AN ACT

RELATING TO STATE AFFAIRS AND GOVERNMENT -- RHODE ISLAND BRIDGE REPLACEMENT, RECONSTRUCTION AND MAINTENANCE FUND -- TOLLS

Introduced By: Representatives DeSimone, Blazejewski, Shekarchi, Carnevale, and Ucci

Date Introduced: January 28, 2016

Referred To: House Finance

(Governor)

It is enacted by the General Assembly as follows:

SECTION 1. Section 24-12-9 of the General Laws in Chapter 24-12 entitled “Rhode Island Turnpike and Bridge Authority” is hereby amended to read as follows:

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

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

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

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

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

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

(6) To issue bonds of the authority for any of its purposes and to refund its bonds, all as provided in this chapter;

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

(8) To borrow money in anticipation of the issuance of bonds for any of its purposes and
to issue notes, certificates, or other evidences of borrowing in form as may be authorized by resolution of the authority, the notes, certificates, or other evidence of borrowing to be payable in the first instance from the proceeds of any bonds issued under the provisions of this chapter and to contain on their face a statement to the effect that neither the state, the authority nor any municipality or other political subdivision of the state shall be obligated to pay the same or the interest thereon except from the proceeds of bonds in anticipation of the issuance of which the notes, certificates, or other evidences of borrowing shall have been issued, or from revenues;

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

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

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

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

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

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

(15) To construct grade separations at intersections of the turnpike, the approaches and highway connections of the Newport Bridge, the Sakonnet River Bridge, the Mount Hope Bridge, the Jamestown Verrazano Bridge and any additional facility with public highways, streets, or other public ways or places, and to change and adjust the lines and grades thereof so as to accommodate the same to the design of the grade separation; the cost of the grade separations and any damage incurred in changing and adjusting the lines and grades of the highways, streets, ways, and places shall be ascertained and paid by the authority as a part of the cost of the project;

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

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

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

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

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

(21) To enter into contracts with the department of transportation with respect to the
construction, reconstruction, renovation, acquisition, maintenance, repair, operation or
management of any project and with the Rhode Island state police with respect to the policing of
any project;

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

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

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

(b) Provided, the authority in carrying out the provisions of this section shall hold public
hearings prior to the finalization of any specifications or the awarding of any contracts for any
project. Provided, further, that any revenue generated by facilities under the control of the
authority shall only be used for the purposes of the authority.

(c) The authority is authorized to enter into contracts with the state or any department of
the state to operate and/or manage toll facilities on state roads or bridges not owned, leased by or
under the control of the authority, and to collect tolls from such facilities on behalf of the
department of transportation, provided such tolls shall be set by the state acting through the
department of transportation pursuant to chapter 13.1 of title 42.

SECTION 2. Title 42 of the General Laws entitled "STATE AFFAIRS AND
GOVERNMENT" is hereby amended by adding thereto the following chapter:

CHAPTER 13.1

THE RHODE ISLAND BRIDGE REPLACEMENT, RECONSTRUCTION AND
MAINTENANCE FUND

42-13.1-1. Short title. -- This chapter shall be known and may be cited as "The Rhode
Island Bridge Replacement, Reconstruction and Maintenance Fund Act of 2016".

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

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

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

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

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

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

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

(7) Although the state is shifting from long-term borrowing to reliance upon annual revenues to fund transportation infrastructure on a pay-as-you go basis, and although a recurring state source of capital funds has been established, there is still a funding gap between the revenue needed to maintain all bridges in structurally sound and good condition and the annual amounts generated by current dedicated revenue sources.

(8) According to the U.S. General Accounting Office, just one fully-loaded five (5) axle tractor trailer has the same impact on the interstate as nine thousand six hundred (9,600) automobiles. The department estimates that tractor trailers cause in excess of seventy percent (70%) of the damage to the state's transportation infrastructure, including Rhode Island bridges, on an annual basis. However, revenue contributions attributable to tractor trailers account for less than twenty percent (20%) of the state's total annual revenues to fund transportation
(9) The United States Congress, consistent with its power to regulate interstate commerce and pursuant to 23 USC §129, has authorized states to implement reconstruction or replacement of a toll-free bridge and conversion of the bridge to a toll facility, provided that the state:

(i) Has in effect a law that permits tolling on a bridge prior to commencing any such activity; and

(ii) Otherwise complies with the requirements of 23 USC §129.

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

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

(2) "Department" means the department of transportation, or, if the department shall be abolished, the board, body, or commission succeeding to the principal functions thereof or upon whom the powers given by chapter 5 of title 37 to the department shall be given by law.

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

(4) "Other vehicle" means any vehicle that has not been defined pursuant to this chapter as a large commercial truck.

(5) "Passenger vehicle" shall be defined pursuant to the Federal Highway Administration (FHWA) vehicle classification schedule as any vehicle within Class 1, 2, and 3 as such classifications may be revised from time to time by the FHWA.

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

(7) "Toll evader" means, for the purposes of this chapter, any registered owner of any large commercial truck that passes through any electronic tolling location as authorized pursuant to §42-13.1-4 and who does not pay the required toll and/or fees, fines, or penalties within the maximum allowable period specified under §42-13.1-11.

(8) "Toll facility" means equipment or capital improvements funded in whole or in part by toll revenue, or required to effectuate toll collection.
(9) "Turnpike and bridge authority" means the Rhode Island turnpike and bridge authority (RITBA), a public instrumentality of the state of Rhode Island, created by the general assembly pursuant to chapter 12 of title 24.

42-13.1-4. Authority to collect tolls on large commercial trucks only. -- (a) The department is hereby authorized to fix, revise, charge, and collect tolls for the privilege of traveling on Rhode Island bridges to provide for replacement, reconstruction, maintenance and operation of Rhode Island bridges. The tolls shall be fixed after conducting a cost-benefit analysis and providing an opportunity for public comment. The tolls shall be collected on large commercial trucks only and shall not be collected on any other vehicle. No act authorizing tolls on passenger vehicles pursuant to this chapter shall take effect until it has been approved by the majority of those electors voting in a statewide referendum. The secretary of state shall certify the results of the statewide referendum. Tolls on large commercial trucks may be implemented utilizing all-electric toll collection methodologies on a cash-less basis, or utilizing any other methodologies determined by the department.

(b) Subject to §42-13.1-14, the department will establish a program to limit the assessment of the tolls upon the same individual large commercial truck using a RFID to once per toll facility, per day in each direction, or an equivalent frequency use program based upon individual large commercial truck use.

(c) Subject to §42-13.1-14, the total amount of tolls imposed upon the same individual large commercial truck using a RFID for making a border-to-border through trip on Route 95 Connecticut to Route 95 Massachusetts, or the reverse, shall not exceed twenty dollars ($20.00).

(d) Subject to §42-13.1-14, the daily maximum amount of the tolls collected upon the same individual large commercial truck using a RFID shall not exceed forty dollars ($40.00).

(e) Tolls shall not be subject to supervision or regulation by any commission, board, bureau, agency, or official of the state or any municipality or other political subdivision of the state except the department.

42-13.1-5. Collection of tolls on passenger cars and other vehicles expressly prohibited. -- Notwithstanding any other provisions of this statute, the department is expressly prohibited from collecting tolls hereunder on other vehicles, herein defined to include motorcycles, passenger cars, and all other vehicles classed one through seven (7) pursuant to the Federal Highway Administration (FHWA) vehicle classification schedule.

42-13.1-6. Rhode Island bridge replacement reconstruction and maintenance fund established. -- (a) There is hereby created a special account in the intermodal surface transportation fund, as established in §31-36-20, to be known as the Rhode Island bridge
(b) The fund shall consist of all those monies received by the department under this chapter, including:

1. The monies received through the collection of tolls on bridges in Rhode Island;
2. Any fees, fines or penalties collected pursuant to this chapter; and
3. Investment earnings on amounts credited to the fund.

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

42-13.1-7. Designation of toll bridges. -- The director of the department may designate any Rhode Island bridge on the National Highway System as a toll bridge in order to facilitate the financing of replacement, reconstruction, and maintenance of Rhode Island's system of bridges.

42-13.1-8. Amount of tolls. -- The department's authority to fix and adjust the amount of tolls shall be determined by the costs of replacement, reconstruction, maintenance, and operation of Rhode Island's system of bridges and/or any portion or portions thereof, including costs associated with the acquisition, construction, operation and maintenance of the toll facilities and administrative costs in connection therewith.

42-13.1-9. Limitations on use of revenue. -- All revenue collected pursuant to this chapter and deposited to the Rhode Island bridge replacement, reconstruction and maintenance fund shall be used to pay the costs associated with the operation and maintenance of the toll facility, and the replacement, reconstruction, maintenance and operation of Rhode Island bridges on the National Highway System or any other use permitted under 23 USC §129.

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

42-13.1-11. Penalty for nonpayment of toll. -- (a) The department shall have the authority to establish and collect fees, fines, and penalties from registered owners of large commercial trucks who use or attempt to use any toll facility established under §42-13.1-4,
without paying the toll at the rate then in force for such use.

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

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

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

42-13.1-12. Additional penalties -- Toll evasion. -- Any toll evader who fails or refuses to pay or prepay the required toll and such fees, fines, and penalties as assessed under §42-13.1-11 and within the maximum allowable period specified therein, shall be required to pay a fine not to exceed three thousand dollars ($3,000) and shall pay the toll amount due and any administrative costs, or shall have their registration suspended until payment is made in full for the violation. A toll evader under this subsection shall receive a traffic violation summons which shall be subject to the jurisdiction of the traffic tribunal. All amounts due under this subsection shall be remitted to the Rhode Island bridge replacement, reconstruction and maintenance fund.

42-13.1-13. Conformance to statute, rules, and regulations. -- All programs and funding proposals shall conform to applicable federal law, rules and regulations. The department shall promulgate state rules and regulations to carry out the purposes of this chapter. Included within said rules and regulations shall be a provision requiring any public comment period to continue for at least thirty (30) days and a provision requiring advance notification to be provided to the governor, speaker of the house of representatives and president of the senate prior to any announcement of public hearing or public comment period establishing or modifying the amount of tolls to be collected. In promulgating these rules and regulations, the department shall establish policies and procedures that promote procedural transparency.

42-13.1-14. Severability. -- If a part of this chapter is held unconstitutional or invalid, all valid parts that are severable from the invalid or unconstitutional part remain in effect. If a part of this chapter is held unconstitutional or invalid in one or more of its applications, the part remains in effect in all constitutional and valid applications that are severable from the invalid applications. This severability clause shall be applicable to each provision of this chapter, regardless of whether or not any particular provision references this section.

42-13.1-15. Bridge preservation and salt mitigation. -- (a) In any fiscal year when the
department fails to complete appropriate bridge maintenance, no new construction and design
contracts subject to reporting under §42-13.1-16 shall be awarded for the subsequent year or until
proof of appropriate bridge maintenance is provided.

(b) The director must submit detailed information regarding bridge maintenance activities
undertaken during the fiscal year to the governor, office of management and budget, the speaker
of the house, and the president of the senate no later than thirty (30) days after the fiscal year
ends, beginning with fiscal year 2017.

(c) Notwithstanding the provisions of §42-13.1-16, bridge maintenance requirements may
be waived if the director certifies that:

(1) Certain bridges are in a state of disrepair such that maintenance activities will not
forestall further deterioration; or

(2) Certain bridges have a maintenance plan that does not require any activities during
any given calendar year; or

(3) Certain bridges have been modified such that maintenance to prevent salt erosion and
deterioration is no longer required; or

(4) The department has not used salt on certain bridges or has stopped using salt for
winter maintenance as a long-term change in practice; or

(5) Other specific circumstances exist to eliminate the need for maintenance activities in
any given calendar year.

(d) Failure to comply is subject to the penalties contained in §35-3-24.

42-13.1-16. Reporting.-- The department shall submit to the office of management and
budget, the house fiscal advisor, and the senate fiscal advisor, a report on the progress of
implementation of this chapter within thirty (30) days of the close of each of the fiscal quarters of
each year. The reports shall also be posted on the department’s website. The reports shall include,
at a minimum:

(1) Construction and design contracts of five hundred thousand dollars ($500,000) or
greater planned to be advertised in the upcoming federal fiscal year, their value and expected
award date;

(2) Construction and design contracts of five hundred thousand dollars ($500,000) or
greater awarded in the prior federal fiscal year, date of award, value, and expected substantial
completion date;

(3) Expected final cost of:

(i) Any construction contracts of five hundred thousand dollars ($500,000) or greater that
reached substantial completion in the prior federal fiscal year; and
(ii) Any design contracts of five hundred thousand dollars ($500,000) or greater
completed in the prior federal fiscal year; and

(4) Total number of workers employed through the contract and the number of the
workers in that total with a Rhode Island address.

42-13.1-17. Equality of opportunity. -- No bid under this chapter shall be deemed
complete nor awarded if the bid fails to include a specific written plan for the bidder to be in
conformity with §37-14.1-6, ensuring that minority business enterprises reach a minimum of ten
percent (10%) of the dollar value of the bid. The aforementioned written plan should be submitted
on forms created and distributed by the director of administration.

of Transportation" is hereby amended to read as follows:

42-13-2. Organization and functions of the department. -- (a) The department shall be
organized in accordance with a project management-based program and shall utilize an asset
management system.

(1) A project management-based program, manages the delivery of the department's
portfolio of transportation improvement projects from project conception to the project
completion. Project management activities include:

(i) Managing and reporting on the delivery status of portfolio projects;

(ii) Developing overall workload and budget for the portfolio;

(iii) Developing and implementing the tools to estimate the resources necessary to
deliver the projects; and

(iv) Developing and implementing processes and tools to improve the management of
the projects.

(2) Asset management is the process used for managing transportation infrastructure by
improving decision making for resource allocation. Asset management activities include a
systemic process based on economic, engineering and business principles which includes the
following functions:

(i) Completing a comprehensive inventory of system assets;

(ii) Monitoring system performance; and

(iii) Performing analysis utilizing accurate data for managing various assets within the
transportation network.

(b) The director of transportation shall appoint a chief operating officer to oversee the
day-to-day operations of the department.

(c) The department shall be organized into such divisions as are described in this section
and such other divisions, subdivision, and agencies as the director shall find are necessary to
carry out the responsibilities of the department, including: office of audit; division of finance;
division of planning; division of project management; division of operations and maintenance;
office of civil rights; office of safety; office of external affairs; office of legal; office of personnel;
office of information services.

(d) The director may assign such other responsibilities as he or she shall find appropriate
and may reassign functions other than as set out in this section if he or she finds the reassignment
necessary to the proper and efficient functioning of the department or of the state's transportation
system.

(e) The department shall submit a report annually no later than March 31 to the speaker
of the house, the president of the senate, and the house and senate fiscal advisors concerning the
status of the ten (10) year transportation plan.

(f) Any functions, duties and staff relating to the Rhode Island department of
transportation's external audit section shall be transferred to the Rhode Island department of
administration's bureau of audits, or its successor, upon passage.

    (1) The chief of the bureau of audits, or its successor, who shall be the administrative
head of the bureau of audits, or its successor, shall supervise, coordinate, and/or conduct audits,
civil and administrative investigations, and inspections or oversight reviews, when necessary,
relating to programs and operations listed in §42-13-2.

    (2) The bureau of audits' (or its successor's) authorization shall include, but not be
limited to, evaluating the efficiency of operations and internal controls, preventing and detecting
fraud, waste, abuse or mismanagement in the expenditure of public funds, whether state, federal
or those revenues collected by the use of tolls and related to any and all transportation related
programs and operations as well as the procurement of any supplies, services, or construction, by
the department of transportation or related institutions of the department of transportation.
Investigations may include the expenditures by nongovernmental agencies of federal, state, and
local public funds. As deemed necessary or expedient by the bureau of audits, or its successor,
audits may be made relative to the financial affairs or the economy and efficiency of management
of the department of transportation or related institutions.

SECTION 4. This section consists of a Joint Resolution submitted pursuant to chapter 18
of title 35.

WHEREAS, The Rhode Island Department of Transportation ("RIDOT") has undertaken
five (5) major transportation projects, and these projects were either substantially completed or
nearing completion in the year 2016; and
WHEREAS, The construction of these projects was deemed critical in order to preserve and maintain the public safety and continued economic success and viability of the State of Rhode Island, its ports and infrastructure; and

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

WHEREAS, The General Assembly, in Chapter 376, Article 36, Section 8 of the Rhode Island Public Laws of 2003, authorized the Rhode Island Economic Development Corporation, now the Rhode Island Commerce Corporation ("Commerce Corporation"), to issue bonds ("GARVEE Bonds") or other debt instruments on behalf of RIDOT and such GARVEE Bonds are secured by future appropriations for federal-aid transportation projects whereby such amounts are used to cover an assortment of bond-related costs, including principal and interest payments, issuance costs, insurance, and other costs incidental to financing; and

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

WHEREAS, The original Public Corporation Debt Management authorization in Article 36 of the FY 2003 Budget as Enacted included a total of $709.6 million in GARVEE funding to be distributed across five (5) projects, as follows: $126.2 million for the Sakonnet River Bridge; $348.3 million for the Route I-195 Relocation; $85.4 million for the Washington Bridge; $42.5 million for the Freight Rail Improvement Program (FRIP); and $107.2 million for Route 403; and

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

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

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

RESOLVED, That the Commerce Corporation or any subsidiary thereof or other instrumentality, agency or quasi-public corporation otherwise authorized and empowered to refinance and restructure the bonds specified in this Joint Resolution each be and each hereafter are, acting singly, authorized and empowered by the Rhode Island General Assembly to provide for the necessary security for such bonds consistent with the provisions of this Joint Resolution and Act, including any action to pledge, assign or otherwise transfer the right to receive all or any portion of future Federal Highway Administration (FHWA) appropriations for federal-aid transportation projects or other revenues permitted by the laws of the State of Rhode Island to secure or provide for the payment of any such GARVEE or other bonds; and be it further

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

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

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

RESOLVED, That this Joint Resolution shall take effect immediately upon its passage by the General Assembly.

SECTION 5. This section consists of a Joint Resolution submitted pursuant to chapter 18 of title 35.

WHEREAS, The Rhode Island Department of Transportation ("the Department") has completed a detailed review of available funding sources for transportation reconstruction,
maintenance, and repair and has determined that the funding available to carry out an immediate
program of bridge reconstruction and preventative maintenance (the "program") is insufficient;
and
WHEREAS, The limitation in funding has occurred, in part, due to the absence of a state-
funded capital investment program in transportation infrastructure, and the level funding of
federal appropriations to the state, along with a reduction in federal funding through the
elimination of federal earmarks and expiration of additional special federal funds; and
WHEREAS, Congress has enacted the Fixing America's Surface Transportation (FAST)
Act, which provides an increase in available federal funding; and
WHEREAS, The Department has explored various options to finance the costs of a
robust infrastructure program and concluded that the federal-aid financing program authorized in
federal law by Section 311 of the National Highway System Designation Act of 1995 and
commonly referred to as the Grant Anticipation Revenue Vehicle Program ("GARVEE
Program") represents the best financing mechanism for the State of Rhode Island inasmuch as the
GARVEE Program accelerates the funding available to ensure that more Rhode Island bridges do
not become structurally deficient; and
WHEREAS, The GARVEE Program allows a state to issue bonds ("GARVEE Bonds")
or other debt instruments backed by future appropriations for federal-aid transportation projects
whereby such amounts are used to cover an assortment of bond-related costs, including principal
and interest payments, issuance costs, insurance, and other costs incidental to financing; and
WHEREAS, Among other advantages, GARVEE Bonds may be issued as special
revenue bonds without a full faith and credit pledge by the State of Rhode Island; and
WHEREAS, This General Assembly finds that the reconstruction, maintenance, and
repair of the transportation infrastructure of the state is critical for economic development and the
general welfare of both businesses and residents; and
WHEREAS, The General Assembly has studied the issue of sustainable transportation
funding and has determined that no single approach, instrument or method is able to provide
sufficient revenue to maintain the state transportation system in a state of good repair; and
WHEREAS, The Department has determined that GARVEE bonds should be utilized to
fund the bridge replacement, reconstruction, and maintenance component of the ten-year capital
program known as RhodeWorks; and
WHEREAS, In connection with the issuance of GARVEE Bonds, the State of Rhode
Island, acting by and through RIDOT, may elect to receive in lieu of certain monies which would
otherwise have been received as reimbursement from FHWA for project costs for bridges in the
RhodeWorks program, debt service payments to repay indebtedness in the form of bonds or notes
issued to finance the costs of the construction and financing bridges in the RhodeWorks program;
and

WHEREAS, The Rhode Island Public Corporation Debt Management Act (R.I. General
Laws §35-18-1, et seq.) requires the General Assembly to provide its consent to the issuance of
certain obligations for essential public facilities of the type referenced herein; and

WHEREAS, The design, construction, equipping and completion of these improvements
will be financed in whole or in part through revenue bonds issued pursuant to the GARVEE
Program by the Rhode Island Commerce Corporation ("Commerce Corporation") or through
revenue bonds issued pursuant to the GARVEE Program by another agency, instrumentality or
quasi-public corporation established by the State of Rhode Island now or hereafter and otherwise
authorized and empowered pursuant to law to issue bonds of the type referenced herein for the
types of projects enumerated herein, with such issuance having an expected term of fifteen (15)
years, and annual revenues for the operation and maintenance of the bridges to be included in the
annual operating budget of RIDOT; and

WHEREAS, The capital costs and anticipated bond issuance amounts associated with
these projects are estimated to be three hundred million dollars ($300,000,000); now, therefore,
be it

RESOLVED AND ENACTED, That the bridges in the RhodeWorks program are each
essential public facilities and critical to ensure the economic viability of the citizens, businesses,
transportation, marine trades and port facilities of the State of Rhode Island and otherwise in the
best interests of the State of Rhode Island, and that this General Assembly hereby approves
financing not to exceed three hundred million dollars ($300,000,000) in principal amount of
GARVEE Bonds, the repayment of which shall be derived from and supported by FHWA funds
due the State of Rhode Island. The term of the GARVEE bonds shall not exceed fifteen (15) years
and the total debt service on the GARVEE bonds shall not exceed four hundred ninety million
dollars ($490,000,000); and be it further

RESOLVED, That the Governor of the State of Rhode Island or the Director of the
Rhode Island Department of Transportation or the Director of the Rhode Island Department of
Administration or the Chief Executive Officer or the Chief Operating Officer of the Commerce
Corporation each be and each hereafter are, acting singly, authorized and empowered by the
Rhode Island General Assembly to enter into a financing lease, guarantee, loan and trust
agreement, indenture or other obligations or contracts or agreements and to take such other
actions as such official shall deem necessary or appropriate in order to issue or facilitate the
issuance of the GARVEE Bonds and to provide the Commerce Corporation or any subsidiary
thereof or other instrumentality, agency or quasi-public corporation otherwise authorized and
empowered to issue the bonds specified in this Joint Resolution for the RhodeWorks program
with the necessary debt service payments up to the amount specified above and the necessary
security for such bonds consistent with the provisions of this Joint Resolution, including any
action to pledge, assign or otherwise transfer the right to receive all or any portion of future
FHWA appropriations for federal-aid transportation projects or other revenues permitted by the
laws of the State of Rhode Island to secure or provide for the payment of any such GARVEE
Bonds; and be it further

RESOLVED, That this Joint Resolution shall take effect immediately upon its passage.

SECTION 6. This act shall take effect upon passage.
This act would authorize the Rhode Island Turnpike and Bridge Authority to enter into contracts to operate and manage toll facilities on state roads and to impose tolls on such roads. The act would also authorize the collection of tolls on large commercial trucks only and would expressly prohibit tolls on passenger cars and other vehicles. The act would establish a fund to receive monies collected from such tolls, and would also limit the use of such monies to pay costs of operating the toll facilities and for the repair and maintenance of Rhode Island bridges. This act also contains two (2) Joint Resolutions by the General Assembly to authorize the issuance and refinancing of certain Grant Anticipation Revenue Vehicle bonds, commonly referred to as "GARVEE" bonds. This act would take effect upon passage.