

Department of Transportation

Expenditures By Program	FY2023 Actual	FY2024 Enacted	FY2024 Final	Change from Enacted		FY2025 Enacted	Change from Enacted	
Central Management	\$12.3	\$23.7	\$21.5	(\$2.2)	-9.1%	\$23.4	(\$0.3)	-1.3%
Management and Budget	3.0	4.2	5.7	1.5	34.7%	4.2	0.0	0.8%
Infrastructure-Engineering	601.2	690.4	702.4	12.0	1.7%	699.5	9.2	1.3%
Infrastructure-Maintenance	143.9	140.8	259.9	119.1	84.6%	162.4	21.6	15.3%
Total	\$760.4	\$859.1	\$989.5	\$130.4	15.2%	\$889.6	\$30.5	3.5%

Expenditures By Source	FY2023 Actual	FY2024 Enacted	FY2024 Final	Change from Enacted		FY2025 Enacted	Change from Enacted	
General Revenue	-	-	-	-	-	-	-	-
Federal Funds	495.5	460.9	454.7	(6.1)	-1.3%	474.8	13.9	3.0%
Restricted Receipts	(2.7)	6.2	6.1	(0.1)	-1.5%	6.1	(0.1)	-1.5%
Other Funds	267.6	392.0	528.7	136.6	34.9%	408.7	16.7	4.2%
Total	\$760.4	\$859.1	\$989.5	\$130.4	15.2%	\$889.6	\$30.5	3.5%

Authorized FTE Levels 755.0 755.0 755.0 - - 755.0 - -

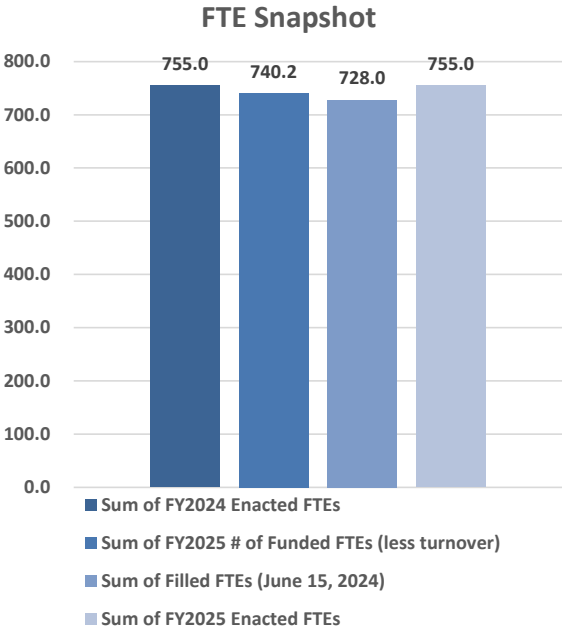
\$ in millions. Totals may vary due to rounding

The Rhode Island Department of Transportation (RIDOT) is responsible for over 3,300 “lane miles” (1,100 miles) of highway and 1,201 bridges in the State. RIDOT provides services ranging from snow removal to pothole repair, and from installation and maintenance of traffic signalization to design of highway and bridge construction. The Department also develops projects in the areas of rail, water, bicycle, and pedestrian transportation; coordinates with RIPTA on transit projects; and, engages in air quality planning and coordination.

Established in FY1994, the Intermodal Surface Transportation Fund (ISTF) accounts for the collection of the gasoline tax, federal grants, and bond proceeds that are used for the maintenance, upgrading, and construction of the State’s highway system. It also is funded from proceeds of the Grant Anticipation Revenue Vehicle (GARVEE) and the RI Motor Fuel Tax (RIMFT) revenue bonds, and related expenditures. The Transportation Investment and Debt Reduction Act of 2011 created the Rhode Island Highway Maintenance Account within the ISTF. Funds are used to finance all RIDOT personnel and operating, and ongoing repair and renovation expenditures for RIDOT facilities throughout the state, as well as highway debt service, and motor fuel tax proceeds allocated to the Rhode Island Public Transit Authority (RIPTA), the Rhode Island Turnpike and Bridge Authority, and the Department of Human Services.

MAJOR ISSUES AND TRENDS

The FY2024 Final Budget provides \$989.5 million in all funds to support the Department of Transportation, representing a \$130.4 million or 15.2 percent increase from the FY2024 Budget as Enacted.



The FY2025 Budget as Enacted includes a total of \$889.6 million for the Department, reflecting an increase of \$30.5 million, or 3.5 percent from the FY2024 Budget as Enacted. The increase includes an additional \$13.9 million of federal funds and \$16.7 million of other funds.

The Budget includes an FTE authorization of 755.0 for FY2024 and FY2025, consistent with the enacted level.

Motor Fuel Tax

A portion of the Department's funding is provided by the motor fuel tax (gas tax). The FY2025 Budget as Enacted includes a gas tax of \$0.37 per gallon and a per-penny yield of \$4.3 million. Additionally, the State assesses a one cent environmental protection fee which is divided evenly between the Underground Storage Tank Fund and RIPTA. This results in consumers paying a total of \$0.38 in Rhode Island taxes per gallon purchased in FY2025, of which, \$0.005 is transferred to the Underground Storage Tank Fund and the remainder is subjected to the statutory disposition displayed on the following table.

Motor Fuel Tax Disposition (In Cents)	FY2023	FY2024*	FY2025	FY2026*	FY2027	FY2028*	FY2029
Department of Transportation	18.25¢	21.25¢	21.25¢	22.25¢	22.25¢	23.25¢	23.25¢
Rhode Island Public Transit Authority	9.25	9.25	9.25	9.25	9.25	9.25	9.25
Rhode Island Turnpike and Bridge Authority	3.50	3.50	3.50	3.50	3.50	3.50	3.50
Office of Healthy Aging	1.00	1.00	1.00	1.00	1.00	1.00	1.00
GARVEE Bond Debt Service	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Environmental Protection Fee to RIPTA	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Total	34.50¢	37.50¢	37.50¢	38.50¢	38.50¢	39.50¢	39.50¢

**Indicates a year with a projected CPI-U required increase*

In FY2014, RIDOT received \$0.2175 per gallon of the gas tax, with the Rhode Island Public Transit Authority (RIPTA) and the Department of Human Services (DHS) receiving \$0.1075. RIPTA uses gas tax revenues to fund multiple expenses including maintenance, operations, and their underground storage tank fee, while DHS uses gas tax revenues to partially fund their transit programs. Beginning in FY2015, \$0.035 per gallon of the gasoline tax is transferred to the Rhode Island Turnpike and Bridge Authority (RITBA) to be used for maintenance operations, capital expenditures, and debt service on any of its projects in place of a toll on the Sakonnet River Bridge. This reduced RIDOT's share of the gasoline tax to \$0.1825 per gallon.

Beginning in FY2016, the gas tax is adjusted every other year based on the percentage increase in the Consumer Price Index for all Urban Consumers (CPI-U), rounded to the nearest \$0.01 increment. The Department of Revenue's Office of Revenue Analysis (ORA) is responsible for both estimating the gas tax yield as well as determining the impact of the CPI-U. ORA determined that in FY2024, a \$0.03 increase was warranted due to increased inflation.

The May 2024 ORA estimate assumes an inflationary increase of \$0.01 per gallon to the motor fuel tax rate in FY2026 and FY2028, which is projected to yield an additional \$4.2 million and \$3.8 million in gas tax revenue respectively. The additional funds realized as part of the increase are appropriated to the Department of Transportation pursuant to RIGL 31-36-20, resulting in the Department receiving \$0.2225 per gallon in FY2026 and \$0.2325 per gallon in FY2028. Projections indicate that with the \$0.395/gallon rate in FY2029, the State will collect \$2.2 million more than in FY2023 which had a rate of \$0.345/gallon the following table shows the distribution of motor fuel tax revenue projected through FY2029.

	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029
Motor Fuel Tax Revenue	Audited	Projected†	Projected	Projected†	Projected	Projected†	Projected
Department of Transportation*	\$87.6	\$100.0	\$99.4	\$101.0	\$99.1	\$100.4	\$96.7
Rhode Island Public Transit Authority**	42.0	41.9	41.7	40.6	39.8	38.8	37.3
Rhode Island Turnpike and Bridge Authority	15.1	15.0	15.0	14.6	14.3	13.9	13.4
Department of Human Services	4.3	4.3	4.3	4.2	4.1	4.0	3.8
Total	\$149.1	\$161.2	\$160.3	\$160.3	\$157.3	\$157.1	\$151.3
Projected Yield per Penny	\$4.3	\$4.3	\$4.3	\$4.2	\$4.1	\$4.0	\$3.8
Projected Tax per Gallon	34.5¢	37.5¢	37.5¢	38.5¢	38.5¢	39.5¢	39.5¢

\$ in millions. Totals may vary due to rounding
 Estimate based on May 2024 projections developed by ORA
 *Note: DOT share includes \$0.02 for GARVEE Debt Service
 **Note: RIPTA includes \$0.005 for Environmental Protection Fee
 † Indicates a year with a projected CPI-U required increase

RhodeWorks

The General Assembly enacted “The Rhode Island Bridge Replacement, Reconstruction and Maintenance Fund Act of 2016,” in February 2016. The legislation, also known as “RhodeWorks” authorizes the State to collect tolls and issue new GARVEE bonds.

Truck Tolling

- **Federal Court Decision:** On September 21, 2022, U.S. District Court Judge William E. Smith ordered Rhode Island officials to stop collecting truck tolls which resulted in a pause to the State’s tolling program. Judge Smith ruled the policy in its current form is unconstitutional. The ruling is currently being appealed. The FY2024 Budget as Enacted required \$70.0 million in surplus general revenue be deposited into the Rhode Island Capital Plan Fund to hold the Department harmless for expected toll revenue losses through FY2024. The Department’s plan had allocated \$130.0 million of toll revenue to highway projects from FY2023 through FY2025, including \$95.0 million to finance the Route 6/10 Interchange Reconstruction project.
- **Gantries and Revenue:** The truck-only tolling plan received formal federal approval in September 2016, at which time the RIDOT executed a series of Memoranda of Understanding with the Federal Highway Administration regarding which bridge locations toll revenue could be used to maintain. In December 2016, RIDOT issued the RFP for the Design-Build-Operate-Maintain (DBOM) contract for the tolling program, including gantry design and construction; all operational elements, testing and acceptance; and long-term maintenance of the tolling equipment and facilities. In 2017, the Department awarded a contract to Kapsch TrafficCom to design, build, operate, and maintain the gantries for 10 years. The Department originally anticipated building 14 gantries but only completed 13. In FY2021 the Department generated \$34.0 million in gross revenues. In FY2022, the Department generated \$39.8 million in gross revenues, a \$5.8 million or 17.0 percent increase to FY2021. As of September 2022, the Department had generated \$6.8 million from the tolling initiative in FY2023, before the court-ordered stoppage.
- **Appeal:** The State is currently appealing the September 2022 decision and have hired the Providence law firm Adler, Pollack, and Sheehan. The Budget includes \$2.2 million of other funds in both FY2025 and FY2024 for legal expenses related to the appeal, reflecting a \$1.2 million reduction from the FY2024 enacted level and a \$825,428 increase from what was expensed in FY2023.

Bonding

- RhodeWorks also allowed for the refinancing and restructuring of previously existing GARVEE bonds to realize approximately \$120.0 million in additional resources during the first three years post-refinancing.
- The Rhode Island Commerce Corporation is authorized to issue new GARVEE bonds, not to exceed \$300.0 million, for bridge replacement, reconstruction, maintenance, and operations. These bonds have an expected term of fifteen years, with interest-only payments in the first nine years, and will be repaid from future toll revenues and reimbursements.

Analyst Note: GARVEE funding authorized for the Washington Bridge Project in the FY2025 Budget as Enacted is in addition to the above authorization.

- Article 6 of the FY2020 Budget as Enacted provided for the issuance of \$200.0 million in GARVEE bonds issued through the Rhode Island Commerce Corporation to fund the bridge replacement, reconstruction, and maintenance of the RhodeWorks program. Total debt service is not expected to exceed \$275.0 million over 15 years. Debt service is financed through future Federal Highway Administration appropriations.
- In March 2021, voters approved a bond referendum for \$71.7 million in General Obligation (GO) bonds for the Department. The GO bonds are used as a 20.0 percent state match needed for federal highway road and bridge projects. Debt service for the Department's GO bonds is included in the Department of Administration's Budget but is paid for by DOT through gas tax receipts. The Budget exhausts \$67.0 million of this funding in FY2025 and the remaining \$4.7 million in FY2026.
- Article 4 of the FY2025 Budget as Enacted authorizes the issuance of \$334.6 million in Grant Anticipation Revenue Vehicle (GARVEE) bonds with a total debt service amount of \$538.6 million to be used for the Washington Bridge Project. Assuming a standard 5.0 percent coupon rate and the issuance of the entire authorized amount, the article indicates a total interest amount of \$204.1 million. The State is permitted to issue a lesser amount, if additional federal funds for the project become available.

State Transportation Improvement Program

The Department includes major projects that the State intends to implement in its yearly State Transportation Improvement Program (STIP). The STIP includes projects for 10 years; however, only the first four years are fiscally constrained, meaning the costs of the projects may not exceed the anticipated funding that is expected to be available in the four-year time period. The current STIP runs from FY2022-FY2031 and was last revised in April of 2024. The Rhode Island Public Transit Authority (RIPTA) and the Rhode Island Turnpike and Bridge Authority (RITBA) each have programs within the STIP in addition to the Department. RIDOT is currently appropriated 83.2 percent of the STIP's total funding through FY2031, with RIPTA receiving 14.9 percent, and the remaining 1.9 percent directed to RITBA. The following table illustrates the funding totals for the STIP's largest programs through FY2025.

State Transportation Improvement Program (STIP)

Program Name	FY2022	FY2023	FY2024	FY2025	Sub-Total	% of	Grand Total	% of
					FY2022-FY2025	Subtotal	FY2022-FY2031	Grand Total
Rhode Island Department of Transportation								
Major Capital Projects Program	\$191.1	\$262.9	\$351.6	\$431.5	\$1,237.0	26.0%	\$2,133.8	20.2%
Bridge Capital Program	158.5	178.1	176.3	198.3	711.1	14.9%	1,871.7	17.7%
Debt Service Program	113.4	116.2	116.1	112.4	458.1	9.6%	1,108.0	10.5%
Pavement Program	103.3	141.6	112.5	95.6	453.0	9.5%	792.1	7.5%
<i>Additional STIP Programs</i>	<i>282.5</i>	<i>272.5</i>	<i>278.2</i>	<i>297.4</i>	<i>1,130.5</i>	<i>23.7%</i>	<i>2,899.0</i>	<i>27.4%</i>
Sub-Total	\$848.8	\$971.2	\$1,034.7	\$1,135.0	\$3,989.7	83.8%	\$8,804.5	83.2%
Rhode Island Public Transit Authority								
Transit Support Operations	\$106.6	\$130.8	\$118.5	\$123.4	\$479.3	10.1%	\$1,141.0	10.8%
Transit Capital	11.3	86.4	21.2	23.2	142.0	3.0%	272.0	2.6%
Transit Service	21.7	14.3	17.7	14.3	67.9	1.4%	159.6	1.5%
Sub-Total	\$139.6	\$231.4	\$157.4	\$160.8	\$689.2	14.5%	\$1,572.6	14.9%
Rhode Island Turnpike and Bridge Authority								
Capital Projects Program	\$0.0	\$0.2	\$23.0	\$58.9	\$82.1	1.7%	\$202.2	1.9%
Sub-Total	\$0.0	\$0.2	\$23.0	\$58.9	\$82.1	1.7%	\$202.2	1.9%
Grand Total	\$988.3	\$1,202.9	\$1,215.1	\$1,354.7	\$4,761.0	100%	\$10,579.3	100.0%

\$ in millions. Totals may vary due to rounding

Source: RIDOT STIP Program Allocation Summary Revision 14: April 30, 2024

Major Capital Projects Program: The Major Capital Projects Program is the STIP's largest program and includes \$2.2 billion in projected expenditures which represents 20.2 percent of all STIP funding through FY2031. The STIP includes \$351.6 million in FY2024, and \$431.5 million in FY2025 for the program. The following table displays the budgeted totals of current and regionally significant projects from FY2022 through FY2025.

Major Capital Projects Program

Project Name	FY2022	FY2023	FY2024	FY2025	Project Total	Project Total
					FY2022-FY2025	FY2022-FY2031
Washington Bridge Project*	-	-	\$113.0	\$206.3	\$319.3	\$454.3
I-95 Northbound Viaduct	50.0	60.0	52.0	45.0	207.0	215.5
Route 6/10 Interchange	40.0	40.0	40.0	15.0	135.0	143.0
Route 146 Reconstruction	31.3	31.3	40.0	30.1	132.6	196.9
Route 37 Improvements†	15.8	40.0	30.6	11.6	97.9	105.0
Henderson Bridge†	20.0	20.5	16.0	7.2	63.7	104.2
Washington Bridge North	12.5	25.0	15.0	8.0	60.5	63.0
<i>Additional Projects</i>	<i>21.6</i>	<i>46.1</i>	<i>45.1</i>	<i>108.4</i>	<i>221.1</i>	<i>852.0</i>
Total	\$191.1	\$262.9	\$351.6	\$431.5	\$1,237.0	\$2,133.8

\$ in millions. Totals may vary due to rounding

Source: RIDOT STIP Program Allocation Summary Revision 14: April 30, 2024

*Includes funding to support the emergency, demolition, and reconstruction phases

†Includes funding to support phases 1 and 2

- **Washington Bridge Project:** The Washington Bridge Project is the largest project within the Major Capital Projects program and includes funding for the emergency project expenses and capital costs associated with the demolition and reconstruction of the Washington Bridge. On December 11, 2023, RIDOT closed the Washington Bridge due to the discovery of a critical failure. On March 14, 2024, the Governor announced the bridge will need to be demolished and rebuilt. The project is divided into

three sub-projects which are titled: the Emergency Project, the Demolition Project, and the Replacement Project.

- The capital cost of the Emergency Project is \$46.4 million includes emergency tie rod repairs, widening the lanes to accommodate 6 total lanes, and shoring on Gano Street. Also included is the \$2.4 million ferry service which RIDOT provided in January, which has been determined ineligible for federal funding.
- The capital cost of the Demolition Project is \$40.5 million and includes the project's design build contract and incentives for early completion payments to the selected contractor.
- The capital cost of the Replacement Project is \$368.3 million and includes the project's design build contract and early completion payments, as well as the costs associated with the reconstruction of the new bridge and traffic mitigation measures. The Office of Management and Budget notes that these expenses may not be entirely expended throughout the project, but includes them to provide for their availability. The following table illustrates the funding schedule for the project.

Sub-Project	FY2024	FY2025	FY2026	FY2027	Total
Emergency Project	\$46.4	-	-	-	\$46.4
Demolition Project	1.5	39.0	138.5	28.3	\$207.3
Replacement Project	1.5	200.0	-	-	\$201.5
Total	\$49.4	\$239.0*	\$138.5	\$28.3	\$455.2

\$ in millions. Totals may vary due to rounding.

**FY2025 includes \$37.0 million of repurposed federal funds.*

- The project is supported by \$455.2 million in all funds, of which, \$83.6 million represent state funds serving as a match to collect \$371.6 million in federal funds. The state match includes \$45.0 million of RICAP funds, \$35.0 million of State Fiscal Recovery Funds (SFRF) provided by the American Rescue Plan Act (ARPA), and \$3.6 million of other funds collected through the motor fuel tax and Highway Maintenance Account. The federal funds portion comprises of \$334.6 million received through the issuance of GARVEE bonds and \$37.0 million of repurposed federal funds. The following tables illustrates the sources of the project's capital costs in addition to a funding timeline.

Source	Capital Cost
<i>State Match</i>	
ARPA SFRF	\$35.0
RICAP Funds	45.0
Excess Gas Tax and HMA Funds	3.6
Sub-Total	\$83.6
<i>Federal Funds</i>	
GARVEE Bond Issuance	\$334.6
Residual Federal Funds	37.0
Sub-Total	\$371.6
Grand Total	\$455.2

\$ in millions.

Analyst Note: Funding provided in the STIP for the new Washington Bridge Project totals \$454.3 million and was released in April, prior to the FY2025 Budget. The FY2025 Budget provides \$455.2 million for the project.

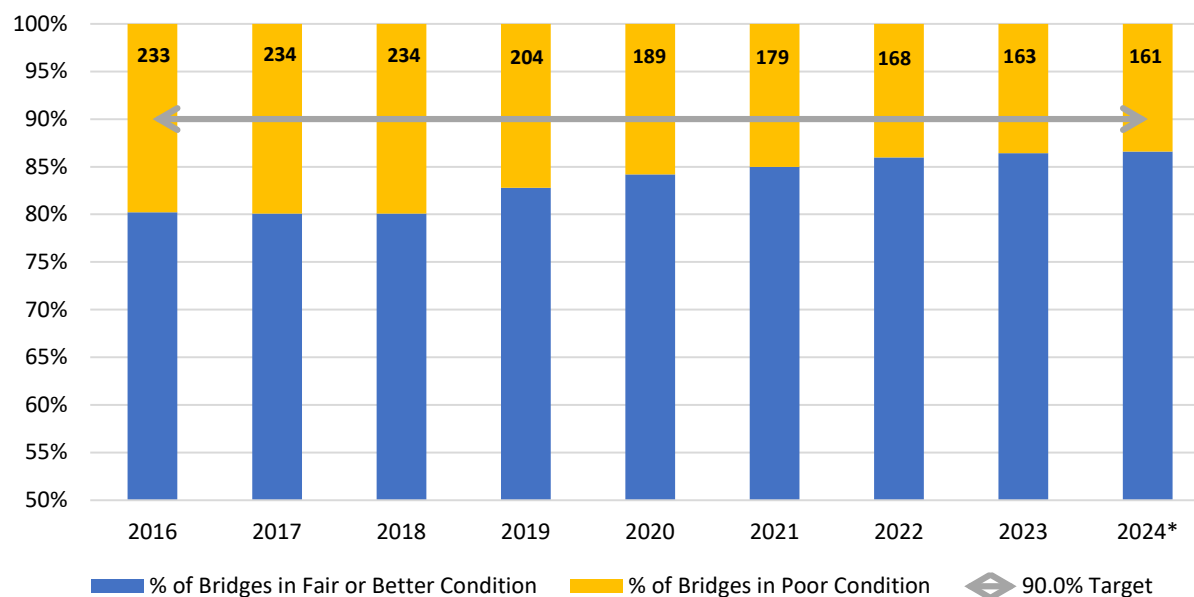
- **I-95 Northbound Viaduct Project:** This project replaces the 1,295-foot-long northbound section of the Providence Viaduct Bridge, which supports I-95 over municipal roads, highway ramps, Amtrak’s Northeast Corridor, and the Woonasquatucket River. The project is scheduled to finish construction in CY2025 with an approximate cost of \$215.5 million
- **Route 6/10 Interchange:** This project reconstructs the 6/10 interchange within the current highway right of way and addresses the seven structurally deficient bridges within the project area. The project began construction in FY2018, is scheduled to be completed in CY2024 and has an approximate project cost of \$143.0 million.
- **Route 146 Reconstruction:** This project makes necessary improvements to Route 146, including the replacement of one bridge and preservation or rehabilitation work on four others, the construction of frontage roads for safer and easier access, and the re-pavement of Route 146 from the I-295 interchange to the Massachusetts state line. The project is scheduled to finish construction in CY2026 with an approximate cost of \$196.9 million.
- **Route 37 Improvements:** This project involves the rehabilitation or replacement of 22 bridges and the safety and congestion improvement of Route 37, a critical east-west freeway that connects Cranston and Warwick. The project is scheduled to occur in two phases, with a \$79.5 million approximate cost estimate for Phase 1 and an \$85.0 million estimate for Phase 2. The project is scheduled to complete Phase 1 in CY2024 and Phase 2 in CY2026 with a total approximate cost of \$105.0 million
- **Henderson Bridge:** This project demolishes and reconstructs the Henderson Bridge, which was declared structurally deficient in 1996. The new bridge is narrower and supports only 3 lanes of traffic, two westbound lanes and one eastbound. The original bridge supported 6 lanes. The project is scheduled to finish construction in CY2025 with an approximate cost of \$104.2 million.
- **Washington Bridge:** This project addresses the structural deficiencies of the westbound portion of the Washington Bridge, as well as the construction of a new off-ramp, which is expected to ease congestion issues and spur economic development. The project is scheduled to finish construction in CY2026 with an approximate cost of \$63.0 million.

Analyst Note: On December 11, 2023, RIDOT closed the Washington Bridge due to the discovery of a critical failure. On December 15, 2023, the Department opened up two bypass westbound lanes to alleviate traffic. Funding for this project is included in the current STIP, released prior to the passage of the FY2025 Budget as Enacted in April of 2024.

Bridge Capital Program: The second largest program in the STIP is the Bridge Capital Program, which includes a total \$1.9 billion and represents 17.7 percent of all STIP funding through FY2031. The STIP budgets \$176.3 million in FY2024 and \$198.3 million in FY2025, reflecting a \$711.1 million total expenditure for FY2022-FY2025 and \$1.9 billion through FY2031.

- In 2015, Rhode Island was ranked last in the nation for overall bridge condition with about 24.0 percent of bridges ranked as structurally deficient. The Bridge Capital Program identifies and develops a structured sequence of preservation, repair, rehabilitation, and replacement actions in order to sustain a state of good repair for the State’s 1,200 bridges at a minimum cost. The program is primarily focused on reducing the percentage of structurally deficient bridges to 10.0 percent by 2025.
- As of March 2024, 163, or 13.4 percent, of the State’s 1,200 bridges were in poor condition. The State would need to repair 40 bridges over the next two years to reach the goal of 90.0 percent structurally sound bridges throughout the State. The following graph displays the State’s bridge conditions and progress toward reaching the 90.0 percent goal.

Rhode Island Bridge Conditions 2016-2023



Source: RIDOT Q1 Quarterly Reports, Data from month of December

* Data from RIDOT Q2 Quarterly Report

Debt Service Program: The third largest expense in the STIP is the Debt Service Program, which is anticipated to cost \$1.1 billion through FY2031. The current STIP services General Obligation Transportation Bonds, Motor Fuel Bonds, Grant Anticipation Revenue Vehicle Bonds (GARVEE), and pass-through funding for RIPTA’s General Obligation Transportation Bonds. The State issues General Obligation Transportation Bonds (GO Bonds) to finance transportation-related construction projects, with the most recent issuance occurring in CY2021. GARVEE bonds enable the State to pay debt service and other bond-related expenses with future federal-aid highway funds. GARVEE bonds generate up-front capital for major highway projects at generally tax-exempt rates and enable the State to construct a project earlier than if using traditional pay-as-you-go grant resources. The STIP includes \$113.4 million in FY2022, \$116.2 million in FY2023, \$116.1 million in FY2024, and \$112.4 million in FY2025.

Pavement Program: The STIP includes \$792.1 million for the Pavement Program through FY2031, which provides funding for design and construction projects that maintain the State’s roadways. The Department uses an asset management approach described as applying the “right treatment, to the right pavement, at the right time” to prevent roadway failure. Pavement sufficiency targets were approved and phased-in in May 2018. Rhode Island currently has 6,528 miles of roadway; the Department maintains approximately 1,100 miles of those roadways. The Pavement Program will allow for additional miles to be paved and will improve the State’s Pavement Structural Health Index (PSHI), which is a rating system that evaluates 1/10-mile segments of roads with weighted distresses to determine a rating between 0 and 100, with 100 representing distress-free roads. RIDOT’s goal is to maintain an average PSHI of 80.0 percent for more than 10 years. The STIP includes \$103.3 million in FY2022, \$141.6 million in FY2023, \$112.5 million in FY2024, and \$95.6 million in FY2025.

Rhode Island Highway Maintenance Account (RIHMA)

The Transportation Investment and Debt Reduction Act of 2011 created the Rhode Island Highway Maintenance Account within the Intermodal Surface Transportation Fund (ISTF). The FY2015 Budget as Enacted provided additional funding for transportation projects through increased deposits into the HMA including a surcharge of \$25.00 on all dismissals based upon a good driving record, in addition to the \$5.00

administration fee; an increase in the vehicle inspection fee from \$39.00 to \$55.00; transfer of existing revenue from inspection stickers (\$16.00 per inspection), motor vehicle title (\$50.00 per title), and car rental surcharges (8.0 percent of gross receipts per rental vehicle for the first thirty days) from the general fund to the HMA; and, the phased-in transfer of all vehicle license and registration fees into the HMA beginning in FY2016.

Article 8 of the FY2020 Budget as Enacted, altered the percentage of fees going into the HMA such that 5.0 percent of the total fees collected each year are retained by the Division of Motor Vehicles (DMV) and the remaining 95.0 percent are deposited into the Account. The funds retained by the DMV are intended to help partially offset personnel costs associated with collecting the fees associated with the HMA. The remaining 95.0 percent of fees deposited into the HMA are shared between DOT and RIPTA, with RIPTA receiving 5.0 percent of the funds deposited and DOT receiving the remaining amount. Article 8 also extended RIPTA’s \$5.0 million annual appropriation to support the Free-Fare program indefinitely.

Article 2 of the FY2024 Enacted Budget shifts the Division of Motor Vehicles (DMV) duplicate license/updated information fee revenue from general revenue to the State’s Highway Maintenance Account (HMA) in FY2024. This change is estimated to add \$1.0 million annually to the RIHMA and is not reflected in the above table, as ORA’s most recent projection calculation occurred before the Budget was enacted. Of the \$1.0 million transfer, 5.0 percent (\$50,000) would remain in the general fund and an additional 5.0 percent of the new balance will be transferred to RIPTA (\$47,500). The remaining \$902,500 will be allocated to RIDOT.

The May RIHMA projection from the ORA indicates that in FY2024, the RIHMA will collect \$111.2 million, of which, \$10.3 million will be allocated to RIPTA, \$5.6 million to the general fund, and the remaining balance of \$95.4 million will be transferred to the Department of Transportation. In FY2025, the RIHMA is projected to collect \$112.5, of which, \$10.3 million will be allocated to RIPTA, \$5.6 million to the general fund, and the remaining balance of \$97.6 will be transferred to the Department of Transportation. The following table illustrates the various fees and surcharges deposited in the HMA as well as the agency allocations.

Rhode Island Highway Maintenance Account Forecast

Fees and Surcharges	FY2023 Audited	FY2024 Projected	FY2025 Projected	FY2026 Projected
Licenses and Registrations Base	\$55.9	\$54.9	\$54.8	\$55.2
Licenses Surcharge	5.1	5.3	5.5	5.5
Vehicle Registrations Surcharge	14.7	15.5	15.8	15.9
Rental Vehicle Surcharge	9.2	10.0	10.4	11.0
Emission Inspection Fees	14.0	14.6	15.0	15.0
Motor Vehicle Title Fees	9.9	10.4	10.7	10.7
Good Driving Fees	0.3	0.3	0.3	0.3
RIHMA Total	\$109.1	\$111.2	\$112.5	\$113.6
5% Share to General Revenues	5.5	5.6	5.6	5.7
Remaining RIHMA Funds	\$103.7	\$105.6	\$106.9	\$108.0
5% Share to RIPTA	5.2	5.3	5.3	5.4
\$5.0 million Transfer to RIPTA	5.0	5.0	5.0	5.0
DOT Share	\$93.5	\$95.4	\$96.5	\$97.6

\$ in millions
Source: ORA May 2024 Estimate

CENTRAL MANAGEMENT

The Central Management Program includes Legal Counsel, Human Resources, the Real Estate Section, External Affairs, the Safety Section, the Office on Highway Safety, the Office of Civil Rights, and the Director's Office.

Central Management	FY2023 Actual	FY2024 Enacted	FY2024 Final	Change from Enacted		FY2025 Enacted	Change from Enacted	
Federal Funds	\$7.9	\$15.0	\$12.9	(\$2.1)	-14.1%	\$15.1	\$0.1	0.7%
Other Funds	4.4	8.7	8.6	(0.1)	-0.6%	8.3	(0.4)	-5.0%
Total	\$12.3	\$23.7	\$21.5	(\$2.2)	-9.1%	\$23.4	(\$0.3)	-1.3%

\$ in millions. Totals may vary due to rounding

- The Legal Counsel office works closely with the Office of the Attorney General in legal proceedings involving RIDOT and also provides support within RIDOT for program development, property management and acquisition, contracts, litigation, arbitration, and contracted outside legal services.
- Human Resources administers labor relations, human resource development and training, all equal opportunity programs, and payroll and fringe benefit programs.
- The Real Estate section deals with acquisition, appraisal, negotiation, and relocation for property purchases (including easements and larger parcels) and property sales.
- The External Affairs office handles all media inquiries, speaking engagements, legislative correspondence, and special events for the Departments, as well as managing the Department's website.
- The Safety Section is responsible for promoting public safety.
- The Office on Highway Safety develops and coordinates programs with local, state and federal agencies to reduce highway deaths and injuries, and to promote public awareness of the correlation between highway safety and alcohol and substance abuse through the development and distribution of educational information.
- The Civil Rights office supports contractors, consultants, and sub-recipients to ensure full compliance with federal and state civil rights laws and equal employment requirements.
- The Director's Office provides leadership and policy development for the Department to ensure the State's public transportation services are safe, effective, and environmentally prudent.

Central Management	All Fund Changes
FY2024 Enacted	\$23,706,807
<i>Target and Other Adjustments</i>	<i>101,087</i>
Legal Services (other funds)	(1,180,420)
Centralized Services (statewide adjustment, other funds)	498,308
Anti-Litter Campaign (other funds)	150,000
NHTSA Grants (federal funds)	111,821
FY2025 Enacted	\$23,387,603

Legal Services (other funds)

(\$1.2 million)

The Budget includes \$2.2 million in other funds for legal services in the Central Management program, reflecting a reduction of \$1.2 million from the enacted level. The State is currently appealing the September 2022 decision by U.S. District Court Judge William E. Smith, which suspended the RhodeWorks truck tolling program. The Department has hired Providence law firm Adler, Pollack, and Sheehan for representation and the appeal is ongoing.

Anti-Litter Campaign (other funds) \$150,000

The Budget includes \$150,000 in other funds to support an anti-litter media campaign which will be coordinated alongside the Governor’s Office’s anti-litter efforts. The media campaign is one several components of the Governor’s anti-litter initiatives that are included in the Department of Transportation’s budget. There is a corresponding addition of \$300,000 in other funds included in the FY2024 Final Budget for the campaign. Furthermore, there are additional expenditures related to the campaign in the Infrastructure- Maintenance program.

NHTSA Grants (federal funds) \$111,821

The Budget includes \$15.1 million in federal funds for the Central Management program from a number of National Highway Transportation Safety Administration (NHTSA) grants, reflecting a net increase of \$111,821 from the FY2024 Budget as Enacted. The most significant adjustments include a \$1.9 million reduction from the State and Community Highway Safety Program offset by a \$1.3 million increase in Map-21 405 funds. The grant totals as well as adjustments are illustrated in the following table.

NHTSA Grant	FY2024 Enacted	FY2025 Enacted	Change
State and Community Highway Safety Program	\$4,430,107	\$2,534,439	(\$1,895,668)
Map-21 405 Funds	6,043,943	7,324,607	1,280,664
Grant to Prohibit Racial Profiling	372,800	960,440	587,640
Min. Penalties for Repeat Offenders DWI or DUI	4,106,054	4,258,554	152,500
Fatality Analysis Reporting System	57,663	44,348	(13,315)
Total	\$15,010,567	\$15,122,388	\$111,821

MANAGEMENT AND BUDGET

Management and Budget houses the Department’s Financial Management Division responsible for the oversight and management of the Department’s operations and capital budget expenditures. Management and Budget also oversee the Education Advancement section, the Office of Contracts and Specifications, and the Information Technology section.

Management and Budget	FY2023 Actual	FY2024 Enacted	FY2024 Final	Change from Enacted		FY2025 Enacted	Change from Enacted	
Other Funds	\$3.0	\$4.2	\$5.7	\$1.5	34.7%	\$4.2	\$0.0	0.8%
Total	\$3.0	\$4.2	\$5.7	\$1.5	34.7%	\$4.2	\$0.0	0.8%

\$ in millions. Totals may vary due to rounding

- The Education Advancement section is responsible for internal education and advancement initiatives and facilitates administrative and programming coordination.
- The Office of Contracts and Specifications establishes business arrangements between the Department and the supplies of goods and services in the private sector.
- The Information Technology section maintains and operates all computer software and hardware as well as purchasing and upgrading all information technology platforms for the Department.

Management and Budget	All Fund Changes
FY2024 Enacted	\$4,210,497
Target and Other Adjustments	33,475
Personnel: Salary and Benefit Adjustment (other funds)	(603,258)
Contracted IT System Support (other funds)	602,968
FY2025 Enacted	\$4,243,682

Personnel: Salary and Benefit Adjustment (other funds) (\$603,258)

The Budget includes \$68,354 in other funds to support personnel within the Management and Budget program, reflecting a decrease of \$603,258 from the FY2024 enacted level of \$671,612. The adjustment reduces regular wages by \$524,550 and increases medical insurance by \$148,114

Personnel: Salary and Benefit Adjustment	FY2024 Enacted	FY2025 Enacted	Change
Regular Wages	\$35,542	(\$489,008)	(\$524,550)
Medical Insurance	409,358	557,472	148,114
Employees' Retirement	103,529	(24,787)	(128,316)
Retiree Health Insurance	(48,387)	(114,110)	(65,723)
All Other Salary and Benefit Adjustments	171,570	138,787	(32,783)
Total	\$671,612	\$68,354	(\$603,258)

Contracted IT System Support (other funds) \$602,968

The Budget includes \$1.3 million in other funds collected by the motor fuel tax, to support contracted services within the Department's information technology system, reflecting an increase of \$602,968 from the FY2024 enacted level of \$683,816.

INFRASTRUCTURE-ENGINEERING

The Infrastructure-Engineering program works to develop the State's roads and bridges into an advanced ground transportation system. The program consists of multiple divisions and sections encompassing the design, planning, and construction of the Project Management Division.

Infrastructure-Engineering	FY2023 Actual	FY2024 Enacted	FY2024 Final	Change from Enacted	FY2025 Enacted	Change from Enacted
Federal Funds	\$461.81	\$445.85	\$437.57	(\$8.3) -1.9%	\$459.7	\$13.8 3.1%
Restricted Receipts	(2.7)	6.2	6.1	(0.1) -1.5%	6.1	(0.1) -1.5%
Other Funds	142.1	238.3	258.7	20.4 8.6%	233.8	(4.6) -1.9%
Total	\$601.2	\$690.4	\$702.4	\$12.0 1.7%	\$699.5	\$9.2 1.3%

\$ in millions. Totals may vary due to rounding

- The Project Management division oversees all phases of a project from start to finish, including design, construction, and materials testing.
- The Construction Management section is responsible for the administration and inspection of highway, bridge, traffic signal, and destination signing and freight/commuter rail construction activities throughout the State.
- The Materials Unit conducts sampling and quality assurance testing. The Research and Technology section evaluates new technologies, provides research for national, regional, and local programs, and provides training in new technology.
- The Office of Stormwater Management is responsible for the scope, plan, design, and maintenance of stormwater systems.
- The Occupational Safety, Health, and Work Zone Safety section administers the Department's safety and health programs.
- The Planning Division develops and monitors the Department's Ten-Year Plan to ensure successful implementation.
- The Office of Transit, New Starts, and Operations section develops and implements planning projects by working to develop an integrated transportation system that provides convenient transitions between different modes of transportation.

Infrastructure-Engineering	All Fund Changes
FY2024 Enacted	\$690,382,211
<i>Target and Other Adjustments</i>	
ARPA SFRF: Washington Bridge Project (federal funds)	35,000,000
Federal Discretionary Grants For Capital Projects (federal funds)	(15,265,914)
ARPA SFRF: RIPTA Operating Grant (federal funds)	15,000,000
ARPA SFRF: Municipal Roads Grant Program (federal funds)	(13,000,000)
RICAP Funded Projects (other funds)	10,211,872
Federal Highway Projects (federal funds)	(9,293,998)
Motor Fuel Tax Transfers (other funds)	1,929,073
Gantries Maintenance and Operations (other funds)	(1,500,000)
ARPA SFRF: RIPTA R-Line Free Service (federal funds)	(750,000)
ARPA SFRF: RITBA Safety Barriers Study (federal funds)	(750,000)
Anti-Litter Campaign (federal funds)	(324,836)
FY2025 Enacted	\$699,538,503

ARPA SFRF: Washington Bridge Project (federal funds) \$35.0 million

The Budget includes \$35.0 million in State Fiscal Recovery Funds (SFRF), provided by the American Rescue Plan Act (ARPA) to serve as a state match for the Washington Bridge Project. The Pandemic Recovery Office indicates that the Washington Bridge project is an approved use of SFRF funding.

Federal Discretionary Grants for Capital Projects (federal funds) (\$15.3 million)

The Budget includes \$27.0 million in federal funds as discretionary grants for capital projects, representing a reduction of \$15.3 million from the FY2024 Budget as Enacted. Discretionary grants are awarded to eligible applicants through a competitive selection process. In January of 2024, the State was awarded an \$81.0 million discretionary grant for to create a direct freeway connection between I-95 and RI-4 as well as to construct three ramps for RI-403 in order to expand access to Quonset Business Park (QBP). The following table depicts fiscally significant federal discretionary grants awarded to the State in recent years.

Grant	Project	Amount
FFY2024 INFRA	I-95 and Quonset	\$81.0
FFY2023 RAISE	Route 37	25.0
FFY2020 INFRA	Route 146	65.0
FFY 2020 BUILD	Route 37 and I-295	21.3
FFY2019 BUILD	Washington Bridge	25.0

\$ in millions

ARPA SFRF: RIPTA Operating Grant (federal funds) \$15.0 million

The Budget includes a one-time transfer of \$15.0 million in SFRF to the Rhode Island Public Transit Authority (RIPTA) for assistance in partially resolving the projected \$18.1 million deficit in the FY2025 operating budget. The operating grant will address the Authority’s short-term needs and decrease the projected deficit to \$3.1 million.

In addition to the operating grant, the Budget directs RIPTA to perform an efficiency review of their current practices and submit a report to the Governor, Speaker of the House of Representatives, and the President of the Senate. The review’s objective is to increase RIPTA’s overall efficiency by ensuring the Authority is using their provided resources effectively. The review should focus on cost-effectiveness and include data such as operating expenses, ridership figures, costs per rider, and other information across all serviced regions. Additionally, the review may explore other transit service delivery models and successful transit

strategies in order to produce recommendations to foster effective and sustainable transit operations. The report must be submitted by March 1, 2025.

ARPA SFRF: Municipal Roads Grant Program (federal funds) (\$13.0 million)

The Budget includes \$7.0 million of American Rescue Plan Act (ARPA) State Fiscal Recovery Fund (SFRF) for the Municipal Roads Grant Program in FY2025, representing a total State investment of \$27.0 million, and a decrease of \$13.0 million from the enacted level. As of March 2024, all 39 cities and towns in the State submitted applications and are participating in the program. The additional \$7.0 million will be distributed equally amongst municipalities providing the 67.0 percent match.

Originally funded with \$20.0 million of ARPA SFRF, The Municipal Roads Grant Program provides municipalities with SFRF, serving as a 33.0 percent match to fund road, bridge, and sidewalk projects on locally maintained, municipal roads. The cities and towns will provide the remaining 67.0 percent. The Department divided \$5.0 million of federal funds equally amongst all municipalities, with the remaining \$15.0 million appropriated to municipalities based on the non-federal land miles of roads they contain. The program requires all projects to be completed by the end of 2026. Additionally, the program includes accountability and transparency measures, such as a quarterly reporting requirement. Cities and towns utilizing the program will report on the progress of each project and its anticipated completion date, as well as the values of any contracts and the dates they were awarded. In a separate but related initiative, the Department is to establish a Municipal Roadway Database. The Municipal Roadway Database will be funded through gas tax revenue and updated annually by municipalities with information concerning the name, condition, length, roadway infrastructure, and pedestrian features of each municipal roadway. The Pandemic Recovery Office indicates that the \$20.0 million in federal funds were leveraged to create a total investment of \$74.0 million.

RICAP Funded Projects (other funds) \$10.2 million

The Budget includes \$156.1 million in other funds (RICAP) to support the capital plans of both the Department and RIPTA, reflecting an increase of \$10.2 million from the FY2024 enacted level. The Highway Improvement Program increased by \$7.7 million, reflecting funding needed for the Washington Bridge and other capital project. The following table illustrates RICAP projects within the Infrastructure-Engineering program.

RICAP Funded Projects	FY2024 Enacted	FY2025 Enacted	Change
Highway Improvement Program	\$133,406,300	\$141,102,060	\$7,695,760
RIPTA - Pawtucket Bus Hub Passenger Facility	1,500,000	3,424,529	1,924,529
RIPTA - Land and Buildings	10,372,818	11,214,401	841,583
URI Mobility Hub	250,000	-	(250,000)
RICAP - Bike Path Maintenance	400,000	400,000	-
Total	\$145,929,118	\$156,140,990	\$10,211,872

Federal Highway Projects (federal funds) (\$9.3 million)

The Budget includes \$260.7 million in federal funds, representing a decrease of \$9.3 million from the enacted level, to support Federal Highway Projects. The \$9.3 million decrease reflects reductions of \$8.6 million in salary and benefits, \$520,000 in operating supplies and expenses, and \$161,549 in contract professional services. Current Federal Highway Projects include the I-95 Northbound Viaduct and the I-195 Washington Bridge, amongst others.

Motor Fuel Tax Revenue Transfers (other funds) \$1.9 million

The Budget includes \$65.2 million in motor fuel tax transfers within the Infrastructure-Engineering program, reflecting a net increase of \$1.9 million in comparison to the FY2024 Budget as Enacted. The increase is primarily related to a rise in the per penny yield. The November 2023 estimate assumed a per penny yield of \$4.2 million for FY2025 and the May 2024 estimate raised the per penny yield to \$4.3

million, reflecting an increase of \$57,302. The Budget provides \$41.7 million of motor fuel tax revenue to RIPTA, of which, \$2.1 million reflects the Authority’s portion of the environmental protection fee, and representing an overall increase of \$1.2 million for the Authority. The Budget provides \$14.8 million of motor fuel tax revenue to the Rhode Island Turnpike and Bridge Authority, (RITBA) reflecting a \$442,736 increase from the enacted level. The Budget also includes an \$8.5 million transfer for debt service related to GARVEE Bonds, increasing by \$252,992 from the FY2024 enacted level. The following table illustrates the changes.

Motor Fuel Tax Transfers	FY2024 Enacted	FY2025 Enacted	Change
RIPTA	\$38,361,452	\$39,560,200	\$1,198,748
RITBA	14,515,144	14,957,880	442,736
GARVEE Bonds	8,294,368	8,547,360	252,992
Environmental Protection Fee*	2,073,592	2,108,189	34,597
Total	\$63,244,556	\$65,173,629	\$1,929,073

*Represents RIPTA's share of the Environmental Protection Fee.

Gantries Maintenance and Operations (other funds) (\$1.5 million)

The Budget removes \$1.5 million in other funds for the operations and maintenance of the State’s tolling program. In 2017, the Department contracted Kapsch to design, build, operate, and maintain the state’s electronic tolling system over a 10-year period for a total contract cost of \$68.9 million, of which \$27.1 million was to be paid out over the operations period. Due to the September 2022 U.S. District Court ruling, the State was forced to suspend their tolling program which rendered the maintenance and operations contract unnecessary. The State recently agreed to a \$5.2 million settlement with Kapsch for outstanding payments of work and claim related expenses. The FY2024 Budget as Enacted included \$1.5 million for the maintenance and operations contract. The FY2024 Final Budget provides an additional \$3.7 million as well as repurposing the \$1.5 million to fund the \$5.2 million settlement. Additionally, the FY2025 Budget as Enacted removes \$1.5 million for the operations contract.

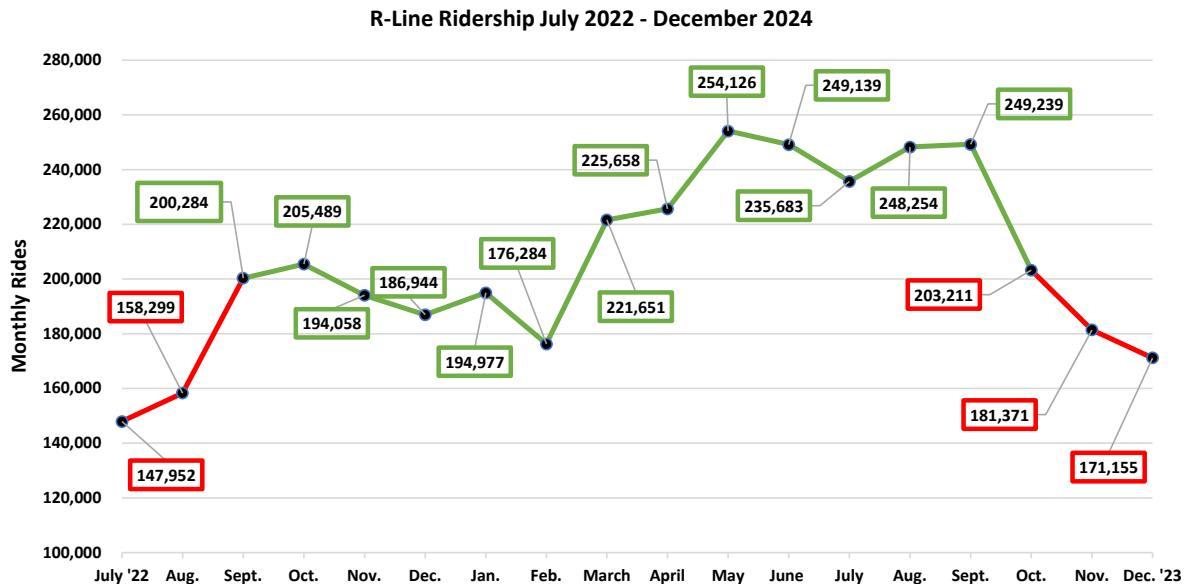
ARPA SFRF: RIPTA R-Line Free Service (federal funds) (\$750,000)

The Budget removes a \$750,000 transfer of SFRF to RIPTA due to the conclusion of the R-Line Free Service pilot program. In the 2022 session, the General Assembly enacted a pilot program to offer free fares on the R-Line, RIPTA’s most frequent and highest-ridership route, which connects Providence and Pawtucket. The program began on September 1, 2022, and concluded on October 1, 2023.

The program was originally funded with \$2.5 million of ARPA SFRF funds in FY2023 and intended to be a one-year pilot. The funding is provided to replace lost fare revenue, purchase automatic passenger counters, perform a required Federal Transit Administration Title VI Analysis, and prepare an evaluation report to the General Assembly. The pilot program presents a unique opportunity to study the benefits and potential drawbacks of a fare-free transit service in Rhode Island. RIPTA will analyze a variety of factors, including ridership impacts on the R-Line, other RIPTA routes, and paratransit service; service reliability; financial impacts to RIPTA and transit riders; and environmental impacts.

The Authority indicated that the program increased ridership but also led to a reduction in the Authority’s Third-Party fare revenue. Third-Party fares are provided by colleges and other institutions on behalf of their students or employees. RIPTA indicated that institutions have expended less than the Authority originally anticipated, resulting in a decline in revenue. Therefore, the FY2024 Budget appropriated an additional \$750,000 for the initiative, reflecting a total of \$3.3 million in SFRF for the pilot. Additionally, RIPTA announced a one-month extension to the pilot in August of 2023, which concluded on October 1, 2023. The Authority submitted a report concerning the ridership data to the Speaker of the House, President of the Senate, and the Governor in Spring of 2024.

The following graph illustrates the preliminary, R-Line ridership data from July 2022 through December 2023. The variance between July of 2022 and June of 2023 represents a 68.4 percent increase.



Note: A green border indicates the month offered fare-free service.

ARPA SFRF: RITBA Safety Barriers Study (federal funds)

(\$750,000)

The Budget removes the \$750,000 transfer of SFRF to the Rhode Island Turnpike and Bridge Authority (RITBA) for the Safety Barriers Study, as the Authority has received sufficient funding for the study in previous fiscal years.

The FY2024 Budget as Enacted provided an additional \$750,000 of SFRF to expand the suicide prevention study, which is currently underway, to include the Claiborne Pell and Sakonnet River Bridge. The FY2023 Budget as Enacted included an appropriation of \$1.0 million, which the Authority indicated would not be sufficient to conduct a study on the Claiborne Pell, Jamestown- Verrazano, Mt. Hope, and Sakonnet River Bridge. The Authority approved a contract with Atkins North America, LLC in November 2022 to conduct the study on the Mt. Hope and Jamestown- Verrazano bridges, which began in January 2023. The study concerning the Mt. Hope and Jamestown- Verrazano bridges was completed in June 2024 and the second study is projected to be completed by January, 2025. The project’s total appropriation is \$1.8 million and the Budget removes all funding in FY2025.

Anti-Litter Campaign (federal funds)

(\$324,836)

The Budget includes a net decrease of \$324,836 of federal funds related to the implementation of a new anti-litter campaign. The budget request included 20 additional groundskeeper FTE positions to perform roadside cleanup services including removing litter, debris, and graffiti, as well as trimming trees, patching potholes and additional beautification tasks. The Budget directs the Department to repurpose ten existing vacancies for the program.

INFRASTRUCTURE-MAINTENANCE

The Infrastructure Maintenance program is comprised of multiple divisions that are responsible for keeping all state roads and bridges well-maintained and functional. In recent years, the Department has worked to bring tasks performed by the Infrastructure Maintenance program in-house rather than contracting services from outside vendors.

Infrastructure-Maintenance	FY2023 Actual	FY2024 Enacted	FY2024 Final	Change from Enacted		FY2025 Enacted	Change from Enacted	
Federal Funds	\$25.9	-	\$4.3	\$4.3	-	-	-	-
Other Funds	118.0	140.8	255.6	114.8	81.6%	162.4	21.6	15.3%
Total	\$143.9	\$140.8	\$259.9	\$119.1	84.6%	\$162.4	\$21.6	15.3%

\$ in millions. Totals may vary due to rounding

- The Automotive section is responsible for the upkeep and repair of the program's fleet of heavy trucks and equipment.
- The Engineering and Support office is a multi-faceted section responsible for the resolution of drainage problems, inspection of work permits, coordination of requests for pavement projects, maintenance of guardrails, fences, and highway-related equipment along the state highway, highway illumination, and state-wide beautification projects.
- The Field Operations section, which is comprised of staff who operate from multiple field offices across the State, is responsible for sweeping, litter collection, and snow plowing, as well as bridge, pothole, and guardrail repairs.

Infrastructure-Maintenance	All Fund Changes
FY2024 Enacted	\$140,789,595
<i>Target and Other Adjustments</i>	<i>(6,381,819)</i>
Highway Maintenance Account Expenditures (other funds)	11,577,301
288 Allens Avenue Facility Purchase (other funds)	8,000,000
Vehicle Maintenance (other funds)	5,371,279
Personnel: Salary and Benefit Adjustment (other funds)	4,245,848
Winter Maintenance (other funds)	(1,000,000)
288 Allens Avenue Lease Expenses (other funds)	(300,000)
RICAP Projects (other funds)	100,585
Anti-Litter Campaign (other funds)	(12,340)
RIPTA Reduced Fare Bus Pass Program	Informational
FY2025 Enacted	\$162,390,449

Highway Maintenance Account Expenditures (other funds) \$11.6 million

The Budget includes \$119.1 million in Rhode Island Highway Maintenance Account (RIHMA) expenditures, reflecting an increase of \$11.6 million from the FY2024 enacted level. The Budget increases road and bridge expenditures to \$84.6 million, representing an increase of \$10.0 million above the FY2024 enacted level of \$74.5 million. The following table summarizes the Department's RIHMA projected expenditures and their changes between FY2024 and FY2025.

HMA Expenditures	FY2024 Enacted	FY2025 Enacted	Change
Road And Bridge	\$74,532,350	\$84,575,541	\$10,043,191
State Match	12,013,126	12,800,000	786,874
Mixed Projects	4,670,284	5,350,804	680,520
RIPTA Transfer	10,105,916	10,343,900	237,984
Highway Drainage	6,171,268	6,000,000	(171,268)
Total	\$107,492,944	\$119,070,245	\$11,577,301

288 Allens Avenue Facility Purchase (other funds) (\$8.0 million)

The Budget removes \$8.0 million in gas tax revenue used for the purchase of the garage and maintenance facility located at 288 Allens Avenue in Providence. The Department originally intended to purchase the facility in FY2023 but due to a delay, the purchase occurred in August 2023. The Budget, therefore, has

shifted \$8.0 million from FY2023 to FY2024 and removes it in FY2025. The Department entered into a 5-year agreement, effective from September 2019 to September 2024, with an option to purchase the 33,000-square-foot building, in order to provide a convenient and secure storage site for Department vehicles and equipment.

Vehicle Maintenance (other funds)

\$5.4 million

The Budget includes \$10.9 million in other funds for vehicle maintenance expenditures excluding personnel, reflecting an increase of \$5.4 million from the enacted level. The adjustment includes a \$3.6 million increase for operating supplies and expenses and a \$1.8 million increase for capital purchases and equipment such as heavy equipment and motor vehicles. The Department is in the process of replacing the Maintenance Division's existing fleet and is purchasing heavy trucks, sweepers, loaders, backhoes, and tractors, in addition to maintaining the vehicles they currently possess.

Vehicle Maintenance	FY2024 Enacted	FY2025 Enacted	Change
Operating Supplies and Expenses	1,066,970	4,650,000	3,583,030
Capital Purchases and Equipment	\$4,082,335	\$5,870,584	\$1,788,249
Debt Service (Fixed Charges)	330,050	330,050	-
Total	\$5,479,355	\$10,850,634	\$5,371,279

Personnel: Salary and Benefit Adjustment (other funds)

\$4.2 million

The Budget includes \$38.8 million in other funds received through gas tax revenue, to support the salary and benefits of staff within the Infrastructure- Maintenance program, reflecting an increase of \$4.2 million from the enacted level. The adjustment includes a \$2.2 million increase in regular wages and \$1.2 million increase in medical insurance, in addition to a \$799,119 increase in overtime. The following table illustrates the adjustment.

Salary and Benefits	FY2024 Enacted	FY2025 Enacted	Change
Regular Wages	\$17,515,748	\$19,759,399	\$2,243,651
Medical Insurance	4,317,101	5,516,264	1,199,163
Overtime (1.5)	3,713,555	4,512,674	799,119
Turnover	(470,732)	(959,303)	(488,571)
Employees' Retirement	5,151,649	5,542,862	391,213
All Additional Adjustments	4,299,707	4,400,980	101,273
Total	\$34,527,028	\$38,772,876	\$4,245,848

Winter Maintenance (other funds)

(\$1.0 million)

The Budget includes \$14.0 million in other funds for winter maintenance, representing a \$1.0 million decrease from the FY2024 enacted level of \$15.0 million. The adjustment primarily reflects reductions of \$500,000 for road maintenance and repairs and \$500,000 for snowplowing and sanding. The \$14.0 million total amount is \$1.6 million above actual expenditures in FY2023.

288 Allens Avenue Lease Expenses (other funds)

(\$300,000)

The Budget removes \$300,000 intended for lease expenses for the property located at 288 Allens Avenue. The Department purchased the property in August of 2023 and no longer requires funding for lease expenditures.

RICAP Funded Projects (other funds)

\$100,585

The Budget includes \$1.8 million in RICAP funded projects, reflecting a net increase of \$100,585 from the FY2024 Budget as Enacted. The adjustment includes increases to train station maintenance and salt storage facilities, offset by a \$50,000 decrease in funding for the Welcome Center. The following table illustrates the adjustment.

RICAP Funded Projects	FY2024 Enacted	FY2025 Enacted	Change
Train Station Maintenance and Repairs	\$395,000	\$475,585	\$80,585
Salt Storage Facilities	1,080,000	1,150,000	70,000
Welcome Center	200,000	150,000	(50,000)
Capital Equipment Replacement	1,800,000	1,800,000	0
Maintenance Facility Improvements	500,000	500,000	0
Total	\$1,675,000	\$1,775,585	\$100,585

Anti-Litter Campaign (other funds) (\$12,340)

The Budget includes a net decrease of \$12,340 in other funds in the Infrastructure- Maintenance program for the implementation of a new Anti-Litter Campaign. The campaign includes \$150,000 for operating supplies and expenses such as safety vests, gloves, and trash bags as well as for specialized litter removal machines and vacuums. The campaign also includes personnel savings of \$162,340, related to the conversion of groundskeeper positions.

RIPTA Reduced Fare Bus Pass Program Informational

The Budget includes \$10.3 million to be transferred from the Highway Maintenance Account (HMA) to RIPTA, an increase of \$285,485 from the FY2024 Budget as Enacted. RIPTA receives 5.0 percent of the funds deposited into the HMA. In FY2018 and FY2019, RIPTA received \$5.0 million from the HMA, and Article 8 of the FY2020 Budget as Enacted extended this transfer indefinitely. RIPTA uses these funds to perform debt service and the operating costs of the Free-Fare program.

RIPTA provides free bus rides to qualifying low-income seniors and people with disabilities through the Free-Fare Program. RIPTA estimates that nearly 15,000 individuals have free-fare bus passes, 10,607 individuals with disabilities and 4,285 seniors. These pass holders take approximately 6.4 million trips annually. Passes issued through the program are good for two years and include a \$10 processing fee to renew. To qualify as a low-income senior, applicants must be over age 65 and provide proof of income through either an SSI award letter, a Medicaid eligibility notice letter, or a Supplemental Income Verification Notice. The applicant’s total household income may not be more than 200.0 percent of the Federal Poverty Level, or \$36,620 for a family of two, as of 2022. To qualify as a disabled person, the applicant must provide either a Medicare card with a disability code, a Supplemental Security Income award letter, or a Certification of Disability completed by the Providence Center. The program does not provide rides for individuals who meet the income threshold but are neither seniors nor disabled.

RIPTA also offers half-fare boarding to seniors and people with disabilities, regardless of income, during off-peak hours. Participants must enroll in the program and will be issued a valid identification card. Participants are required to pay full fare during peak service hours (7:00 AM-9:00 AM and 3:00 PM-6:00 PM on weekdays).

Free Fare Program Changes: The Reduced Fare program was originally scheduled to begin in July 2016. Previously, eligible low-income seniors and disabled individuals had their rides fully subsidized under RIPTA’s Free Fare program; however, the program contributed significantly to RIPTA’s operating deficits. The Reduced Fare model was expected to help alleviate the deficit. Due to outcry from local advocacy groups, transitioning from the Free Fare program to the Reduced Fare model was effectively delayed for seven months when the General Assembly appropriated \$900,000 to RIPTA for the program in the FY2017 Budget as Enacted. Article 4 of the FY2018 Budget as Enacted provided the Rhode Island Public Transit Authority (RIPTA) with \$5.0 million in Rhode Island Highway Maintenance Funds in both FY2018 and FY2019: \$3.4 million to fund the free-fare program for low-income senior and disabled persons, and the remaining \$1.6 million for debt service payments that were shifted back to the Authority. Article 8 of the FY2020 Budget extended the \$5.0 million in HMA funding to RIPTA indefinitely.

Low Income Pilot Program: At the October 2022 RIPTA Board of Directors Meeting, the Board approved a pilot program that distributed 600 bus passes to agencies that service unhoused and low-income individuals. The individuals who received the bus passes met the income threshold to qualify for the current free-fare program but did not qualify as elderly or disabled. The bus passes were valid for 6-months post-activation and have been distributed to over 10 community agencies. The Authority collected data concerning the total number of trips taken, the routes most frequently ridden, and any overcrowding that was experienced. Upon completion, RIPTA staff drafted a report to the Board of Directors outlining the results.

At the October 2023 RIPTA Board of Directors Meeting, the Board received a report from RIPTA concerning the results of the low-income pilot program and a recommendation to create a Phase 2 Pilot program. As of September 30, 2023, the pilot had provided 128,347 rides and forgone approximately \$257,000 in total revenue, or \$40,000 per month. Additionally, RIPTA recommended extending the pilot program for an additional six months while also providing clear guidance to partner organizations and individuals enrolled. During the first half of Phase 2, November 2023 – January 2024, partner organizations were trained to manage accounts on the Authority’s Wave portal. During the second half of Phase 2, February 2024 – April 2024, RIPTA continued to cover the cost of fare products but the partner organizations began to manage the participant passes directly. The Board approved the recommendation and authorized the Pilot’s extension.

At the May 23, 2024, RIPTA Board of Directors Meeting, the Board received a report from the RIPTA Administration concerning the results of the Phase Two Low Income Pilot program and authorized a third low income pilot program per the Authority’s recommendation. Phase Two concluded on April 30, 2024, and provided free transportation to 174 individuals throughout seven different partner organizations. Mathewson Street Church partnered with 82 riders, representing the largest population, consisting of 85.0 percent of all pilot trips during the month of April. Additionally, the Board approved a third low income pilot program which would build on RIPTA’s prior research and provide a population that is highly-dependent on public transportation, access to basic necessities. Supported by \$150,000 of previously allocated funds, the pilot will provide selected partner organizations with a 50.0 percent subsidy on fare products for individuals experiencing housing insecurity and/or homelessness. The third pilot commenced on July 1, 2024, and will conclude on December 31, 2024. As of July 17, 2024, all eight of the organizations that applied for the discount have been approved and four have signed agreements in place.

CAPITAL PROJECTS

The FY2025 Budget as Enacted includes \$145.6 million in RICAP funds for the Department, reflecting a \$7.8 million increase from the FY2024 Budget as Enacted. The adjustment largely reflects a \$7.7 million increase for the Highway Improvement Program related to the Washington Bridge project. The following table illustrates the Department’s projects funded by RICAP.

RIDOT: RICAP Funded Projects	FY2024 Enacted	FY2024 Final	Change	FY2025 Enacted	Change
Highway Improvement Program	\$133,406,300	\$163,406,300	\$30,000,000	\$141,102,060	\$7,695,760
Train Station Maintenance and Repairs	395,000	927,647	532,647	475,585	80,585
Salt Storage Facilities	1,080,000	495,384	(584,616)	1,150,000	70,000
Welcome Center	200,000	371,814	171,814	150,000	(50,000)
Bike Path Maintenance	400,000	441,897	41,897	400,000	-
Maint. - Capital Equipment Replacement	1,800,000	4,623,429	2,823,429	1,800,000	-
Maintenance Facility Improvements	500,000	803,768	303,768	500,000	-
Total	\$137,781,300	\$171,070,239	\$33,288,939	\$145,577,645	\$7,796,345

The Budget transfers \$14.6 million in RICAP funds to RIPTA in FY2025, reflecting a \$2.5 million increase from the FY2024 Enacted Budget’s transfer. The increase includes an additional \$1.9 million for the Pawtucket Bus Hub Passenger Facility and \$841,583 for the Land and Buildings project, offset by a

\$250,000 reduction for the URI Mobility Hub. The following table illustrates the funding for RIPTA’s capital projects.

RIPTA: RICAP Funded Projects	FY2024 Enacted	FY2024 Final	Change	FY2025 Enacted	Change
Pawtucket Bus Hub Passenger Facility	\$1,500,000	\$1,220,243	(\$279,757)	\$3,424,529	\$1,924,529
Land and Buildings	10,372,818	10,490,687	117,869	11,214,401	841,583
URI Mobility Hub	250,000	850,000	600,000	-	(250,000)
Warwick Bus Hub	-	27,097	27,097	-	-
Providence High-Capacity Transit Corridor Study	-	225,000	225,000	-	-
Total	\$12,122,818	\$12,813,027	\$690,209	\$14,638,930	\$2,516,112