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**STATE OF RHODE ISLAND**

**IN GENERAL ASSEMBLY**

**JANUARY SESSION, A.D. 2016**

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A N A C T

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

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

Date Introduced: January 28, 2016

Referred To: Senate Finance

(Governor)

It is enacted by the General Assembly as follows:

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

3           **24-12-9. Powers of authority.** -- (a) The authority is hereby authorized and empowered:

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

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

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

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

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

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

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

18          (8) To borrow money in anticipation of the issuance of bonds for any of its purposes and

1 to issue notes, certificates, or other evidences of borrowing in form as may be authorized by  
2 resolution of the authority, the notes, certificates, or other evidence of borrowing to be payable in  
3 the first instance from the proceeds of any bonds issued under the provisions of this chapter and  
4 to contain on their face a statement to the effect that neither the state, the authority nor any  
5 municipality or other political subdivision of the state shall be obligated to pay the same or the  
6 interest thereon except from the proceeds of bonds in anticipation of the issuance of which the  
7 notes, certificates, or other evidences of borrowing shall have been issued, or from revenues;

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

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

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

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

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

31 (14) To apply for, receive and accept from any federal agency aid and/or grants for or in  
32 aid of the repair, maintenance and/or construction of the turnpike, the Newport Bridge, the  
33 Sakonnet River Bridge, the Mount Hope Bridge, the Jamestown Verrazzano Bridge or any  
34 additional facility, and to receive and accept from the state, from any municipality, or other

1 political subdivision thereof and from any other source aid or contributions of either money,  
2 property, labor or other things of value, to be held, used and applied only for the purposes for  
3 which the grants and contributions may be made;

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

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

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

1 any rights or interests in lands of any other rights of the public utility paid to the public utility in  
2 connection with the relocation or removal of the property, shall be ascertained and paid by the  
3 authority as a part of the cost of the project. In case of any relocation or removal of facilities the  
4 public utility owning or operating the facilities, its successors or assigns, may maintain and  
5 operate the facilities, with the necessary appurtenances, in the new location or new locations, for  
6 as long a period, and upon the same terms and conditions, as it had the right to maintain and  
7 operate the facilities in their former location or locations;

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

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

32 (20) To enter into contracts or agreements with any board, commission, public  
33 instrumentality of another state or the federal government or with any political subdivision of  
34 another state relating to the connection or connections to be established between the turnpike or

1 any additional facility with any public highway or turnpike now in existence or hereafter to be  
2 constructed in another state, and with respect to the construction, maintenance and operation of  
3 interstate turnpikes or expressways;

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

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

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

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

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

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

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

28 CHAPTER 13.1

29 THE RHODE ISLAND BRIDGE REPLACEMENT, RECONSTRUCTION AND  
30 MAINTENANCE FUND

31 **42-13.1-1. Short title.** -- This chapter shall be known and may be cited as "The Rhode  
32 Island Bridge Replacement, Reconstruction and Maintenance Fund Act of 2016".

33 **42-13.1-2. Legislative findings.** -- The general assembly finds that:

34 (1) The state of Rhode Island, through the Rhode Island department of transportation

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

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

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

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

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

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

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

29 (8) According to the U.S. General Accounting Office, just one fully-loaded five (5) axle  
30 tractor trailer has the same impact on the interstate as nine thousand six hundred (9,600)  
31 automobiles. The department estimates that tractor trailers cause in excess of seventy percent  
32 (70%) of the damage to the state's transportation infrastructure, including Rhode Island bridges,  
33 on an annual basis. However, revenue contributions attributable to tractor trailers account for less  
34 than twenty percent (20%) of the state's total annual revenues to fund transportation

1 infrastructure.

2 (9) The United States Congress, consistent with its power to regulate interstate commerce  
3 and pursuant to 23 USC §129, has authorized states to implement reconstruction or replacement  
4 of a toll-free bridge and conversion of the bridge to a toll facility, provided that the state:

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

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

8 **42-13.1-3. Definitions. --** As used in this chapter, the following words and terms shall  
9 have the following meanings, unless the context shall indicate another or different meaning:

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

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

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

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

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

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

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

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

1 (9) "Turnpike and bridge authority" means the Rhode Island turnpike and bridge  
2 authority (RITBA), a public instrumentality of the state of Rhode Island, created by the general  
3 assembly pursuant to chapter 12 of title 24.

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

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

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

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

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

27 **42-13.1-5. Collection of tolls on passenger cars and other vehicles expressly**  
28 **prohibited. --** Notwithstanding any other provisions of this statute, the department is expressly  
29 prohibited from collecting tolls hereunder on other vehicles, herein defined to include  
30 motorcycles, passenger cars, and all other vehicles classed one through seven (7) pursuant to the  
31 Federal Highway Administration (FHWA) vehicle classification schedule.

32 **42-13.1-6. Rhode Island bridge replacement reconstruction and maintenance fund**  
33 **established. --** (a) There is hereby created a special account in the intermodal surface  
34 transportation fund, as established in §31-36-20, to be known as the Rhode Island bridge



1 replacement, reconstruction and maintenance fund ("the fund").

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

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

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

6 (3) Investment earnings on amounts credited to the fund.

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

11 **42-13.1-7. Designation of toll bridges.** -- The director of the department may designate  
12 any Rhode Island bridge on the National Highway System as a toll bridge in order to facilitate the  
13 financing of replacement, reconstruction, and maintenance of Rhode Island's system of bridges.

14 **42-13.1-8. Amount of tolls.** -- The department's authority to fix and adjust the amount of  
15 tolls shall be determined by the costs of replacement, reconstruction, maintenance, and operation  
16 of Rhode Island's system of bridges and/or any portion or portions thereof, including costs  
17 associated with the acquisition, construction, operation and maintenance of the toll facilities and  
18 administrative costs in connection therewith.

19 **42-13.1-9. Limitations on use of revenue.** -- All revenue collected pursuant to this  
20 chapter and deposited to the Rhode Island bridge replacement, reconstruction and maintenance  
21 fund shall be used to pay the costs associated with the operation and maintenance of the toll  
22 facility, and the replacement, reconstruction, maintenance and operation of Rhode Island bridges  
23 on the National Highway System or any other use permitted under 23 USC §129.

24 **42-13.1-10. Procurement of toll facilities.** -- Without limiting any right of the  
25 department to award contracts under any other law, the department shall have the right to procure  
26 toll facilities through contracts aggregating the services of design, engineering, construction,  
27 finance, operations, maintenance or any combination of the foregoing. Notwithstanding any  
28 requirement of law to the contrary, the department may award such contracts on the basis of  
29 competitive negotiation in accordance with §37-2-19. Such contracts may include availability  
30 payments or any other compensation structure determined appropriate by the department to  
31 further the objectives of this chapter.

32 **42-13.1-11. Penalty for nonpayment of toll.** -- (a) The department shall have the  
33 authority to establish and collect fees, fines, and penalties from registered owners of large  
34 commercial trucks who use or attempt to use any toll facility established under §42-13.1-4,

1 without paying the toll at the rate then in force for such use.

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

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

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

11 **42-13.1-12. Additional penalties -- Toll evasion.** -- Any toll evader who fails or refuses  
12 to pay or prepay the required toll and such fees, fines, and penalties as assessed under §42-13.1-  
13 11 and within the maximum allowable period specified therein, shall be required to pay a fine not  
14 to exceed three thousand dollars (\$3,000) and shall pay the toll amount due and any  
15 administrative costs, or shall have their registration suspended until payment is made in full for  
16 the violation. A toll evader under this subsection shall receive a traffic violation summons which  
17 shall be subject to the jurisdiction of the traffic tribunal. All amounts due under this subsection  
18 shall be remitted to the Rhode Island bridge replacement, reconstruction and maintenance fund.

19 **42-13.1-13. Conformance to statute, rules, and regulations.** -- All programs and  
20 funding proposals shall conform to applicable federal law, rules and regulations. The department  
21 shall promulgate state rules and regulations to carry out the purposes of this chapter. Included  
22 within said rules and regulations shall be a provision requiring any public comment period to  
23 continue for at least thirty (30) days and a provision requiring advance notification to be provided  
24 to the governor, speaker of the house of representatives and president of the senate prior to any  
25 announcement of public hearing or public comment period establishing or modifying the amount  
26 of tolls to be collected. In promulgating these rules and regulations, the department shall establish  
27 policies and procedures that promote procedural transparency.

28 **42-13.1-14. Severability.** -- If a part of this chapter is held unconstitutional or invalid, all  
29 valid parts that are severable from the invalid or unconstitutional part remain in effect. If a part of  
30 this chapter is held unconstitutional or invalid in one or more of its applications, the part remains  
31 in effect in all constitutional and valid applications that are severable from the invalid  
32 applications. This severability clause shall be applicable to each provision of this chapter,  
33 regardless of whether or not any particular provision references this section.

34 **42-13.1-15. Bridge preservation and salt mitigation.** -- (a) In any fiscal year when the

1 department fails to complete appropriate bridge maintenance, no new construction and design  
2 contracts subject to reporting under §42-13.1-16 shall be awarded for the subsequent year or until  
3 proof of appropriate bridge maintenance is provided.

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

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

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

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

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

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

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

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

21 **42-13.1-16. Reporting.** -- The department shall submit to the office of management and  
22 budget, the house fiscal advisor, and the senate fiscal advisor, a report on the progress of  
23 implementation of this chapter within thirty (30) days of the close of each of the fiscal quarters of  
24 each year. The reports shall also be posted on the department's website. The reports shall include,  
25 at a minimum:

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

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

32 (3) Expected final cost of:

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

1 (ii) Any design contracts of five hundred thousand dollars (\$500,000) or greater  
2 completed in the prior federal fiscal year; and

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

5 **42-13.1-17. Equality of opportunity. --** No bid under this chapter shall be deemed  
6 complete nor awarded if the bid fails to include a specific written plan for the bidder to be in  
7 conformity with §37-14.1-6, ensuring that minority business enterprises reach a minimum of ten  
8 percent (10%) of the dollar value of the bid. The aforementioned written plan should be submitted  
9 on forms created and distributed by the director of administration.

10 SECTION 3. Section 42-13-2 of the General Laws in Chapter 42-13 entitled "Department  
11 of Transportation" is hereby amended to read as follows:

12 **42-13-2. Organization and functions of the department. --** (a) The department shall be  
13 organized in accordance with a project management-based program and shall utilize an asset  
14 management system.

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

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

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

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

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

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

28 (i) Completing a comprehensive inventory of system assets;

29 (ii) Monitoring system performance; and

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

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

34 (c) The department shall be organized into such divisions as are described in this section

1 and such other divisions, subdivision, and agencies as the director shall find are necessary to  
2 carry out the responsibilities of the department, including: office of audit; division of finance;  
3 division of planning; division of project management; division of operations and maintenance;  
4 office of civil rights; office of safety; office of external affairs; office of legal; office of personnel;  
5 office of information services.

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

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

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

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

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

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

32 WHEREAS, The Rhode Island Department of Transportation ("RIDOT") has undertaken  
33 five (5) major transportation projects, and these projects were either substantially completed or  
34 nearing completion in the year 2016; and

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

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

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

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

23           WHEREAS, The original Public Corporation Debt Management authorization in Article  
24 36 of the FY 2003 Budget as Enacted included a total of \$709.6 million in GARVEE funding to  
25 be distributed across five (5) projects, as follows: \$126.2 million for the Sakonnet River Bridge;  
26 \$348.3 million for the Route I-195 Relocation; \$85.4 million for the Washington Bridge; \$42.5  
27 million for the Freight Rail Improvement Program (FRIP); and \$107.2 million for Route 403; and

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

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

34           RESOLVED AND ENACTED, That the Governor of the State of Rhode Island or the

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

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

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

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

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

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

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

33 WHEREAS, The Rhode Island Department of Transportation ("the Department") has  
34 completed a detailed review of available funding sources for transportation reconstruction,

1 maintenance, and repair and has determined that the funding available to carry out an immediate  
2 program of bridge reconstruction and preventative maintenance (the "program") is insufficient;  
3 and

4 WHEREAS, The limitation in funding has occurred, in part, due to the absence of a state-  
5 funded capital investment program in transportation infrastructure, and the level funding of  
6 federal appropriations to the state, along with a reduction in federal funding through the  
7 elimination of federal earmarks and expiration of additional special federal funds; and

8 WHEREAS, Congress has enacted the Fixing America's Surface Transportation (FAST)  
9 Act, which provides an increase in available federal funding; and

10 WHEREAS, The Department has explored various options to finance the costs of a  
11 robust infrastructure program and concluded that the federal-aid financing program authorized in  
12 federal law by Section 311 of the National Highway System Designation Act of 1995 and  
13 commonly referred to as the Grant Anticipation Revenue Vehicle Program ("GARVEE  
14 Program") represents the best financing mechanism for the State of Rhode Island inasmuch as the  
15 GARVEE Program accelerates the funding available to ensure that more Rhode Island bridges do  
16 not become structurally deficient; and

17 WHEREAS, The GARVEE Program allows a state to issue bonds ("GARVEE Bonds")  
18 or other debt instruments backed by future appropriations for federal-aid transportation projects  
19 whereby such amounts are used to cover an assortment of bond-related costs, including principal  
20 and interest payments, issuance costs, insurance, and other costs incidental to financing; and

21 WHEREAS, Among other advantages, GARVEE Bonds may be issued as special  
22 revenue bonds without a full faith and credit pledge by the State of Rhode Island; and

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

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

29 WHEREAS, The Department has determined that GARVEE bonds should be utilized to  
30 fund the bridge replacement, reconstruction, and maintenance component of the ten-year capital  
31 program known as RhodeWorks; and

32 WHEREAS, In connection with the issuance of GARVEE Bonds, the State of Rhode  
33 Island, acting by and through RIDOT, may elect to receive in lieu of certain monies which would  
34 otherwise have been received as reimbursement from FHWA for project costs for bridges in the



1 RhodeWorks program, debt service payments to repay indebtedness in the form of bonds or notes  
2 issued to finance the costs of the construction and financing bridges in the RhodeWorks program;  
3 and

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

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

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

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

28 RESOLVED, That the Governor of the State of Rhode Island or the Director of the  
29 Rhode Island Department of Transportation or the Director of the Rhode Island Department of  
30 Administration or the Chief Executive Officer or the Chief Operating Officer of the Commerce  
31 Corporation each be and each hereafter are, acting singly, authorized and empowered by the  
32 Rhode Island General Assembly to enter into a financing lease, guarantee, loan and trust  
33 agreement, indenture or other obligations or contracts or agreements and to take such other  
34 actions as such official shall deem necessary or appropriate in order to issue or facilitate the

1 issuance of the GARVEE Bonds and to provide the Commerce Corporation or any subsidiary  
2 thereof or other instrumentality, agency or quasi-public corporation otherwise authorized and  
3 empowered to issue the bonds specified in this Joint Resolution for the RhodeWorks program  
4 with the necessary debt service payments up to the amount specified above and the necessary  
5 security for such bonds consistent with the provisions of this Joint Resolution, including any  
6 action to pledge, assign or otherwise transfer the right to receive all or any portion of future  
7 FHWA appropriations for federal-aid transportation projects or other revenues permitted by the  
8 laws of the State of Rhode Island to secure or provide for the payment of any such GARVEE  
9 Bonds; and be it further

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

11           SECTION 6. This act shall take effect upon passage.

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LC004381/SUB A  
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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

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

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

10           This act would take effect upon passage.

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LC004381/SUB A  
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