

2023 -- H 6258

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2023

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A N A C T

RELATING TO MOTOR AND OTHER VEHICLES -- MOTOR FUEL TAX

Introduced By: Representatives McEntee, Cotter, Spears, Craven, Azzinaro, Kennedy,  
Noret, and Caldwell

Date Introduced: April 05, 2023

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 31-36-20 of the General Laws in Chapter 31-36 entitled "Motor Fuel  
2 Tax" is hereby amended to read as follows:

3 **31-36-20. Disposition of proceeds.**

4 (a) Notwithstanding any other provision of law to the contrary, all moneys paid into the  
5 general treasury under the provisions of this chapter or chapter 37 of this title, and title 46 shall be  
6 applied to and held in a separate fund and be deposited in any depositories that may be selected by  
7 the general treasurer to the credit of the fund, which fund shall be known as the Intermodal Surface  
8 Transportation Fund; provided, that in fiscal year 2004 for the months of July through April six and  
9 eighty-five hundredth cents (\$0.0685) per gallon of the tax imposed and accruing for the liability  
10 under the provisions of § 31-36-7, less refunds and credits, shall be transferred to the Rhode Island  
11 public transit authority as provided under § 39-18-21. For the months of May and June in fiscal  
12 year 2004, the allocation shall be five and five hundredth cents (\$0.0505). Thereafter, until fiscal  
13 year 2006, the allocation shall be six and twenty-five hundredth cents (\$0.0625). For fiscal years  
14 2006 through FY 2008, the allocation shall be seven and twenty-five hundredth cents (\$0.0725);  
15 provided, that expenditures shall include the costs of a market survey of non-transit users and a  
16 management study of the agency to include the feasibility of moving the Authority into the  
17 Department of Transportation, both to be conducted under the auspices of the state budget officer.  
18 The state budget officer shall hire necessary consultants to perform the studies, and shall direct  
19 payment by the Authority. Both studies shall be transmitted by the Budget Officer to the 2006

1 session of the General Assembly, with comments from the Authority. For fiscal year 2009, the  
2 allocation shall be seven and seventy-five hundredth cents (\$0.0775), of which one-half cent  
3 (\$0.005) shall be derived from the one cent (\$0.01) per gallon environmental protection fee  
4 pursuant to § 46-12.9-11. For fiscal years 2010 and thereafter, the allocation shall be nine and  
5 seventy-five hundredth cents (\$0.0975), of which of one-half cent (\$0.005) shall be derived from  
6 the one cent (\$0.01) per gallon environmental protection fee pursuant to § 46-12.9-11. For fiscal  
7 years 2024 and thereafter, the allocation shall be ten cents (\$0.10), of which one-half cent (\$0.005)  
8 shall be derived from the one cent (\$0.01) per gallon environmental protection fee pursuant to §  
9 46-12.9-11, and of which twenty-five hundredth cents (\$0.0025) shall be used as a state match for  
10 the section 5311 -- formula grants for rural areas program. One cent (\$0.01) per gallon shall be  
11 transferred to the Elderly/Disabled Transportation Program of the department of human services,  
12 and the remaining cents per gallon shall be available for general revenue as determined by the  
13 following schedule:

14 (i) For the fiscal year 2000, three and one-fourth cents (\$0.0325) shall be available for  
15 general revenue.

16 (ii) For the fiscal year 2001, one and three-fourth cents (\$0.0175) shall be available for  
17 general revenue.

18 (iii) For the fiscal year 2002, one-fourth cent (\$0.0025) shall be available for general  
19 revenue.

20 (iv) For the fiscal year 2003, two and one-fourth cent (\$0.0225) shall be available for  
21 general revenue.

22 (v) For the months of July through April in fiscal year 2004, one and four-tenths cents  
23 (\$0.014) shall be available for general revenue. For the months of May through June in fiscal year  
24 2004, three and two-tenths cents (\$0.032) shall be available for general revenue, and thereafter,  
25 until fiscal year 2006, two cents (\$0.02) shall be available for general revenue. For fiscal year 2006  
26 through fiscal year 2009 one cent (\$0.01) shall be available for general revenue.

27 (2) All deposits and transfers of funds made by the tax administrator under this section,  
28 including those to the Rhode Island public transit authority, the department of human services, the  
29 Rhode Island turnpike and bridge authority, and the general fund, shall be made within twenty-four  
30 (24) hours of receipt or previous deposit of the funds in question.

31 (3) Commencing in fiscal year 2004, the Director of the Rhode Island Department of  
32 Transportation is authorized to remit, on a monthly or less frequent basis as shall be determined by  
33 the Director of the Rhode Island Department of Transportation, or his or her designee, or at the  
34 election of the Director of the Rhode Island Department of Transportation, with the approval of the

1 Director of the Department of Administration, to an indenture trustee, administrator, or other third  
2 party fiduciary, in an amount not to exceed two cents (\$0.02) per gallon of the gas tax imposed, in  
3 order to satisfy debt service payments on aggregate bonds issued pursuant to a Joint Resolution and  
4 Enactment Approving the Financing of Various Department of Transportation Projects adopted  
5 during the 2003 session of the General Assembly, and approved by the Governor.

6 (4) Commencing in fiscal year 2015, three and one-half cents (\$0.035) shall be transferred  
7 to the Rhode Island Turnpike and Bridge Authority to be used for maintenance, operations, capital  
8 expenditures and debt service on any of its projects as defined in chapter 12 of title 24 in lieu of a  
9 toll on the Sakonnet River Bridge. The Rhode Island turnpike and bridge authority is authorized to  
10 remit to an indenture trustee, administrator, or other third-party fiduciary any or all of the foregoing  
11 transfers in order to satisfy and/or secure its revenue bonds and notes and/or debt service payments  
12 thereon, including, but not limited to, the bonds and notes issued pursuant to the Joint Resolution  
13 set forth in Section 3 of Article 6 of Chapter 23 of the Public Laws of 2010. Notwithstanding any  
14 other provision of said Joint Resolution, the Rhode Island turnpike and bridge authority is expressly  
15 authorized to issue bonds and notes previously authorized under said Joint Resolution for the  
16 purpose of financing all expenses incurred by it for the formerly authorized tolling of the Sakonnet  
17 River Bridge and the termination thereof.

18 (b) Notwithstanding any other provision of law to the contrary, all other funds in the fund  
19 shall be dedicated to the department of transportation, subject to annual appropriation by the general  
20 assembly. The director of transportation shall submit to the general assembly, budget office and  
21 office of the governor annually an accounting of all amounts deposited in and credited to the fund  
22 together with a budget for proposed expenditures for the succeeding fiscal year in compliance with  
23 §§ 35-3-1 and 35-3-4. On order of the director of transportation, the state controller is authorized  
24 and directed to draw his or her orders upon the general treasurer for the payments of any sum or  
25 portion of the sum that may be required from time to time upon receipt of properly authenticated  
26 vouchers.

27 (c) At any time the amount of the fund is insufficient to fund the expenditures of the  
28 department of transportation, not to exceed the amount authorized by the general assembly, the  
29 general treasurer is authorized, with the approval of the governor and the director of administration,  
30 in anticipation of the receipts of monies enumerated in this section to advance sums to the fund, for  
31 the purposes specified in this section, any funds of the state not specifically held for any particular  
32 purpose. However, all the advances made to the fund shall be returned to the general fund  
33 immediately upon the receipt by the fund of proceeds resulting from the receipt of monies to the  
34 extent of the advances.

1 SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

RELATING TO MOTOR AND OTHER VEHICLES -- MOTOR FUEL TAX

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1           This act would amend the distribution of proceeds of the motor fuel tax to raise the amount  
2   from nine and seventy-five hundredth cents (\$0.0975) to ten cents (\$0.10) in fiscal year 2024 and  
3   thereafter with the additional one-quarter cent (\$0.0025) to be used as a state match for the section  
4   5311 formula grants for rural areas program administered by the Federal Transit Administration.

5           This act would take effect upon passage.

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