

Article 21 - Transportation

The table below shows the **CHANGES** reflected in the new transportation plan that yields the additional \$50 million in annual funding by FY 2019

Transportation Funding Plan	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Resources Changes from Previous Plans					
New Fines/Fees: <i>Inspection, Good Driving</i>	\$ 5.4	\$ 5.4	\$ 5.4	\$ 5.4	\$ 5.4
Gas Tax: <i>Index to inflation every 2 years</i>	\$ -	\$ 4.2	\$ 4.1	\$ 8.2	\$ 8.2
General Revenues: <i>Transfer of MV Fines & Fees, Net of Current GR Debt Service Plan</i>	\$ (2.8)	\$ (0.7)	\$ 13.7	\$ 22.3	\$ 24.1
DOT: Gas Tax Freed Up from Debt Service Plan: <i>Beyond DOT Structural Budget Fix</i>	\$ 2.9	\$ 9.8	\$ 20.5	\$ 28.4	\$ 29.7
Other Capital Sources: <i>Unallocated Prior GO Bonds, New RICAP Allocations</i>	\$ 23.0	\$ 13.0	\$ 4.0	\$ 4.0	\$ 4.0
Subtotal	\$ 28.4	\$ 31.6	\$ 47.7	\$ 68.3	\$ 71.4
Expenditures Changes from Previous Plans					
RI Turnpike and Bridge: <i>Dedicate 3.5 cents of gas tax</i>	\$ 14.7	\$ 14.6	\$ 14.6	\$ 14.5	\$ 14.4
RI Public Transit Authority: <i>5% All Fines and Fees deposited</i>	\$ -	\$ 2.5	\$ 3.8	\$ 4.4	\$ 4.4
Subtotal	\$ 14.7	\$ 17.2	\$ 18.3	\$ 18.9	\$ 18.8
Net New Infrastructure Funding for DOT	\$ 13.7	\$ 14.4	\$ 29.4	\$ 49.4	\$ 52.6
<i>(in millions)</i>					

New Fines/Fees:

- Increases inspection sticker fee from \$39 to \$55
- Adds a \$25 surcharge to the good driving dismissal fee

Gas Tax:

- Indexes the gasoline tax to CPI every other year, rounded to the nearest cent
- Each cent is worth approximately \$4.1 million

General Revenues:

- Transfers increasing amount of fees currently collected by the DMV and deposited as general revenues to the Highway Maintenance account for transportation uses
- Combination of transferred DMV fees and amount of general revenues already assumed for debt service

DOT Freed Up Gas Tax:

- Represents unallocated resources made available from debt service being shifted from gas tax; above and beyond the amount needed for historical structural operating deficits

Other Capital Sources:

- Utilizes \$25 million of unallocated bond proceeds to bridge funding gap while DMV fee transfers from general revenues are increased
- Provides additional RICAP funds to stabilize annual balance into fund

Turnpike and Bridge Authority:

- Transfers 3.5 cents of gasoline tax to the Turnpike and Bridge Authority to be used in lieu of tolls for operations and maintenance of its bridges
- No changes in ownership of bridges

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Public Transit Authority:

- Transfers 5 percent of funding from surcharges and MV fees to RIPTA for use as operational support
- Equates to almost \$2 million in FY 2016 and grows with increases in incoming revenues

Transportation Funding Process

- 2011 Assembly established a transportation fund to get off borrowing for federal match
 - Funded through incremental increases of license and registration fees
 - Incremental increases began in FY 2014 and will reach their peak in FY 2016
 - Approximately \$20 million annually; With additional RICAP it covers borrowing
- 2012 Assembly
 - Adopted Governor's initiative to restructure outstanding general obligation bond debt service to make payment amounts more consistent
 - Also agreed with plan to fund incrementally increasing amounts of debt service from general revenue; in order to free up gas tax resources and solve structural deficits from declining gas tax revenues – Plan provides for over \$42 million from general revenues by FY 2019
 - Transferred ownership and authority to toll Sakonnet River Bridge to the Turnpike and Bridge Authority
- 2013 Assembly created Joint Commission to study Transportation Funding
 - Commission meetings from September -December
 - Findings submitted on January 15
- Legislators proposes 2014-H 7325/ 2014-S 2335
 - Bills used a variety of current sources and new sources to provide funding to RIPTA and DOT
 - Propose governance changes to Turnpike and Bridge
 - Establish future commissions
 - Propose ownership changes to bridges
- House Finance Committee passes Article 21 of 2014-H 7133
 - Includes elements proposed by House, Senate and other stakeholders
 - Removes toll on Sakonnet
 - Indexes gasoline tax to grow with inflation every two years
 - Utilizes limited new fines and fees, redirects future general revenue and current capital sources to ensure \$50 million annually by 2018 for transportation projects as well as new funding for RIPTA and RITBA