on amounts credited to the fund.

13 (c) Unexpended balances and any earnings thereon shall not revert to the general fund but
14 shall remain in the Rhode Island bridge replacement, reconstruction and maintenance fund. There
15 shall be no requirement that monies received into the fund during any given calendar year or
16 fiscal year be expended during the same calendar year or fiscal year.

17 **42-13.1-8. Designation of toll bridges.** -- The director of the department may designate
18 any Rhode Island bridge on the National Highway System as a toll bridge in order to facilitate the
19 financing of replacement, reconstruction, and maintenance of Rhode Island's system of bridges.

20 **42-13.1-9. Amount of tolls.** -- The department's authority to fix and adjust the amount of
21 tolls shall be determined by the costs of:

22 (1) Replacement, reconstruction, maintenance, and operation of Rhode Island's system of
23 bridges and/or any portion or portions thereof, including costs associated with the operation and
24 maintenance of the toll facilities and administrative costs in connection therewith; and

25 (2) Debt service and financing costs in connection with bonds or notes that have been
26 issued under this chapter, and/or amounts due under contracts for toll facilities, including
27 availability payments, leases or any other financing mechanism undertaken to further the
28 objectives of this chapter.

29 **42-13.1-10. Limitations on use of revenue.** -- All revenue collected pursuant to this
30 chapter and deposited into the Rhode Island bridge replacement, reconstruction and maintenance
31 fund ("fund") shall be used to pay:

32 (1) The costs associated with the operation and maintenance of the toll facility, and the
33 replacement, reconstruction, maintenance and operation of Rhode Island bridges on the National
34 Highway System or any other use permitted under 23 U.S.C. § 129; and

1 (2) Subject to annual appropriation by the general assembly, the debt service and
2 financing costs of any bonds or notes that have been issued under this chapter, and/or amounts
3 due under contracts for toll facilities, including availability payments, leases or any other
4 financing mechanism undertaken to further the objectives of this chapter. Tolls shall not be
5 subject to supervision or regulation by any commission, board, bureau, agency or official of the
6 state or any municipality or other political subdivision of the state except the department.

7 **42-13.1-11. Procurement of toll facilities.** -- Without limiting any right of the
8 department to award contracts under any other law, the department shall have the right to procure
9 toll facilities through contracts aggregating the services of design, engineering, construction,
10 finance, operations, maintenance or any combination of the foregoing. Notwithstanding any
11 requirement of law to the contrary, the department may award such contracts on the basis of
12 competitive negotiation, in accordance with § 37-2-19. Such contracts may include availability
13 payments or any other compensation structure determined appropriate by the department to
14 further the objectives of this chapter.

15 **42-13.1-12. Penalty for nonpayment of toll.** -- (a) The department shall have the
16 authority to establish and collect fees, fines, or penalties from registered owners of large
17 commercial trucks who use or attempt to use any toll facility established under § 42-13.1-4,
18 without paying the toll at the rate then in force for such use.

19 (b) Any fee, fine, or penalty shall be in addition to the toll or tolls initially incurred and
20 shall be no less than an amount sufficient to cover the cost of administration and collection of
21 said fines, fees, and penalties.

22 (c) The registered owner of the large commercial truck subject to the toll shall be
23 primarily responsible for all tolls, fees, fines and penalties assessed pursuant to the provisions of
24 this chapter.

25 (d) Prior to the collection of any toll on large commercial trucks, the department shall
26 establish a maximum allowable period for the payment of tolls and any subsequent fees, fines,
27 and penalties assessed.

28 **42-13.1-13. Additional penalties -- Toll evasion.** -- Any toll evader who fails or refuses
29 to pay or prepay the required toll and such fees, fines, and penalties as assessed under § 42-13.1-
30 12 and within the maximum allowable period specified therein shall be required to pay a fine not
31 to exceed three thousand dollars (\$3,000) and shall pay the toll amount due and any
32 administrative costs, or shall have his or her registration suspended until payment is made in full
33 for the violation. A toll evader under this section shall receive a traffic violation summons which
34 shall be subject to the jurisdiction of the traffic tribunal. All amounts due under this section shall

1 be remitted to the fund.

2 **42-13.1-14. Conformance to federal statutes, rules, and regulations.** -- All programs
3 and funding proposals shall conform to applicable federal law, rules and regulations, to the extent
4 that federal funding is utilized. The department shall promulgate state rules and regulations to
5 carry out the purposes of this chapter. Included within said rules and regulations shall be a
6 provision requiring any public comment period to continue for at least thirty (30) days and a
7 provision requiring advance notification to be provided to the governor, speaker of the house of
8 representatives and president of the senate prior to any announcement of public hearing or public
9 comment period establishing or modifying the amount of tolls to be collected. In promulgating
10 these rules and regulations, the department shall establish policies and procedures that promote
11 procedural transparency.

12 **42-13.1-15. Severability.** -- If a part of this chapter is held unconstitutional or invalid, all
13 valid parts that are severable from the invalid or unconstitutional part remain in effect. If a part of
14 this chapter is held unconstitutional or invalid in one or more of its applications, the part remains
15 in effect in all constitutional and valid applications that are severable from the invalid
16 applications.

17 SECTION 7. Chapter 42-64.10 of the General Laws entitled "Quonset Development
18 Corporation" is hereby amended by adding thereto the following section:

19 **42-64.10-16. Quonset economic development fund for shippers.** -- (a) There is hereby
20 established an economic development fund for shippers ("the fund") under the jurisdiction of the
21 corporation which shall be administered by the corporation. The purpose of the fund is to provide
22 economic development benefits to companies that operate or utilize large commercial trucks at
23 Quonset business park, with benefits to be based on the number, nature and type of large
24 commercial truck trips taken to and from Quonset business park. For the purpose of this section,
25 large commercial trucks shall be defined pursuant to the Federal Highway Administration vehicle
26 classification schedule as any vehicle from Class 8 up to and including Class 13.

27 (b) The corporation shall adopt guidelines, rules, or regulations necessary for the
28 implementation of this section including establishing the requirements for eligibility for the
29 economic development benefits authorized in this section and the method for calculating the
30 amounts of such benefits to be awarded to any person meeting the eligibility requirements.

31 (c) Beginning fiscal year 2017 and annually thereafter, two million five hundred thousand
32 dollars (\$2,500,000) shall be appropriated from the general fund to the Quonset economic
33 development fund for shippers. The fund shall only be used for the purposes set forth in this
34 section. Any unspent funds remaining in the fund at the end of the fiscal year, shall be returned to

1 the general fund.

2 (d) The corporation shall not have any obligation to make any award of benefits under
3 this section.

4 (e) In no event shall the total amount of the economic development benefits received
5 under this section exceed seventy percent (70%) of the total dollar amount of tolls actually paid
6 by said person, entity or taxpayer in any calendar year, pursuant to chapter 13.1 of title 42.

7 (f) In no event shall the total amount of:

8 (1) The rebates paid to any person or entity under §§ 31-36-24 and 44-3-65 plus

9 (2) The tax credits applied to any taxpayer under § 44-11-46 and the tax credits for
10 vehicle registration fees under § 44-30-2.6 plus

11 (3) The economic development benefits received under this section and § 1-2-1.2, exceed
12 thirteen million five hundred thousand dollars (\$13,500,000).

13 SECTION 8. Chapter 44-3 of the General Laws entitled "Property Subject to Taxation" is
14 hereby amended by adding thereto the following section:

15 **44-3-65. Property tax rebate program for large commercial trucks. --** (a) The
16 division of taxation shall offer a rebate program for property taxes paid by a person or entity to
17 any city or town within this state for large commercial trucks. For the purposes of this section,
18 large commercial trucks shall be defined pursuant to the Federal Highway Administration vehicle
19 classification schedule as any vehicle from Class 8 up to and including Class 13.

20 (b) The amount of the rebate paid to a person or entity shall be no greater than three
21 hundred dollars (\$300) per one thousand dollars (\$1,000) of assessed value by any city or town
22 within this state in any calendar year.

23 (c) To be eligible for a rebate under this section, a person or entity shall complete and
24 submit an application for the rebate on the forms prescribed by the tax administrator.

25 (d) In no event shall the total amount of:

26 (1) The rebates paid to any person or entity under this section and §31-36-24; plus

27 (2) The tax credits applied to any taxpayer under § 44-11-46 and the tax credits for
28 vehicle registration fees under § 44-30-2.6; and

29 (3) The economic development benefits received under §§ 1-2-1.2 and 42-64.10-16,
30 exceed thirteen million five hundred thousand dollars (\$13,500,000).

31 (e) The tax administrator shall promulgate rules and regulations to implement the
32 provisions of this section.

33 SECTION 9. Chapter 44-11 of the General Laws entitled "Business Corporation Tax" is
34 hereby amended by adding thereto the following section:

1 **44-11-46. Tax credit for large commercial truck registration fees.** -- (a) Any taxpayer
2 who pays a registration fee under § 31-6-1 for large commercial trucks is entitled to a tax credit
3 equal to the amount paid or apportioned to this state. For the purposes of this section, large
4 commercial trucks shall be defined pursuant to the Federal Highway Administration vehicle
5 classification schedule as any vehicle from Class 8 up to and including Class 13.

6 (b) Any taxpayer who pays a registration fee subject to the International Registration
7 Plan (IRP) for large commercial trucks shall be entitled to a tax credit equal to the amount paid or
8 apportioned to this state by the taxpayer.

9 (c) The credit enacted under this section shall reduce the taxes imposed by §44-11-2
10 including the minimum tax under § 44-11-2(e).

11 (d) The credit established by this section shall be non-refundable.

12 (e) In no event shall the total amount of:

13 (1) The rebates paid to any person or entity under § 31-36-24 and § 44-3-65; plus

14 (2) The tax credits applied to any taxpayer under this section and the tax credits for
15 vehicle registration fees under § 44-30-2.6; plus

16 (3) The economic development benefits received under §§ 1-2-1.2 and 42-64.10-16,
17 exceed thirteen million five hundred thousand dollars (\$13,500,000).

18 SECTION 10. Section 44-30-2.6 of the General Laws in Chapter 44-30 entitled "Personal
19 Income Tax" is hereby amended to read as follows:

20 **44-30-2.6. Rhode Island taxable income -- Rate of tax.** -- (a) "Rhode Island taxable
21 income" means federal taxable income as determined under the Internal Revenue Code, 26 U.S.C.
22 § 1 et seq., not including the increase in the basic standard deduction amount for married couples
23 filing joint returns as provided in the Jobs and Growth Tax Relief Reconciliation Act of 2003 and
24 the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA), and as modified by
25 the modifications in § 44-30-12.

26 (b) Notwithstanding the provisions of §§ 44-30-1 and 44-30-2, for tax years beginning on
27 or after January 1, 2001, a Rhode Island personal income tax is imposed upon the Rhode Island
28 taxable income of residents and nonresidents, including estates and trusts, at the rate of twenty-
29 five and one-half percent (25.5%) for tax year 2001, and twenty-five percent (25%) for tax year
30 2002 and thereafter of the federal income tax rates, including capital gains rates and any other
31 special rates for other types of income, except as provided in § 44-30-2.7, which were in effect
32 immediately prior to enactment of the Economic Growth and Tax Relief Reconciliation Act of
33 2001 (EGTRRA); provided, rate schedules shall be adjusted for inflation by the tax administrator
34 beginning in taxable year 2002 and thereafter in the manner prescribed for adjustment by the

1 commissioner of Internal Revenue in 26 U.S.C. § 1(f). However, for tax years beginning on or
2 after January 1, 2006, a taxpayer may elect to use the alternative flat tax rate provided in § 44-30-
3 2.10 to calculate his or her personal income tax liability.

4 (c) For tax years beginning on or after January 1, 2001, if a taxpayer has an alternative
5 minimum tax for federal tax purposes, the taxpayer shall determine if he or she has a Rhode
6 Island alternative minimum tax. The Rhode Island alternative minimum tax shall be computed by
7 multiplying the federal tentative minimum tax without allowing for the increased exemptions
8 under the Jobs and Growth Tax Relief Reconciliation Act of 2003 (as redetermined on federal
9 form 6251 Alternative Minimum Tax-Individuals) by twenty-five and one-half percent (25.5%)
10 for tax year 2001, and twenty-five percent (25%) for tax year 2002 and thereafter, and comparing
11 the product to the Rhode Island tax as computed otherwise under this section. The excess shall be
12 the taxpayer's Rhode Island alternative minimum tax.

13 (1) For tax years beginning on or after January 1, 2005 and thereafter the exemption
14 amount for alternative minimum tax, for Rhode Island purposes, shall be adjusted for inflation by
15 the tax administrator in the manner prescribed for adjustment by the commissioner of Internal
16 Revenue in 26 U.S.C. § 1(f).

17 (2) For the period January 1, 2007 through December 31, 2007, and thereafter, Rhode
18 Island taxable income shall be determined by deducting from federal adjusted gross income as
19 defined in 26 U.S.C. § 62 as modified by the modifications in § 44-30-12 the Rhode Island
20 itemized deduction amount and the Rhode Island exemption amount as determined in this section.

21 (A) Tax imposed.

22 (1) There is hereby imposed on the taxable income of married individuals filing joint
23 returns and surviving spouses a tax determined in accordance with the following table:

24 If taxable income is:	The tax is:
25 Not over \$53,150	3.75% of taxable income
26 Over \$53,150 but not over \$128,500	\$1,993.13 plus 7.00% of the excess over \$53,150
27 Over \$128,500 but not over \$195,850	\$7,267.63 plus 7.75% of the excess over \$128,500
28 Over \$195,850 but not over \$349,700	\$12,487.25 plus 9.00% of the excess over \$195,850
29 Over \$349,700	\$26,333.75 plus 9.90% of the excess over \$349,700

30 (2) There is hereby imposed on the taxable income of every head of household a tax
31 determined in accordance with the following table:

32 If taxable income is:	The tax is:
33 Not over \$42,650	3.75% of taxable income
34 Over \$42,650 but not over \$110,100	\$1,599.38 plus 7.00% of the excess over \$42,650

1	Over \$110,100 but not over \$178,350	\$6,320.88 plus 7.75% of the excess over \$110,100
2	Over \$178,350 but not over \$349,700	\$11,610.25 plus 9.00% of the excess over \$178,350
3	Over \$349,700	\$27,031.75 plus 9.90% of the excess over \$349,700

4 (3) There is hereby imposed on the taxable income of unmarried individuals (other than
5 surviving spouses and heads of households) a tax determined in accordance with the following
6 table:

7	If taxable income is:	The tax is:
8	Not over \$31,850	3.75% of taxable income
9	Over \$31,850 but not over \$77,100	\$1,194.38 plus 7.00% of the excess over \$31,850
10	Over \$77,100 but not over \$160,850	\$4,361.88 plus 7.75% of the excess over \$77,100
11	Over \$160,850 but not over \$349,700	\$10,852.50 plus 9.00% of the excess over \$160,850
12	Over \$349,700	\$27,849.00 plus 9.90% of the excess over \$349,700

13 (4) There is hereby imposed on the taxable income of married individuals filing separate
14 returns and bankruptcy estates a tax determined in accordance with the following table:

15	If taxable income is:	The tax is:
16	Not over \$26,575	3.75% of taxable income
17	Over \$26,575 but not over \$64,250	\$996.56 plus 7.00% of the excess over \$26,575
18	Over \$64,250 but not over \$97,925	\$3,633.81 plus 7.75% of the excess over \$64,250
19	Over \$97,925 but not over \$174,850	\$6,243.63 plus 9.00% of the excess over \$97,925
20	Over \$174,850	\$13,166.88 plus 9.90% of the excess over \$174,850

21 (5) There is hereby imposed a taxable income of an estate or trust a tax determined in
22 accordance with the following table:

23	If taxable income is:	The tax is:
24	Not over \$2,150	3.75% of taxable income
25	Over \$2,150 but not over \$5,000	\$80.63 plus 7.00% of the excess over \$2,150
26	Over \$5,000 but not over \$7,650	\$280.13 plus 7.75% of the excess over \$5,000
27	Over \$7,650 but not over \$10,450	\$485.50 plus 9.00% of the excess over \$7,650
28	Over \$10,450	\$737.50 plus 9.90% of the excess over \$10,450

29 (6) Adjustments for inflation. The dollars amount contained in paragraph (A) shall be
30 increased by an amount equal to:

- 31 (a) Such dollar amount contained in paragraph (A) in the year 1993, multiplied by;
- 32 (b) The cost-of-living adjustment determined under section (J) with a base year of 1993;
- 33 (c) The cost-of-living adjustment referred to in subparagraph (a) and (b) used in making
- 34 adjustments to the nine percent (9%) and nine and nine tenths percent (9.9%) dollar amounts shall

1 be determined under section (J) by substituting "1994" for "1993."

2 (B) Maximum capital gains rates

3 (1) In general If a taxpayer has a net capital gain for tax years ending prior to January 1,
4 2010, the tax imposed by this section for such taxable year shall not exceed the sum of:

5 (a) 2.5 % of the net capital gain as reported for federal income tax purposes under section
6 26 U.S.C. 1(h)(1)(a) and 26 U.S.C. 1(h)(1)(b).

7 (b) 5% of the net capital gain as reported for federal income tax purposes under 26 U.S.C.
8 1(h)(1)(c).

9 (c) 6.25% of the net capital gain as reported for federal income tax purposes under 26
10 U.S.C. 1(h)(1)(d).

11 (d) 7% of the net capital gain as reported for federal income tax purposes under 26 U.S.C.
12 1(h)(1)(e).

13 (2) For tax years beginning on or after January 1, 2010 the tax imposed on net capital
14 gain shall be determined under subdivision 44-30-2.6(c)(2)(A).

15 (C) Itemized deductions.

16 (1) In general

17 For the purposes of section (2) "itemized deductions" means the amount of federal
18 itemized deductions as modified by the modifications in § 44-30-12.

19 (2) Individuals who do not itemize their deductions In the case of an individual who does
20 not elect to itemize his deductions for the taxable year, they may elect to take a standard
21 deduction.

22 (3) Basic standard deduction. The Rhode Island standard deduction shall be allowed in
23 accordance with the following table:

24 Filing status	Amount
25 Single	\$5,350
26 Married filing jointly or qualifying widow(er)	\$8,900
27 Married filing separately	\$4,450
28 Head of Household	\$7,850

29 (4) Additional standard deduction for the aged and blind. An additional standard
30 deduction shall be allowed for individuals age sixty-five (65) or older or blind in the amount of
31 \$1,300 for individuals who are not married and \$1,050 for individuals who are married.

32 (5) Limitation on basic standard deduction in the case of certain dependents. In the case
33 of an individual to whom a deduction under section (E) is allowable to another taxpayer, the basic
34 standard deduction applicable to such individual shall not exceed the greater of:

- 1 (a) \$850;
- 2 (b) The sum of \$300 and such individual's earned income;
- 3 (6) Certain individuals not eligible for standard deduction. In the case of:
- 4 (a) A married individual filing a separate return where either spouse itemizes deductions;
- 5 (b) Nonresident alien individual;
- 6 (c) An estate or trust;
- 7 The standard deduction shall be zero.

8 (7) Adjustments for inflation. Each dollars amount contained in paragraphs (3), (4) and

9 (5) shall be increased by an amount equal to:

10 (a) Such dollar amount contained in paragraphs (3), (4) and (5) in the year 1988,

11 multiplied by

12 (b) The cost-of-living adjustment determined under section (J) with a base year of 1988.

13 (D) Overall limitation on itemized deductions

14 (1) General rule.

15 In the case of an individual whose adjusted gross income as modified by § 44-30-12

16 exceeds the applicable amount, the amount of the itemized deductions otherwise allowable for the

17 taxable year shall be reduced by the lesser of:

18 (a) Three percent (3%) of the excess of adjusted gross income as modified by § 44-30-12

19 over the applicable amount; or

20 (b) Eighty percent (80%) of the amount of the itemized deductions otherwise allowable

21 for such taxable year.

22 (2) Applicable amount.

23 (a) In general.

24 For purposes of this section, the term "applicable amount" means \$156,400 (\$78,200 in

25 the case of a separate return by a married individual)

26 (b) Adjustments for inflation. Each dollar amount contained in paragraph (a) shall be

27 increased by an amount equal to:

28 (i) Such dollar amount contained in paragraph (a) in the year 1991, multiplied by

29 (ii) The cost-of-living adjustment determined under section (J) with a base year of 1991.

30 (3) Phase-out of Limitation.

31 (a) In general.

32 In the case of taxable year beginning after December 31, 2005, and before January 1,

33 2010, the reduction under section (1) shall be equal to the applicable fraction of the amount which

34 would be the amount of such reduction.

1 (b) Applicable fraction. For purposes of paragraph (a), the applicable fraction shall be
2 determined in accordance with the following table:

3 For taxable years beginning in calendar year	The applicable fraction is
4 2006 and 2007	2/3
5 2008 and 2009	1/3

6 (E) Exemption amount

7 (1) In general.

8 Except as otherwise provided in this subsection, the term "exemption amount" mean
9 \$3,400.

10 (2) Exemption amount disallowed in case of certain dependents.

11 In the case of an individual with respect to whom a deduction under this section is
12 allowable to another taxpayer for the same taxable year, the exemption amount applicable to such
13 individual for such individual's taxable year shall be zero.

14 (3) Adjustments for inflation.

15 The dollar amount contained in paragraph (1) shall be increased by an amount equal to:

16 (a) Such dollar amount contained in paragraph (1) in the year 1989, multiplied by

17 (b) The cost-of-living adjustment determined under section (J) with a base year of 1989.

18 (4) Limitation.

19 (a) In general.

20 In the case of any taxpayer whose adjusted gross income as modified for the taxable year
21 exceeds the threshold amount shall be reduced by the applicable percentage.

22 (b) Applicable percentage. In the case of any taxpayer whose adjusted gross income for
23 the taxable year exceeds the threshold amount, the exemption amount shall be reduced by two (2)
24 percentage points for each \$2,500 (or fraction thereof) by which the taxpayer's adjusted gross
25 income for the taxable year exceeds the threshold amount. In the case of a married individual
26 filing a separate return, the preceding sentence shall be applied by substituting "\$1,250" for
27 "\$2,500." In no event shall the applicable percentage exceed one hundred percent (100%).

28 (c) Threshold Amount. For the purposes of this paragraph, the term "threshold amount"
29 shall be determined with the following table:

30 Filing status	Amount
31 Single	\$156,400
32 Married filing jointly of qualifying widow(er)	\$234,600
33 Married filing separately	\$117,300
34 Head of Household	\$195,500

1 (d) Adjustments for inflation.

2 Each dollars amount contain in paragraph (b) shall be increased by an amount equal to:

3 (i) Such dollar amount contained in paragraph (b) in the year 1991, multiplied by

4 (ii) The cost-of-living adjustment determined under section (J) with a base year of 1991.

5 (5) Phase-out of Limitation.

6 (a) In general.

7 In the case of taxable years beginning after December 31, 2005, and before January 1,
8 2010, the reduction under section 4 shall be equal to the applicable fraction of the amount which
9 would be the amount of such reduction.

10 (b) Applicable fraction. For the purposes of paragraph (a), the applicable fraction shall be
11 determined in accordance with the following table:

12 For taxable years beginning in calendar year	The applicable fraction is
13 2006 and 2007	2/3
14 2008 and 2009	1/3

15 (F) Alternative minimum tax

16 (1) General rule. - There is hereby imposed (in addition to any other tax imposed by this
17 subtitle) a tax equal to the excess (if any) of:

18 (a) The tentative minimum tax for the taxable year, over

19 (b) The regular tax for the taxable year.

20 (2) The tentative minimum tax for the taxable year is the sum of:

21 (a) 6.5 percent of so much of the taxable excess as does not exceed \$175,000, plus

22 (b) 7.0 percent of so much of the taxable excess above \$175,000.

23 (3) The amount determined under the preceding sentence shall be reduced by the
24 alternative minimum tax foreign tax credit for the taxable year.

25 (4) Taxable excess. - For the purposes of this subsection the term "taxable excess" means
26 so much of the federal alternative minimum taxable income as modified by the modifications in §
27 44-30-12 as exceeds the exemption amount.

28 (5) In the case of a married individual filing a separate return, subparagraph (2) shall be
29 applied by substituting "\$87,500" for \$175,000 each place it appears.

30 (6) Exemption amount. For purposes of this section "exemption amount" means:

31 Filing status	Amount
32 Single	\$39,150
33 Married filing jointly or qualifying widow(er)	\$53,700
34 Married filing separately	\$26,850

1 Head of Household \$39,150
 2 Estate or trust \$24,650

3 (7) Treatment of unearned income of minor children

4 (a) In general.

5 In the case of a minor child, the exemption amount for purposes of section (6) shall not
 6 exceed the sum of:

7 (i) Such child's earned income, plus

8 (ii) \$6,000.

9 (8) Adjustments for inflation.

10 The dollar amount contained in paragraphs (6) and (7) shall be increased by an amount
 11 equal to:

12 (a) Such dollar amount contained in paragraphs (6) and (7) in the year 2004, multiplied
 13 by

14 (b) The cost-of-living adjustment determined under section (J) with a base year of 2004.

15 (9) Phase-out.

16 (a) In general.

17 The exemption amount of any taxpayer shall be reduced (but not below zero) by an
 18 amount equal to twenty-five percent (25%) of the amount by which alternative minimum taxable
 19 income of the taxpayer exceeds the threshold amount.

20 (b) Threshold amount. For purposes of this paragraph, the term "threshold amount" shall
 21 be determined with the following table:

Filing status	Amount
Single	\$123,250
Married filing jointly or qualifying widow(er)	\$164,350
Married filing separately	\$82,175
Head of Household	\$123,250
Estate or Trust	\$82,150

28 (c) Adjustments for inflation

29 Each dollar amount contained in paragraph (9) shall be increased by an amount equal to:

30 (i) Such dollar amount contained in paragraph (9) in the year 2004, multiplied by

31 (ii) The cost-of-living adjustment determined under section (J) with a base year of 2004.

32 (G) Other Rhode Island taxes

33 (1) General rule. - There is hereby imposed (in addition to any other tax imposed by this
 34 subtitle) a tax equal to twenty-five percent (25%) of:

- 1 (a) The Federal income tax on lump-sum distributions.
2 (b) The Federal income tax on parents' election to report child's interest and dividends.
3 (c) The recapture of Federal tax credits that were previously claimed on Rhode Island
4 return.

5 (H) Tax for children under 18 with investment income

- 6 (1) General rule. – There is hereby imposed a tax equal to twenty-five percent (25%) of:
7 (a) The Federal tax for children under the age of 18 with investment income.

8 (I) Averaging of farm income

- 9 (1) General rule. - At the election of an individual engaged in a farming business or
10 fishing business, the tax imposed in section 2 shall be equal to twenty-five percent (25%) of:

- 11 (a) The Federal averaging of farm income as determined in IRC section 1301.

12 (J) Cost-of-living adjustment

- 13 (1) In general.

14 The cost-of-living adjustment for any calendar year is the percentage (if any) by which:

- 15 (a) The CPI for the preceding calendar year exceeds

- 16 (b) The CPI for the base year.

- 17 (2) CPI for any calendar year. For purposes of paragraph (1), the CPI for any calendar
18 year is the average of the Consumer Price Index as of the close of the twelve (12) month period
19 ending on August 31 of such calendar year.

20 (3) Consumer Price Index

21 For purposes of paragraph (2), the term "consumer price index" means the last consumer
22 price index for all urban consumers published by the department of labor. For purposes of the
23 preceding sentence, the revision of the consumer price index which is most consistent with the
24 consumer price index for calendar year 1986 shall be used.

25 (4) Rounding.

- 26 (a) In general.

27 If any increase determined under paragraph (1) is not a multiple of \$50, such increase
28 shall be rounded to the next lowest multiple of \$50.

- 29 (b) In the case of a married individual filing a separate return, subparagraph (a) shall be
30 applied by substituting "\$25" for \$50 each place it appears.

31 (K) Credits against tax. - For tax years beginning on or after January 1, 2001, a taxpayer
32 entitled to any of the following federal credits enacted prior to January 1, 1996 shall be entitled to
33 a credit against the Rhode Island tax imposed under this section:

- 34 (1) [Deleted by P.L. 2007, ch. 73, art. 7, § 5].

- 1 (2) Child and dependent care credit;
- 2 (3) General business credits;
- 3 (4) Credit for elderly or the disabled;
- 4 (5) Credit for prior year minimum tax;
- 5 (6) Mortgage interest credit;
- 6 (7) Empowerment zone employment credit;
- 7 (8) Qualified electric vehicle credit.

8 (L) Credit against tax for adoption. - For tax years beginning on or after January 1, 2006,
9 a taxpayer entitled to the federal adoption credit shall be entitled to a credit against the Rhode
10 Island tax imposed under this section if the adopted child was under the care, custody, or
11 supervision of the Rhode Island department of children, youth and families prior to the adoption.

12 (M) The credit shall be twenty-five percent (25%) of the aforementioned federal credits
13 provided there shall be no deduction based on any federal credits enacted after January 1, 1996,
14 including the rate reduction credit provided by the federal Economic Growth and Tax
15 Reconciliation Act of 2001 (EGTRRA). In no event shall the tax imposed under this section be
16 reduced to less than zero. A taxpayer required to recapture any of the above credits for federal tax
17 purposes shall determine the Rhode Island amount to be recaptured in the same manner as
18 prescribed in this subsection.

19 (N) Rhode Island earned income credit

20 (1) In general.

21 A taxpayer entitled to a federal earned income credit shall be allowed a Rhode Island
22 earned income credit equal to ten percent (10%) of the federal earned income credit. Such credit
23 shall not exceed the amount of the Rhode Island income tax.

24 (2) Refundable portion. In the event the Rhode Island earned income credit allowed under
25 section (J) exceeds the amount of Rhode Island income tax, a refundable earned income credit
26 shall be allowed.

27 (a) For purposes of paragraph (2) refundable earned income credit means one hundred
28 percent (100%) of the amount by which the Rhode Island earned income credit exceeds the
29 Rhode Island income tax.

30 (O) The tax administrator shall recalculate and submit necessary revisions to paragraphs
31 (A) through (J) to the general assembly no later than February 1, 2010 and every three (3) years
32 thereafter for inclusion in the statute.

33 (3) For the period January 1, 2011 through December 31, 2011, and thereafter, "Rhode
34 Island taxable income" means federal adjusted gross income as determined under the Internal

1 Revenue Code, 26 U.S.C. 1 et seq., and as modified for Rhode Island purposes pursuant to § 44-
 2 30-12 less the amount of Rhode Island Basic Standard Deduction allowed pursuant to
 3 subparagraph 44-30-2.6(c)(3)(B), and less the amount of personal exemption allowed pursuant of
 4 subparagraph 44-30-2.6(c)(3)(C).

5 (A) Tax imposed.

6 (I) There is hereby imposed on the taxable income of married individuals filing joint
 7 returns, qualifying widow(er), every head of household, unmarried individuals, married
 8 individuals filing separate returns and bankruptcy estates, a tax determined in accordance with the
 9 following table:

RI Taxable Income		RI Income Tax		
Over	But not Over	Pay	+ % On Excess	On The Amount Over
12 \$0 -	\$55,000	\$0	+ 3.75%	\$0
13 55,000 -	125,000	2,063	+ 4.75%	55,000
14 125,000 -		5,388	+ 5.99%	125,000

15 (II) There is hereby imposed on the taxable income of an estate or trust a tax determined
 16 in accordance with the following table:

RI Taxable Income		RI Income Tax		
Over	But not Over	Pay	+ % On Excess	On The Amount Over
19 \$0 -	\$2,230	\$0	+ 3.75%	\$0
20 2,230 -	7,022	84	+ 4.75%	2,230
21 7,022 -		312	+ 5.99%	7,022

22 (B) Deductions:

23 (I) Rhode Island Basic Standard Deduction. Only the Rhode Island standard deduction
 24 shall be allowed in accordance with the following table:

Filing status:	Amount
26 Single	\$7,500
27 Married filing jointly or qualifying widow(er)	\$15,000
28 Married filing separately	\$7,500
29 Head of Household	\$11,250

30 (II) Nonresident alien individuals, estates and trusts are not eligible for standard
 31 deductions.

32 (III) In the case of any taxpayer whose adjusted gross income, as modified for Rhode
 33 Island purposes pursuant to § 44-30-12, for the taxable year exceeds one hundred seventy-five
 34 thousand dollars (\$175,000), the standard deduction amount shall be reduced by the applicable

1 percentage. The term "applicable percentage" means twenty (20) percentage points for each five
2 thousand dollars (\$5,000) (or fraction thereof) by which the taxpayer's adjusted gross income for
3 the taxable year exceeds one hundred seventy-five thousand dollars (\$175,000).

4 (C) Exemption Amount:

5 (I) The term "exemption amount" means three thousand five hundred dollars (\$3,500)
6 multiplied by the number of exemptions allowed for the taxable year for federal income tax
7 purposes.

8 (II) Exemption amount disallowed in case of certain dependents. In the case of an
9 individual with respect to whom a deduction under this section is allowable to another taxpayer
10 for the same taxable year, the exemption amount applicable to such individual for such
11 individual's taxable year shall be zero.

12 (D) In the case of any taxpayer whose adjusted gross income, as modified for Rhode
13 Island purposes pursuant to § 33-30-12, for the taxable year exceeds one hundred seventy- five
14 thousand dollars (\$175,000), the exemption amount shall be reduced by the applicable
15 percentage. The term "applicable percentage" means twenty (20) percentage points for each five
16 thousand dollars (\$5,000) (or fraction thereof) by which the taxpayer's adjusted gross income for
17 the taxable year exceeds one hundred seventy-five thousand dollars (\$175,000).

18 (E) Adjustment for inflation. - The dollar amount contained in subparagraphs 44-30-
19 2.6(c)(3)(A), 44-30-2.6(c)(3)(B) and 44-30-2.6(c)(3)(C) shall be increased annually by an amount
20 equal to:

21 (I) Such dollar amount contained in subparagraphs 44-30-2.6(c)(3)(A), 44-30-
22 2.6(c)(3)(B) and 44-30-2.6(c)(3)(C) adjusted for inflation using a base tax year of 2000,
23 multiplied by;

24 (II) The cost-of-living adjustment with a base year of 2000.

25 (III) For the purposes of this section the cost-of-living adjustment for any calendar year is
26 the percentage (if any) by which the consumer price index for the preceding calendar year
27 exceeds the consumer price index for the base year. The consumer price index for any calendar
28 year is the average of the consumer price index as of the close of the twelve (12) month period
29 ending on August 31, of such calendar year.

30 (IV) For the purpose of this section the term "consumer price index" means the last
31 consumer price index for all urban consumers published by the department of labor. For the
32 purpose of this section the revision of the consumer price index which is most consistent with the
33 consumer price index for calendar year 1986 shall be used.

34 (V) If any increase determined under this section is not a multiple of fifty dollars

1 (\$50.00), such increase shall be rounded to the next lower multiple of fifty dollars (\$50.00). In the
2 case of a married individual filing separate return, if any increase determined under this section is
3 not a multiple of twenty-five dollars (\$25.00), such increase shall be rounded to the next lower
4 multiple of twenty-five dollars (\$25.00).

5 (E) Credits against tax.

6 (I) Notwithstanding any other provisions of Rhode Island Law, for tax years beginning on
7 or after January 1, 2011, the only credits allowed against a tax imposed under this chapter shall be
8 as follows:

9 (a) Rhode Island Earned Income Credit: Credit shall be allowed for earned income credit
10 pursuant to subparagraph 44-30-2.6(c)(2)(N).

11 (b) Property Tax Relief Credit: Credit shall be allowed for property tax relief as provided
12 in § 44-33-1 et seq.

13 (c) Lead Paint Credit: Credit shall be allowed for residential lead abatement income tax
14 credit as provided in § 44-30.3-1 et seq.

15 (d) Credit for income taxes of other states. - Credit shall be allowed for income tax paid
16 to other states pursuant to § 44-30-74.

17 (e) Historic Structures Tax Credit: Credit shall be allowed for historic structures tax
18 credit as provided in § 44-33.2-1 et seq.

19 (f) Motion Picture Productions Tax Credit: Credit shall be allowed for motion picture
20 production tax credit as provided in § 44-31.2-1 et seq.

21 (g) Child and Dependent Care: Credit shall be allowed for twenty-five percent (25%) of
22 the federal child and dependent care credit allowable for the taxable year for federal purposes;
23 provided, however, such credit shall not exceed the Rhode Island tax liability.

24 (h) Tax credits for contributions to Scholarship Organizations: Credit shall be allowed for
25 contributions to scholarship organizations as provided in § 44-62 et seq.

26 (i) Credit for tax withheld. - Wages upon which tax is required to be withheld shall be
27 taxable as if no withholding were required, but any amount of Rhode Island personal income tax
28 actually deducted and withheld in any calendar year shall be deemed to have been paid to the tax
29 administrator on behalf of the person from whom withheld, and the person shall be credited with
30 having paid that amount of tax for the taxable year beginning in that calendar year. For a taxable
31 year of less than twelve (12) months, the credit shall be made under regulations of the tax
32 administrator.

33 [\(j\) Tax credits for large commercial truck registration fees. Any taxpayer who pays a](#)
34 [registration fee under § 31-6-1 for a large commercial truck shall be entitled to a tax credit equal](#)

1 to the amount actually paid or apportioned to this state. For the purposes of this section, large
2 commercial trucks shall be defined pursuant to the Federal Highway Administration vehicle
3 classification schedule as any vehicle from Class 8 up to and including Class 13. Any taxpayer
4 who pays a registration fee subject to the International Registration Plan (IRP) for a large
5 commercial truck shall be entitled to a tax credit equal to the amount paid or apportioned to this
6 state. The credit under this section shall be non-refundable. In no event shall the total amount of:

7 (1) The rebates paid to any person or entity under § 31-36-24 and § 44-3-65; plus

8 (2) The tax credits applied to any taxpayer under this subsection and § 44-11-46; plus

9 (3) The economic development benefits received under §§ 1-2-1.2 and 42-64.10-16,
10 exceed thirteen million five hundred thousand dollars (\$13,500,000).

11 (2) Except as provided in section 1 above, no other state and federal tax credit shall be
12 available to the taxpayers in computing tax liability under this chapter.

13 SECTION 11. This section consists of a Joint Resolution submitted pursuant to chapter
14 18 of title 35.

15 WHEREAS, The Rhode Island Department of Transportation ("the department") has
16 completed a detailed review of available funding sources for transportation reconstruction,
17 maintenance, and repair and has determined that the funding available to carry out an annual
18 transportation infrastructure program (the "program") is insufficient; and

19 WHEREAS, The limitation in funding has occurred due to the lack of a long-term
20 transportation authorization at the federal level, absence of a state-funded capital investment
21 program in transportation infrastructure, and a reduction in federal funding through the
22 elimination of federal earmarks and expiration of additional special federal funds; and

23 WHEREAS, Section 42-13.1-4 of the Rhode Island General Laws allows the Department
24 to collect a toll on large commercial trucks only; and

25 WHEREAS, The Department has explored various options to finance the costs of a
26 robust infrastructure program and concluded that revenue bonds supported by revenue that will be
27 collected from large commercial truck tolls for the privilege of traveling on Rhode Island bridges
28 represents the best financing mechanism for the State of Rhode Island, inasmuch as the proposed
29 bonds will provide assurance of necessary funding for the program; and

30 WHEREAS, The Rhode Island Turnpike and Bridge Authority ("Authority") is a public
31 instrumentality of the State of Rhode Island (the "State"), created by the General Assembly
32 pursuant to chapter 12 of title 24 (as enacted, reenacted and amended, the "act"); and

33 WHEREAS, The act authorizes the Authority to borrow money and issue bonds, notes,
34 securities or other obligations or evidences of indebtedness ("bonds or notes") for any of its

1 corporate purposes; and

2 WHEREAS, This General Assembly finds that the reconstruction, maintenance, and
3 repair of the transportation infrastructure of the state is critical for economic development and the
4 general welfare of both businesses and residents; and

5 WHEREAS, The General Assembly has studied the issue of sustainable transportation
6 funding and has determined that no single approach, instrument, or method is able to provide
7 sufficient revenue to maintain the state transportation system in a state of good repair; and

8 WHEREAS, Pursuant to §§ 35-18-3 and 35-18-4 of the Rhode Island General Laws, the
9 department has requested the approval of the General Assembly for:

10 (a) The issuance of revenue bonds or notes through and in conjunction with the authority,
11 and

12 (b) Any execution of availability payment contracts, to allow the department to move
13 forward with the replacement, reconstruction, and maintenance of Rhode Island's system of
14 bridges, including funding, capitalized interest, costs of issuing the bonds or notes, and related
15 costs, and the establishment of reserves for the project and the bonds or notes, including a debt
16 service reserve fund;

17 now, therefore, be it

18 RESOLVED, The General Assembly hereby approves the authority's issuance of the
19 bonds or notes. The bonds or notes will be special obligations of the authority payable exclusively
20 from loan repayments under one or more loan agreements with the department, such loan
21 repayments to be subject to annual appropriation by the General Assembly and derived from toll
22 revenue or such other revenue source as the General Assembly shall designate from time to time.
23 The authority shall have the option to pre-pay bonds beginning in year eleven (11) when
24 resources are available from toll revenue or other revenue sources and such pre-payment is
25 advantageous to the department. The proceeds of such bonds or notes shall be used for the
26 construction, engineering, design, maintenance, operation or reconstruction of Rhode Island's
27 system of bridges, as well as finance costs, including, but not limited to, costs of issuance, credit
28 enhancement, legal counsel and underwriter fees and expenses and other costs associated with the
29 issuance of the bonds or notes, The authority's maximum liability will be limited to loan
30 repayments received under one or more loan agreements; and be it further

31 RESOLVED, That the General Assembly hereby approves any other contracts or
32 agreements entered into to further the objectives of chapter 13.1 of title 42, including but not
33 limited to, availability payment contracts; and be it further

34 RESOLVED, That the total amount of debt approved to be issued and outstanding in the

1 aggregate shall be not more than six hundred million dollars (\$600,000,000), including five
2 hundred million dollars (\$500,000,000) for the bridge replacement, reconstruction and
3 maintenance fund and no more than one hundred million dollars (\$100,000,000) for a debt service
4 reserve fund, capitalized interest, associated costs of financing and toll facilities as required.
5 Neither the obligations issued by the authority nor the loan agreements to be entered into by the
6 department shall constitute indebtedness of the State or a debt for which the full faith and credit
7 of the State is pledged or a moral obligation thereof; and be it further

8 RESOLVED, That the General Assembly hereby provides approval for the department to
9 enter into one or more loan agreements described above. Payments under any such loan
10 agreement shall be subject to annual appropriation by the General Assembly and derived
11 exclusively from toll revenue collected by the department, interest earnings thereon, and other
12 revenue sources designated by the General Assembly from time to time; and be it further

13 RESOLVED, That this joint resolution shall take effect immediately upon its passage by
14 this General Assembly.

15 SECTION 12. This section consists of a Joint Resolution submitted pursuant to chapter
16 18 of title 35.

17 WHEREAS, The Rhode Island Department of Transportation ("RIDOT") has undertaken
18 five (5) major transportation projects, and these projects were either substantially completed or
19 nearing completion in the year 2015; and

20 WHEREAS, The construction of these projects was deemed critical in order to preserve
21 and maintain the public safety and continued economic success and viability of the State of
22 Rhode Island, its ports and infrastructure; and

23 WHEREAS, RIDOT explored various options to finance the costs of the five (5) major
24 transportation projects and determined that the federal-aid financing program authorized in
25 federal law by Section 311 of the National Highway System Designation Act of 1995 and
26 commonly referred to as the Grant Anticipation Revenue Vehicle Program ("GARVEE
27 Program") represented the best financing mechanism for the State of Rhode Island inasmuch as
28 the GARVEE Program accelerated the funding and construction of the five (5) major
29 transportation projects; and

30 WHEREAS, The General Assembly, in Chapter 376, Article 36, Section 8 of the Rhode
31 Island Public Laws of 2003, authorized the Rhode Island Economic Development Corporation,
32 now the Rhode Island Commerce Corporation ("Commerce Corporation"), to issue bonds
33 ("GARVEE Bonds") or other debt instruments on behalf of RIDOT and such GARVEE Bonds
34 are secured by future appropriations for federal-aid transportation projects whereby such amounts

1 are used to cover an assortment of bond-related costs, including principal and interest payments,
2 issuance costs, insurance, and other costs incidental to a financing; and

3 WHEREAS, GARVEE Bonds may be issued as special, limited obligations payable
4 solely from federal transportation funds, subject to annual appropriation by the State, without a
5 full faith and credit pledge by the State; and the holders of the GARVEE Bonds may not look to
6 any other revenues of the Commerce Corporation, the State or RIDOT for the payment of the
7 GARVEE Bonds; and

8 WHEREAS, The original Public Corporation Debt Management authorization in Article
9 36 of the FY2004 Budget as Enacted included a total of \$709.6 million in GARVEE funding to
10 be distributed across five projects, as follows: \$126.2 million for the Sakonnet River Bridge;
11 \$348.3 million for the Route I-195 Relocation; \$85.4 million for the Washington Bridge; \$42.5
12 million for the Freight Rail Improvement Program (FRIP), and \$107.2 million for Route 403; and

13 WHEREAS, Interest rates are at historical lows and the existing revenue available to
14 RIDOT is insufficient to fund the necessary program to replace, reconstruct, and maintain Rhode
15 Island's bridges and otherwise bring the State's transportation infrastructure into a state of good
16 repair; and

17 WHEREAS, It would be in the best interests of the State to maximize all potential
18 sources of revenue to provide a more robust infrastructure program; now, therefore be it

19 RESOLVED AND ENACTED, That the Governor of the State of Rhode Island or the
20 Director of the Rhode Island Department of Transportation or the Director of the Rhode Island
21 Department of Administration or the Chief Executive Officer or the Chief Operating Officer of
22 the Commerce Corporation each be and each hereafter are, acting singly, authorized and
23 empowered by the Rhode Island General Assembly to enter into a financing lease, guarantee, loan
24 and trust agreement, indenture or other obligations or contracts or agreements and to take such
25 other actions as such official shall deem necessary or appropriate in order to issue or facilitate the
26 refinancing and restructuring by the Commerce Corporation of the previously issued GARVEE
27 Bonds pursuant to the authorization granted in Chapter 376, Article 36, Section 8 of the Rhode
28 Island Public Laws of 2003; and be it further

29 RESOLVED, That the Commerce Corporation or any subsidiary thereof or other
30 instrumentality, agency or quasi-public corporation otherwise authorized and empowered to
31 refinance and restructure the bonds specified in this Joint Resolution each be and each hereafter
32 are, acting singly, authorized and empowered by the Rhode Island General Assembly to provide
33 for the necessary security for such bonds consistent with the provisions of this Joint Resolution
34 and Act, including any action to pledge, assign or otherwise transfer the right to receive all or any

1 portion of future FHWA appropriations for federal-aid transportation projects or other revenues
2 permitted by the laws of the State of Rhode Island to secure or provide for the payment of any
3 such GARVEE or other bonds; and be it further

4 RESOLVED, That notwithstanding the amount of total debt service referenced in
5 Chapter 376, Article 36, Section 8 of the Rhode Island Public Laws of 2003 and Chapter 241,
6 Article 7, Section 5 of the Rhode Island Public Laws of 2012, any refinancing and restructuring
7 may be structured to provide a net benefit to RIDOT with the approval of the Governor; and be it
8 further

9 RESOLVED, That no other changes in allocation or expenditure are authorized beyond
10 the amendments included in this Joint Resolution; and be it further

11 RESOLVED, That this General Assembly hereby approves refinancing and restructuring
12 of the existing GARVEE bonds in order to provide funding for critical and immediate
13 transportation infrastructure needs and be it further.

14 RESOLVED, That this joint resolution shall take effect immediately upon its passage by
15 this General Assembly.

16 SECTION 13. This act shall take effect upon passage with the exception of Sections 1, 3,
17 7, 8, 9, and 10 which shall take effect for the tax year beginning on or after January 1, 2017.

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LC002897/SUB A/3
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO MOTOR AND OTHER VEHICLES - BRIDGE AND TURNPIKE
AUTHORITY - TOLLS

1 This act would allow the Rhode Island department of transportation to assess a toll on
2 large commercial trucks, defined as vehicles in Class 8 through Class 13 of the Federal Highway
3 Administration (FHWA) vehicle classification schedule. Tolls would be assessed through
4 electronic toll collection methodologies and would be allocated to the replacement,
5 reconstruction, and maintenance of Rhode Island bridges. In order to save future costs, this act
6 would also allow for the pledge of toll revenues and issuance of revenue bonds through the Rhode
7 Island turnpike and bridge authority (RITBA) to advance the bridge replacement, reconstruction,
8 and maintenance program. Furthermore, the act would permit refinancing and restructuring of the
9 grant anticipation revenue vehicle (GARVEE) bond debt, originally authorized by the general
10 assembly in 2003. The refinancing and restructuring would result in the availability of additional
11 federal funds for immediate transportation infrastructure needs.

12 The rebate, tax credit, and grant programs are designed to support economic development
13 in Rhode Island. The department of revenue will administer the funds available in the most
14 equitable fashion possible across the programs. Multiple programs allow multiple avenues of
15 support depending on the recipient's level of need and economic value.

16 This act would take effect upon passage with the exception of Sections 1, 3, 7, 8, 9, and
17 10 which shall take effect for the tax year beginning on or after January 1, 2017.

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LC002897/SUB A/3
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