



RESOLUTION OF THE CITY COUNCIL

No. 221

EFFECTIVE April 27, 2025

WHEREAS, The Rhode Island Public Transit Authority, known colloquially as RIPTA, is the main public transit service serving Rhode Islanders and is facing a severe budget shortfall in the proposed Fiscal Year 2026 state budget that will undermine its capacity to provide vital passenger and paratransit service; and

WHEREAS, In consideration of those who depend upon public transit in Providence, the City of Providence strongly supports measures to fund and expand the services and assets of RIPTA; and

WHEREAS, If enacted, House Bill - 6020 and its Senate Companion Bill - 0342 will close the Fiscal Year 2026 deficit for RIPTA to avert mass layoffs and reductions in service; and

WHEREAS, If enacted, House Bill - 5405 and its Senate Companion Bill - 0419 will allocate state sales tax revenue generated by rideshare transactions to the RIPTA operational budget; and

WHEREAS, If enacted, House Bill - 5304 and its Senate Companion Bill - 0382 will require any company with five hundred or more employees to provide bus passes as a pre-tax transportation fringe benefit and as a means to support the RIPTA Wave to Work commuter benefit program; and

WHEREAS, If enacted, House Bill - 5470 and its Senate Companion Bill - 0446 will put before the voters of Rhode Island a bond for \$100 million to improve the capital assets of RIPTA, including funding for high capacity transit line infrastructure, bus stop improvements and safety measures, updated technologies, and other needed improvements; and

WHEREAS, If enacted, House Bill - 5467 and its Senate Companion Bill - 0046 will increase the share of annual gasoline tax revenue allocated to RIPTA to thirty percent of the total share; and

WHEREAS, If enacted, House Bill - 5468 and its Senate Companion Bill - 0047 will modify the gasoline tax to compensate for inflation every two years while taking into consideration the rate of inflation; and

WHEREAS, Senate Bill - 0092 will introduce a seventy-five cent surcharge on rideshare transaction and deposit the resulting revenue in restricted accounts for street infrastructure improvements in the originating locality and for RIPTA respectively; and

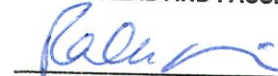

WHEREAS, The Providence City Council wishes to convey its sincere gratitude to the sponsors of these bills for their leadership in securing and improving transit access and infrastructure for all Rhode Islanders.

NOW, THEREFORE, IT BE RESOLVED, That the Providence City Council strongly supports the introductions of H - 6020 and its Senate Companion S - 0342, H - 5405 and its Senate Companion S - 0419, H - 5304 and its Senate Companion S - 0382, H - 5470 and its Senate Companion S - 0446, H - 5467 and its Senate Companion S - 0046, H - 5468 and its Senate Companion S - 0047, and S - 0092 and calls upon the Rhode Island General Assembly and the Governor of Rhode Island to enact them with all due urgency; and

BE IT FURTHER RESOLVED, That upon passage, copies of this resolution be transmitted to the Speaker of the House K. Joseph Shekarchi, President of the Rhode Island Senate Dominick Ruggerio, the lead sponsors of these bills, and the remaining members of the Providence delegation.

IN CITY COUNCIL

APR 17 2025
READ AND PASSED


RACHEL M. MILLER, PRESIDENT

CLERK

Effective without the
Mayor's Signature



Tina L. Mastroianni
City Clerk

2025 -- H 6020

LC002272

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

JOINT RESOLUTION

MAKING AN APPROPRIATION OF \$32,594,799 TO THE RHODE ISLAND PUBLIC
TRANSIT AUTHORITY

Introduced By: Representatives Alzate, Kislak, Stewart, Morales, Donovan, Fogarty,
Batista, Carson, Speakman, and Tanzi

Date Introduced: February 28, 2025

Referred To: House Finance

1 WHEREAS, The Governor's proposed 2026 budget contains an Operating deficit of
2 \$32,594,799 for the Rhode Island Public Transit Authority (RIPTA); and

3 WHEREAS, Public transportation is a lifeline for thousands of Rhode Islanders. It builds
4 thriving communities, creates jobs, eases traffic congestion and promotes a cleaner environment;
5 and

6 WHEREAS, The current 2026 proposed fiscal budget amount will leave a \$32,594,799
7 deficit resulting in a loss of crucial services to Rhode Islanders whose livelihood depends on
8 public transportation; and

9 WHEREAS, In myriad areas across the State, Rhode Island's workforce is severely
10 limited and understaffed. To begin to rectify this growing challenge, initiatives must be instituted
11 to counter the downward trend; and

12 WHEREAS, An appropriation of \$32,594,799 is essential in order to support RIPTA's
13 hiring and training of more bus operators by increasing wages and benefits to be competitive and
14 in line with the rising cost of living in Rhode Island and with our neighboring states; and to keep
15 services running at the current levels to get Rhode Islanders where they need to go; now,
16 therefore be it

17 RESOLVED, That there is hereby appropriated, out of money in the treasury not
18 otherwise appropriated for the fiscal year 2025-2026, the sum of thirty-two million five hundred
19 ninety-four thousand seven hundred and ninety-nine dollars (\$32,594,799) to the Rhode Island

1 Public Transit Authority to continue current service throughout the State, to hire and train more
2 bus operators, and to implement the State's Act on Climate goals; and the state controller is
3 hereby authorized and directed to draw their orders upon the general treasurer for the payment of
4 said sum, or so much thereof as may be from time to time required, upon receipt of properly
5 authenticated vouchers.

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LC002272
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

J O I N T R E S O L U T I O N

MAKING AN APPROPRIATION OF \$32,594,799 TO THE RHODE ISLAND PUBLIC
TRANSIT AUTHORITY

- 1 This resolution would appropriate the sum of \$32,594,799 to the Rhode Island Public
- 2 Transit Authority.

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LC002272
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2025 -- S 0342

LC001271

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

JOINT RESOLUTION

MAKING AN APPROPRIATION OF \$32,594,799 TO THE RHODE ISLAND PUBLIC
TRANSIT AUTHORITY

Introduced By: Senators McKenney, Zurier, Britto, Bissailon, and Appollonio

Date Introduced: February 21, 2025

Referred To: Senate Finance

1 WHEREAS, The Governor's proposed 2025-2026 budget contains an operating deficit of
2 \$32,594,799 for the Rhode Island Public Transit Authority (RIPTA); and

3 WHEREAS, Public transportation is a lifeline for thousands of Rhode Islanders. It builds
4 thriving communities, creates jobs, eases traffic congestion and promotes a cleaner environment;
5 and

6 WHEREAS, The current 2025-2026 proposed fiscal budget amount will leave a
7 \$32,594,799 deficit resulting in a loss of crucial services to Rhode Islanders whose livelihood
8 depends on public transportation; and

9 WHEREAS, In myriad areas across the State, Rhode Island's workforce is severely
10 limited and understaffed. To begin to rectify this growing challenge, initiatives must be instituted
11 to counter the downward trend; and

12 WHEREAS, An appropriation of \$32,594,799 is essential in order to support RIPTA's
13 hiring and training of more bus operators by increasing wages and benefits to be competitive and
14 in line with the rising cost of living in Rhode Island and with our neighboring states, and to keep
15 services running at the current levels to get Rhode Islanders where they need to go; now,
16 therefore be it

17 RESOLVED, That there is hereby appropriated, out of money in the treasury not
18 otherwise appropriated for the fiscal year 2025-2026, the sum of thirty-two million, five hundred
19 ninety-four thousand, seven hundred and ninety-nine dollars (\$32,594,799) to the Rhode Island

1 Public Transit Authority to continue current service throughout the State, hire and train more bus
2 operators, and implement the State's Act on Climate goals; and the state controller is hereby
3 authorized and directed to draw their orders upon the general treasurer for the payment of said
4 sum, or so much thereof as may be from time to time required, upon receipt of properly
5 authenticated vouchers.

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LC001271
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

J O I N T R E S O L U T I O N

MAKING AN APPROPRIATION OF \$32,594,799 TO THE RHODE ISLAND PUBLIC
TRANSIT AUTHORITY

1 This resolution would authorize the appropriation of the sum of \$32,594,799 to the RI
2 Public Transit Authority to continue services, hire and train more bus operators, and implement
3 the State's Act on Climate goals.

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LC001271
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2025 -- H 5405

LC000730

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

RELATING TO TAXATION – SALES AND USE TAXES – LIABILITY AND
COMPUTATION

Introduced By: Representatives Morales, Corvese, McNamara, Phillips, Donovan,
Kislak, Giraldo, Furtado, Tanzi, and Hull

Date Introduced: February 07, 2025

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 44-18 of the General Laws entitled "Sales and Use Taxes — Liability
2 and Computation" is hereby amended by adding thereto the following section:

3 **44-18-18.2. Rhode Island public transit authority operations allocation.**

4 (a) All sales and use tax revenue collected from transportation network companies, as
5 defined in § 44-18-7.3, shall be deposited in a restricted receipt account for the benefit of the Rhode
6 Island public transit authority.

7 (b) There is created within the general fund a restricted receipt account known as the
8 “Rhode Island public transit authority account”. Revenue collected from transportation network
9 companies pursuant to subsection (a) of this section shall be deposited into this account and used
10 to fund operations related to the Rhode Island public transit authority.

11 (c) The account created under this section shall be exempt from the indirect cost recovery
12 provision set forth in § 35-4-27.

13 SECTION 2. Section 35-4-27 of the General Laws in Chapter 35-4 entitled "State Funds"
14 is hereby amended to read as follows:

15 **35-4-27. Indirect cost recoveries on restricted receipt accounts.**

16 Indirect cost recoveries of ten percent (10%) of cash receipts shall be transferred from all
17 restricted receipt accounts, to be recorded as general revenues in the general fund. However, there
18 shall be no transfer from cash receipts with restrictions received exclusively: (1) From contributions

1 from nonprofit charitable organizations; (2) From the assessment of indirect cost-recovery rates on
2 federal grant funds; or (3) Through transfers from state agencies to the department of administration
3 for the payment of debt service. These indirect cost recoveries shall be applied to all accounts,
4 unless prohibited by federal law or regulation, court order, or court settlement. The following
5 restricted receipt accounts shall not be subject to the provisions of this section:

- 6 Executive Office of Health and Human Services
- 7 Organ Transplant Fund
- 8 HIV Care Grant Drug Rebates
- 9 Health System Transformation Project
- 10 Rhode Island Statewide Opioid Abatement Account
- 11 HCBS Support-ARPA
- 12 HCBS Admin Support-ARPA
- 13 Department of Human Services
- 14 Veterans' home — Restricted account
- 15 Veterans' home — Resident benefits
- 16 Pharmaceutical Rebates Account
- 17 Demand Side Management Grants
- 18 Veteran's Cemetery Memorial Fund
- 19 Donations — New Veterans' Home Construction
- 20 Commodity Supplemental Food Program-Claims
- 21 Department of Health
- 22 Pandemic medications and equipment account
- 23 Miscellaneous Donations/Grants from Non-Profits
- 24 State Loan Repayment Match
- 25 Healthcare Information Technology
- 26 Department of Behavioral Healthcare, Developmental Disabilities and Hospitals
- 27 Eleanor Slater non-Medicaid third-party payor account
- 28 Hospital Medicare Part D Receipts
- 29 RICLAS Group Home Operations
- 30 Group Home Facility Improvement Fund
- 31 Commission on the Deaf and Hard of Hearing
- 32 Emergency and public communication access account
- 33 Department of Environmental Management
- 34 National heritage revolving fund

1 Environmental response fund II
2 Underground storage tanks registration fees
3 De Coppet Estate Fund
4 Rhode Island Historical Preservation and Heritage Commission
5 Historic preservation revolving loan fund
6 Historic Preservation loan fund — Interest revenue
7 Department of Public Safety
8 E-911 Uniform Emergency Telephone System
9 Forfeited property — Retained
10 Forfeitures — Federal
11 Forfeited property — Gambling
12 Donation — Polygraph and Law Enforcement Training
13 Rhode Island State Firefighter's League Training Account
14 Fire Academy Training Fees Account
15 Attorney General
16 Forfeiture of property
17 Federal forfeitures
18 Attorney General multi-state account
19 Forfeited property — Gambling
20 Department of Administration
21 OER Reconciliation Funding
22 Health Insurance Market Integrity Fund
23 RI Health Benefits Exchange
24 Information Technology restricted receipt account
25 Restore and replacement — Insurance coverage
26 Convention Center Authority rental payments
27 Investment Receipts — TANS
28 OPEB System Restricted Receipt Account
29 Car Rental Tax/Surcharge-Warwick Share
30 Grants Management Administration
31 RGGI-Executive Climate Change Coordinating Council Projects
32 Electric Vehicle Charging Stations Operating and Maintenance Account
33 Department of Housing
34 Housing Resources and Homelessness Restricted Receipt Account

1 Housing Production Fund
2 Low-Income Housing Tax Credit Fund
3 Department of Revenue
4 DMV Modernization Project
5 Jobs Tax Credit Redemption Fund
6 Legislature
7 Audit of federal assisted programs
8 Department of Children, Youth and Families
9 Children's Trust Accounts — SSI
10 Military Staff
11 RI Military Family Relief Fund
12 RI National Guard Counterdrug Program
13 Treasury
14 Admin. Expenses — State Retirement System
15 Retirement — Treasury Investment Options
16 Defined Contribution — Administration - RR
17 Violent Crimes Compensation — Refunds
18 Treasury Research Fellowship
19 Business Regulation
20 Banking Division Reimbursement Account
21 Office of the Health Insurance Commissioner Reimbursement Account
22 Securities Division Reimbursement Account
23 Commercial Licensing and Racing and Athletics Division Reimbursement Account
24 Insurance Division Reimbursement Account
25 Historic Preservation Tax Credit Account
26 Marijuana Trust Fund
27 Social Equity Assistance Fund
28 Judiciary
29 Arbitration Fund Restricted Receipt Account
30 Third-Party Grants
31 RI Judiciary Technology Surcharge Account
32 Department of Elementary and Secondary Education
33 Statewide Student Transportation Services Account
34 School for the Deaf Fee-for-Service Account

- 1 School for the Deaf — School Breakfast and Lunch Program
- 2 Davies Career and Technical School Local Education Aid Account
- 3 Davies — National School Breakfast & Lunch Program
- 4 School Construction Services
- 5 Office of the Postsecondary Commissioner
- 6 Higher Education and Industry Center
- 7 IGT STEM Scholarships
- 8 Department of Labor and Training
- 9 Job Development Fund
- 10 Contractor Training Restricted Receipt Account
- 11 Rhode Island Council on the Arts
- 12 Governors' Portrait Donation Fund
- 13 Statewide records management system account
- 14 [Rhode Island public transit authority account](#)
- 15 SECTION 3. This act shall take effect on July 1, 2025.

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LC000730
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T
RELATING TO TAXATION – SALES AND USE TAXES – LIABILITY AND
COMPUTATION

- 1 This act would establish a restricted receipt account for the benefit of the Rhode Island
2 public transit authority for use to fund its operations, funded by sales taxes collected from ride-
3 share companies, which account would be exempt from indirect cost recovery provisions.
4 This act would take effect on July 1, 2025.

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LC000730
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2025 -- S 0419

LC001791

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

RELATING TO TAXATION -- SALES AND USE TAXES -- LIABILITY AND
COMPUTATION

Introduced By: Senators Britto, McKenney, Bissaillon, Gu, Tikoian, Urso, Kallman,
Vargas, Dimitri, and Patalano

Date Introduced: February 26, 2025

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 44-18 of the General Laws entitled "Sales and Use Taxes — Liability
2 and Computation" is hereby amended by adding thereto the following section:

3 **44-18-18.2. Rhode Island public transit authority operations allocation.**

4 (a) All sales and use tax revenue collected from transportation network companies, as
5 defined in § 44-18-7.3, shall be deposited in a restricted receipt account for the benefit of the Rhode
6 Island public transit authority.

7 (b) There is created within the general fund a restricted receipt account known as the
8 "Rhode Island public transit authority account". Revenue collected from transportation network
9 companies pursuant to subsection (a) of this section shall be deposited into this account and used
10 to fund operations related to the Rhode Island public transit authority.

11 (c) The account created under this section shall be exempt from the indirect cost recovery
12 provision set forth in § 35-4-27.

13 SECTION 2. Section 35-4-27 of the General Laws in Chapter 35-4 entitled "State Funds"
14 is hereby amended to read as follows:

15 **35-4-27. Indirect cost recoveries on restricted receipt accounts.**

16 Indirect cost recoveries of ten percent (10%) of cash receipts shall be transferred from all
17 restricted receipt accounts, to be recorded as general revenues in the general fund. However, there
18 shall be no transfer from cash receipts with restrictions received exclusively: (1) From contributions

1 from nonprofit charitable organizations; (2) From the assessment of indirect cost-recovery rates on
2 federal grant funds; or (3) Through transfers from state agencies to the department of administration
3 for the payment of debt service. These indirect cost recoveries shall be applied to all accounts,
4 unless prohibited by federal law or regulation, court order, or court settlement. The following
5 restricted receipt accounts shall not be subject to the provisions of this section:

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10 Rhode Island Statewide Opioid Abatement Account

11 HCBS Support-ARPA

12 HCBS Admin Support-ARPA

13 Department of Human Services

14 Veterans' home — Restricted account

15 Veterans' home — Resident benefits

16 Pharmaceutical Rebates Account

17 Demand Side Management Grants

18 Veteran's Cemetery Memorial Fund

19 Donations — New Veterans' Home Construction

20 Commodity Supplemental Food Program-Claims

21 Department of Health

22 Pandemic medications and equipment account

23 Miscellaneous Donations/Grants from Non-Profits

24 State Loan Repayment Match

25 Healthcare Information Technology

26 Department of Behavioral Healthcare, Developmental Disabilities and Hospitals

27 Eleanor Slater non-Medicaid third-party payor account

28 Hospital Medicare Part D Receipts

29 RICLAS Group Home Operations

30 Group Home Facility Improvement Fund

31 Commission on the Deaf and Hard of Hearing

32 Emergency and public communication access account

33 Department of Environmental Management

34 National heritage revolving fund

1 Environmental response fund II
2 Underground storage tanks registration fees
3 De Coppet Estate Fund
4 Rhode Island Historical Preservation and Heritage Commission
5 Historic preservation revolving loan fund
6 Historic Preservation loan fund — Interest revenue
7 Department of Public Safety
8 E-911 Uniform Emergency Telephone System
9 Forfeited property — Retained
10 Forfeitures — Federal
11 Forfeited property — Gambling
12 Donation — Polygraph and Law Enforcement Training
13 Rhode Island State Firefighter’s League Training Account
14 Fire Academy Training Fees Account
15 Attorney General
16 Forfeiture of property
17 Federal forfeitures
18 Attorney General multi-state account
19 Forfeited property — Gambling
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22 Health Insurance Market Integrity Fund
23 RI Health Benefits Exchange
24 Information Technology restricted receipt account
25 Restore and replacement — Insurance coverage
26 Convention Center Authority rental payments
27 Investment Receipts — TANS
28 OPEB System Restricted Receipt Account
29 Car Rental Tax/Surcharge-Warwick Share
30 Grants Management Administration
31 RGGI-Executive Climate Change Coordinating Council Projects
32 Electric Vehicle Charging Stations Operating and Maintenance Account
33 Department of Housing
34 Housing Resources and Homelessness Restricted Receipt Account

1 Housing Production Fund
2 Low-Income Housing Tax Credit Fund
3 Department of Revenue
4 DMV Modernization Project
5 Jobs Tax Credit Redemption Fund
6 Legislature
7 Audit of federal assisted programs
8 Department of Children, Youth and Families
9 Children's Trust Accounts — SSI
10 Military Staff
11 RI Military Family Relief Fund
12 RI National Guard Counterdrug Program
13 Treasury
14 Admin. Expenses — State Retirement System
15 Retirement — Treasury Investment Options
16 Defined Contribution — Administration - RR
17 Violent Crimes Compensation — Refunds
18 Treasury Research Fellowship
19 Business Regulation
20 Banking Division Reimbursement Account
21 Office of the Health Insurance Commissioner Reimbursement Account
22 Securities Division Reimbursement Account
23 Commercial Licensing and Racing and Athletics Division Reimbursement Account
24 Insurance Division Reimbursement Account
25 Historic Preservation Tax Credit Account
26 Marijuana Trust Fund
27 Social Equity Assistance Fund
28 Judiciary
29 Arbitration Fund Restricted Receipt Account
30 Third-Party Grants
31 RI Judiciary Technology Surcharge Account
32 Department of Elementary and Secondary Education
33 Statewide Student Transportation Services Account
34 School for the Deaf Fee-for-Service Account

- 1 School for the Deaf — School Breakfast and Lunch Program
- 2 Davies Career and Technical School Local Education Aid Account
- 3 Davies — National School Breakfast & Lunch Program
- 4 School Construction Services
- 5 Office of the Postsecondary Commissioner
- 6 Higher Education and Industry Center
- 7 IGT STEM Scholarships
- 8 Department of Labor and Training
- 9 Job Development Fund
- 10 Contractor Training Restricted Receipt Account
- 11 Rhode Island Council on the Arts
- 12 Governors' Portrait Donation Fund
- 13 Statewide records management system account
- 14 [Rhode Island public transit authority account](#)
- 15 SECTION 3. This act shall take effect on July 1, 2025.

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LC001791
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T
RELATING TO TAXATION -- SALES AND USE TAXES -- LIABILITY AND
COMPUTATION

- 1 This act would establish a restricted receipt account for the benefit of the Rhode Island
2 public transit authority for use to fund its operations, funded by sales taxes collected from ride-
3 share companies, which account would be exempt from indirect cost recovery provisions.
4 This act would take effect on July 1, 2025.

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LC001791
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2025 -- H 5304

LC001075

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

RELATING TO LABOR AND LABOR RELATIONS -- THE COMMUTER
TRANSPORTATION BENEFITS ACT

Introduced By: Representatives Hull, Perez, J. Lombardi, Bennett, Biah, O'Brien,
Fogarty, and Diaz

Date Introduced: February 05, 2025

Referred To: House Labor

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 28 of the General Laws entitled "LABOR AND LABOR RELATIONS"

2 is hereby amended by adding thereto the following chapter:

3 CHAPTER 61

4 THE COMMUTER TRANSPORTATION BENEFITS ACT

5 **28-61-1. Short title.**

6 This chapter shall be known and may be cited as the "Commuter Transportation Benefits
7 Act."

8 **28-61-2. Definitions.**

9 As used in this chapter:

10 (1) "Covered employer" means an employer with five hundred (500) or more employees
11 assigned, scheduled to work, working or situated at the employer's place of business or work site(s)
12 located within the state.

13 (2) "Director" means the director of the department of labor and training.

14 (3) "Employee" shall have the same meaning as provided in § 28-12-2.

15 (4) "Employer" shall have the same meaning as provided in § 28-12-2.

16 (5) "Pre-tax transportation fringe benefit" means a pre-tax election transportation fringe
17 benefit, that provides commuter highway vehicle and transit benefits, consistent with the provisions
18 and limits of § 132(f)(1) of the Internal Revenue Code of 1986 (26 U.S.C. §132(f)(1)) at the

1 maximum benefit levels allowable under federal law, to be deducted for those programs from an
2 employee's gross income, pursuant to § 132(f)(2) of the Internal Revenue Code of 1986 (26 U.S.C.
3 § 132(f)(2)).

4 (6) "Transit pass" means a pass for travel by bus or vehicle, operated by the Rhode Island
5 public transit authority (RIPTA).

6 **28-61-3. Commuter employee transportation benefit.**

7 (a) Except as provided in subsection (b) of this section, every covered employer with five
8 hundred (500) or more employees, shall offer employees a pre-tax transportation fringe benefit
9 program, that provides commuter transit benefits consistent with § 132(f)(1) of the Internal
10 Revenue Code of 1986 (26 U.S.C. § 132(f)(1)) at the maximum benefit levels allowable under
11 federal law, to be deducted from an employee's gross income, pursuant to § 132(f)(2) of the Internal
12 Revenue Code of 1986 (26 U.S.C. § 132(f)(2)).

13 (b) Subsection (a) of this section shall not apply to:

14 (1) The government of the United States;

15 (2) The State of Rhode Island including any office, department, agency, authority,
16 institution, association, society or other body of the state;

17 (3) Any local government or entity;

18 (4) Any group of employees covered by a collective bargaining agreement in effect on
19 January 1, 2026, until the expiration of the collective bargaining agreement; or

20 (5) Any employer who has demonstrated to the satisfaction of the director that the offering
21 of such benefits would result in a severe financial hardship for the employer.

22 **28-61-4. Rules and regulations.**

23 The director shall promulgate rules and regulations as he or she deems necessary to
24 effectuate the provisions of this chapter.

25 **28-61-5. Civil penalty.**

26 Any employer found to be in violation of the provisions of this chapter shall be liable for
27 a civil penalty of not less than one hundred dollars (\$100) and not more than two hundred fifty
28 dollars (\$250) for a first violation. An employer shall have ninety (90) days to offer a pre-tax
29 transportation fringe benefit, before the civil penalty is imposed. After ninety (90) days, each
30 additional thirty (30) day period in which an employer fails to comply with the provisions of this
31 chapter, shall constitute a subsequent violation and a civil penalty of two hundred fifty dollars
32 (\$250) shall be imposed for each subsequent violation. No civil penalty shall be imposed on any
33 single employer, more than once in any thirty (30) day period.

34 **28-61-6. Public awareness campaign.**

1 The department of transportation, in conjunction with the department of labor and training,
2 shall conduct a public awareness campaign, encouraging the public to contact employers about
3 commuter transportation benefits.

4 SECTION 2. This act shall take effect on January 1, 2026.

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LC001075
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO LABOR AND LABOR RELATIONS -- THE COMMUTER
TRANSPORTATION BENEFITS ACT

1 This act would establish the commuter transportation benefit chapter. Employers with five
2 hundred (500) or more employees would be required to establish a pre-tax commuter transportation
3 fringe benefit program.

4 This act would take effect on January 1, 2026.

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LC001075
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2025 -- S 0382

LC001770

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

RELATING TO LABOR AND LABOR RELATIONS -- THE COMMUTER
TRANSPORTATION BENEFITS ACT

Introduced By: Senators Bissailon, Gu, Britto, DiPalma, Kallman, McKenney, Lawson,
Burke, Vargas, and Bell

Date Introduced: February 26, 2025

Referred To: Senate Commerce

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 28 of the General Laws entitled "LABOR AND LABOR RELATIONS"

2 is hereby amended by adding thereto the following chapter:

3 CHAPTER 61

4 THE COMMUTER TRANSPORTATION BENEFITS ACT

5 **28-61-1. Short title.**

6 This chapter shall be known and may be cited as the "Commuter Transportation Benefits
7 Act."

8 **28-61-2. Definitions.**

9 As used in this chapter:

10 (1) "Covered employer" means an employer with five hundred (500) or more employees
11 assigned, scheduled to work, working or situated at the employer's place of business or work site(s)
12 located within the state.

13 (2) "Director" means the director of the department of labor and training.

14 (3) "Employee" shall have the same meaning as provided in § 28-12-2.

15 (4) "Employer" shall have the same meaning as provided in § 28-12-2.

16 (5) "Pre-tax transportation fringe benefit" means a pre-tax election transportation fringe
17 benefit, that provides commuter highway vehicle and transit benefits, consistent with the provisions
18 and limits of § 132(f)(1) of the Internal Revenue Code of 1986 (26 U.S.C. §132(f)(1)) at the

1 maximum benefit levels allowable under federal law, to be deducted for those programs from an
2 employee's gross income, pursuant to § 132(f)(2) of the Internal Revenue Code of 1986 (26 U.S.C.
3 § 132(f)(2)).

4 (6) "Transit pass" means a pass for travel by bus or vehicle, operated by the Rhode Island
5 public transit authority (RIPTA).

6 **28-61-3. Commuter employee transportation benefit.**

7 (a) Except as provided in subsection (b) of this section, every covered employer with five
8 hundred (500) or more employees, shall offer employees a pre-tax transportation fringe benefit
9 program, that provides commuter transit benefits consistent with § 132(f)(1) of the Internal
10 Revenue Code of 1986 (26 U.S.C. § 132(f)(1)) at the maximum benefit levels allowable under
11 federal law, to be deducted from an employee's gross income, pursuant to § 132(f)(2) of the Internal
12 Revenue Code of 1986 (26 U.S.C. § 132(f)(2)).

13 (b) Subsection (a) of this section shall not apply to:

14 (1) The government of the United States;

15 (2) The State of Rhode Island including any office, department, agency, authority,
16 institution, association, society or other body of the state;

17 (3) Any local government or entity;

18 (4) Any group of employees covered by a collective bargaining agreement in effect on
19 January 1, 2026, until the expiration of the collective bargaining agreement; or

20 (5) Any employer who has demonstrated to the satisfaction of the director that the offering
21 of such benefits would result in a severe financial hardship for the employer.

22 **28-61-4. Rules and regulations.**

23 The director shall promulgate rules and regulations as he or she deems necessary to
24 effectuate the provisions of this chapter.

25 **28-61-5. Civil penalty.**

26 Any employer found to be in violation of the provisions of this chapter shall be liable for
27 a civil penalty of not less than one hundred dollars (\$100) and not more than two hundred fifty
28 dollars (\$250) for a first violation. An employer shall have ninety (90) days to offer a pre-tax
29 transportation fringe benefit, before the civil penalty is imposed. After ninety (90) days, each
30 additional thirty (30) day period in which an employer fails to comply with the provisions of this
31 chapter, shall constitute a subsequent violation and a civil penalty of two hundred fifty dollars
32 (\$250) shall be imposed for each subsequent violation. No civil penalty shall be imposed on any
33 single employer, more than once in any thirty (30) day period.

34 **28-61-6. Public awareness campaign.**

1 The department of transportation, in conjunction with the department of labor and training,
2 shall conduct a public awareness campaign, encouraging the public to contact employers about
3 commuter transportation benefits.

4 SECTION 2. This act shall take effect on January 1, 2026.

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LC001770
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO LABOR AND LABOR RELATIONS -- THE COMMUTER
TRANSPORTATION BENEFITS ACT

1 This act would establish the commuter transportation benefit chapter. Employers with five
2 hundred (500) or more employees would be required to establish a pre-tax commuter transportation
3 fringe benefit program.

4 This act would take effect on January 1, 2026.

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LC001770
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1 The secretary of state shall prepare and deliver to the state board of elections ballot labels
2 for the project provided for in section 1 hereof with the designations "approve" or "reject" provided
3 next to the description of the project to enable voters to approve or reject the proposition. The
4 general election laws, so far as consistent herewith, shall apply to this proposition.

5 **SECTION 3. Approval of project by people. –**

6 If a majority of the people voting on the proposition in section 1 hereof shall vote to
7 approve the project stated therein, said project shall be deemed to be approved by the people. The
8 authority to issue bonds, refunding bonds and/or temporary notes of the state shall be limited to the
9 aggregate amount for the project as set forth in the proposition, which has been approved by the
10 people.

11 **SECTION 4. Bonds for capital development program. –**

12 The general treasurer is hereby authorized and empowered, with the approval of the
13 governor, and in accordance with the provisions of this act to issue capital development bonds in
14 serial form, in the name of and on behalf of the State of Rhode Island, in amounts as may be
15 specified by the governor in an aggregate principal amount not to exceed the total amount for the
16 project approved by the people and designated as "capital development loan of 2026 bonds."
17 Provided, however, that the aggregate principal amount of such capital development bonds and of
18 any temporary notes outstanding at any one time issued in anticipation thereof pursuant to section
19 7 hereof shall not exceed the total amount for the project approved by the people. All provisions in
20 this act relating to "bonds" shall also be deemed to apply to "refunding bonds."

21 Capital development bonds issued under this act shall be in denominations of one thousand
22 dollars (\$1,000) each, or multiples thereof, and shall be payable in any coin or currency of the
23 United States which at the time of payment shall be legal tender for public and private debts. These
24 capital development bonds shall bear such date or dates, mature at specified time or times, but not
25 mature beyond the end of the twentieth state fiscal year following the fiscal year in which they are
26 issued; bear interest payable semi-annually at a specified rate or different or varying rates; be
27 payable at a designated time or times at a specified place or places; be subject to express terms of
28 redemption or recall, with or without premium; be in a form, with or without interest coupons
29 attached; carry such registration, conversion, reconversion, transfer, debt retirement, acceleration
30 and other provisions as may be fixed by the general treasurer, with the approval by the governor,
31 upon each issue of such capital development bonds at the time of each issue. Whenever the
32 governor shall approve the issuance of such capital development bonds, the governor's approval
33 shall be certified to the secretary of state; the bonds shall be signed by the general treasurer and
34 countersigned by the secretary of state and shall bear the seal of the state. The signature approval

1 of the governor shall be endorsed on each bond.

2 **SECTION 5. Refunding bonds for 2026 capital development program. –**

3 The general treasurer is hereby authorized and empowered, with the approval of the
4 governor, and in accordance with the provisions of this act, to issue bonds to refund the 2026 capital
5 development program bonds, in the name of and on behalf of the state, in amounts as may be
6 specified by the governor in an aggregate principal amount not to exceed the total amount approved
7 by the people, to be designated as "capital development program loan of 2026 refunding bonds"
8 (hereinafter "refunding bonds").

9 The general treasurer with the approval of the governor shall fix the terms and form of any
10 refunding bonds issued under this act in the same manner as the capital development bonds issued
11 under this act, except that the refunding bonds may not mature more than twenty (20) years from
12 the date of original issue of the capital development bonds being refunded.

13 The proceeds of the refunding bonds, exclusive of any premium and accrual interest and
14 net the underwriters' cost, and cost of bond insurance, shall, upon their receipt, be paid by the
15 general treasurer immediately to the paying agent for the capital development bonds which are to
16 be called and prepaid. The paying agent shall hold the refunding bond proceeds in trust until they
17 are applied to prepay the capital development bonds. While such proceeds are held in trust, the
18 proceeds may be invested for the benefit of the state in obligations of the United States of America
19 or the State of Rhode Island.

20 If the general treasurer shall deposit with the paying agent for the capital development
21 bonds the proceeds of the refunding bonds, or proceeds from other sources, amounts that, when
22 invested in obligations of the United States or the State of Rhode Island, are sufficient to pay all
23 principal, interest, and premium, if any, on the capital development bonds until these bonds are
24 called for prepayment, then such capital development bonds shall not be considered debts of the
25 State of Rhode Island for any purpose starting from the date of deposit of such monies with the
26 paying agent. The refunding bonds shall continue to be a debt of the state until paid.

27 The term "bond" shall include "note," and the term "refunding bonds" shall include
28 "refunding notes" when used in this act.

29 **SECTION 6. Proceeds of capital development program. –**

30 The general treasurer is directed to deposit the proceeds from the sale of capital
31 development bonds issued under this act, exclusive of premiums and accrued interest and net the
32 underwriters' cost, and cost of bond insurance, in one or more of the depositories in which the funds
33 of the state may be lawfully kept in special accounts (hereinafter cumulatively referred to as "such
34 capital development bond fund") appropriately designated for the project set forth in section 1

1 hereof which shall have been approved by the people to be used for the purpose of paying the cost
2 of the project so approved.

3 All monies in the capital development bond fund shall be expended for the purposes
4 specified in the proposition provided for in section 1 hereof under the direction and supervision of
5 the director of administration (hereinafter referred to as "director"). The director, or designee shall
6 be vested with all power and authority necessary or incidental to the purposes of this act, including,
7 but not limited to, the following authority:

8 (1) To acquire land or other real property or any interest, estate or right therein as may be
9 necessary or advantageous to accomplish the purposes of this act;

10 (2) To direct payment for the preparation of any reports, plans and specifications, and
11 relocation expenses and other costs such as for furnishings, equipment designing, inspecting and
12 engineering, required in connection with the implementation of the project set forth in section 1
13 hereof;

14 (3) To direct payment for the costs of construction, rehabilitation, enlargement, provision
15 of service utilities, and razing of facilities, and other improvements to land in connection with the
16 implementation of the project set forth in section 1 hereof; and

17 (4) To direct payment for the cost of equipment, supplies, devices, materials and labor for
18 repair, renovation or conversion of systems and structures as necessary for the 2026 capital
19 development program bonds or notes hereunder from the proceeds thereof. No funds shall be
20 expended in excess of the amount of the capital development bond fund designated for the project
21 authorized in section 1 hereof. With respect to the bonds and temporary notes described in section
22 1, the proceeds shall be used for the following purpose:

23 Question 1, relating to bonds in the amount of one hundred million dollars (\$100,000,000)
24 to provide funding for a statewide transit system by improvement of existing services, expansion
25 of services to new areas, development of high capacity transit, improvement of access to transit and
26 adoption of new technologies and methods to make service easier to use.

27 **SECTION 7. Sale of bonds and notes. –**

28 Any bonds or notes issued under the authority of this act shall be sold at not less than the
29 principal amount thereof, in such mode and on such terms and conditions as the general treasurer,
30 with the approval of the governor, shall deem to be in the best interests of the state.

31 Any premiums and accrued interest, net of the cost of bond insurance and underwriter's
32 discount, which may be received on the sale of the capital development bonds or notes shall become
33 part of the Rhode Island capital plan fund of the state, unless directed by federal law or regulation
34 to be used for some other purpose.

1 In the event that the amount received from the sale of the capital development bonds or
2 notes exceeds the amount necessary for the purposes stated in section 6 hereof, the surplus may be
3 used to the extent possible to retire the bonds as the same may become due, to redeem them in
4 accordance with the terms thereof or otherwise to purchase them as the general treasurer, with the
5 approval of the governor, shall deem to be in the best interests of the state.

6 Any bonds or notes issued under the provisions of this act and coupons on any capital
7 development bonds, if properly executed by the manual or electronic signatures of officers of the
8 state in office on the date of execution, shall be valid and binding according to their tenor,
9 notwithstanding that before the delivery thereof and payment therefor, any or all such officers shall
10 for any reason have ceased to hold office.

11 **SECTION 8. Bonds and notes to be tax exempt and general obligations of the state. –**

12 All bonds and notes issued under the authority of this act shall be exempt from taxation in
13 the state and shall be general obligations of the state, and the full faith and credit of the state is
14 hereby pledged for the due payment of the principal and interest on each of such bonds and notes
15 as the same shall become due.

16 **SECTION 9. Investment of monies in fund. –**

17 All monies in the capital development fund not immediately required for payment pursuant
18 to the provisions of this act may be invested by the investment commission, as established by
19 chapter 10 of title 35, entitled "state investment commission," pursuant to the provisions of such
20 chapter; provided, however, that the securities in which the capital development fund is invested
21 shall remain a part of the capital development fund until exchanged for other securities; and
22 provided further, that the income from investments of the capital development fund shall become
23 a part of the general fund of the state and shall be applied to the payment of debt service charges
24 of the state, unless directed by federal law or regulation to be used for some other purpose, or to
25 the extent necessary, to rebate to the United States treasury any income from investments (including
26 gains from the disposition of investments) of proceeds of bonds or notes to the extent deemed
27 necessary to exempt (in whole or in part) the interest paid on such bonds or notes from federal
28 income taxation.

29 **SECTION 10. Appropriation. –**

30 To the extent the debt service on these bonds is not otherwise provided, a sum sufficient to
31 pay the interest and principal due each year on bonds and notes hereunder is hereby annually
32 appropriated out of any money in the treasury not otherwise appropriated.

33 **SECTION 11. Advances from general fund. –**

34 The general treasurer is authorized, with the approval of the director and the governor, in

1 anticipation of the issue of notes or bonds under the authority of this act, to advance to the capital
2 development bond fund for the purposes specified in section 6 hereof, any funds of the state not
3 specifically held for any particular purpose; provided, however, that all advances made to the
4 capital development bond fund shall be returned to the general fund from the capital development
5 bond fund forthwith upon the receipt by the capital development fund of proceeds resulting from
6 the issue of notes or bonds to the extent of such advances.

7 **SECTION 12. Federal assistance and private funds. –**

8 In carrying out this act, the director, or designee, is authorized on behalf of the state, with
9 the approval of the governor, to apply for and accept any federal assistance which may become
10 available for the purpose of this act, whether in the form of loan or grant or otherwise, to accept the
11 provision of any federal legislation therefor, to enter into, act and carry out contracts in connection
12 therewith, to act as agent for the federal government in connection therewith, or to designate a
13 subordinate so to act. Where federal assistance is made available, the project shall be carried out in
14 accordance with applicable federal law, the rules and regulations thereunder and the contract or
15 contracts providing for federal assistance, notwithstanding any contrary provisions of state law.
16 Subject to the foregoing, any federal funds received for the purposes of this act shall be deposited
17 in the capital development bond fund and expended as a part thereof. The director, or designee may
18 also utilize any private funds that may be made available for the purposes of this act.

19 SECTION 13. Sections 1, 2, 3, 11 and 12 of this act shall take effect upon passage. The
20 remaining sections of this act shall take effect when and if the state board of elections shall certify
21 to the secretary of state that a majority of the qualified electors voting on the proposition contained
22 in section 1 hereof have indicated their approval of the project thereunder.

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LC001291
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO CAPITAL DEVELOPMENT PROGRAM -- 2026 BOND REFERENDA

1 This act would submit the state's 2026 capital development program requesting the
2 issuance of general obligation bonds totaling one hundred million dollars (\$100,000,000) for
3 approval of the electorate at the general election to be held in November, 2026.

4 Sections 1, 2, 3, 11 and 12 of this act would take effect upon passage. The remaining
5 sections of this act would take effect when and if the state board of elections shall certify to the
6 secretary of state that a majority of the qualified electors voting on the proposition contained in
7 section 1 hereof have indicated their approval the project thereunder.

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LC001291
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2025 -- S 0446

LC001292

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

RELATING TO CAPITAL DEVELOPMENT PROGRAM -- 2026 BOND REFERENDA

Introduced By: Senators Vargas, Kallman, Quezada, McKenney, Mack, Gu, Appollonio, Britto, and Bissaillon

Date Introduced: February 26, 2025

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. **Proposition to be submitted to the people.** –

2 At the general election to be held on the Tuesday next after the first Monday in November
3 2026, there shall be submitted to the people ("people") of the State of Rhode Island ("state"), for
4 their approval or rejection, the following proposition:

5 "Shall the action of the general assembly, by an act passed at the January 2025 session,
6 authorizing the issuance of bonds, refunding bonds, and/or temporary notes of the State of Rhode
7 Island for the capital project and in the amount listed below be approved, and the issuance of bonds,
8 refunding bonds, and/or temporary notes authorized in accordance with the provisions of said act?"

9 **Project**

10 (1) Transit Forward RI 2040 \$100,000,000

11 Approval of this question will allow the State of Rhode Island to issue general obligation
12 bonds, refunding bonds, and/or temporary notes in an amount not to exceed one hundred million
13 dollars (\$100,000,000), to provide direct funding for a statewide transit system by providing
14 improvement to: bus stops and shelters; safety and access to bus stops, including crosswalks,
15 sidewalks and curb ramps; mobility hub and passenger facility infrastructure, including bathrooms,
16 sheltered and secured bike racks and indoor waiting areas; matching funds for federal grants for
17 high capacity transit lines planned pursuant to the transit master plan; and, operational support
18 infrastructure for technology and agency facility improvements and expansion.

19 SECTION 2. **Ballot labels and applicability of general election laws.** –

1 The secretary of state shall prepare and deliver to the state board of elections ballot labels
2 for the project provided for in section 1 hereof with the designations "approve" or "reject" provided
3 next to the description of the project to enable voters to approve or reject the proposition. The
4 general election laws, so far as consistent herewith, shall apply to this proposition.

5 **SECTION 3. Approval of project by people. –**

6 If a majority of the people voting on the proposition in section 1 hereof shall vote to
7 approve the project stated therein, said project shall be deemed to be approved by the people. The
8 authority to issue bonds, refunding bonds and/or temporary notes of the state shall be limited to the
9 aggregate amount for the project as set forth in the proposition, which has been approved by the
10 people.

11 **SECTION 4. Bonds for capital development program. –**

12 The general treasurer is hereby authorized and empowered, with the approval of the
13 governor, and in accordance with the provisions of this act to issue capital development bonds in
14 serial form, in the name of and on behalf of the State of Rhode Island, in amounts as may be
15 specified by the governor in an aggregate principal amount not to exceed the total amount for the
16 project approved by the people and designated as "capital development loan of 2026 bonds."
17 Provided, however, that the aggregate principal amount of such capital development bonds and of
18 any temporary notes outstanding at any one time issued in anticipation thereof pursuant to section
19 7 hereof shall not exceed the total amount for the project approved by the people. All provisions in
20 this act relating to "bonds" shall also be deemed to apply to "refunding bonds."

21 Capital development bonds issued under this act shall be in denominations of one thousand
22 dollars (\$1,000) each, or multiples thereof, and shall be payable in any coin or currency of the
23 United States which at the time of payment shall be legal tender for public and private debts. These
24 capital development bonds shall bear such date or dates, mature at specified time or times, but not
25 mature beyond the end of the twentieth state fiscal year following the fiscal year in which they are
26 issued; bear interest payable semi-annually at a specified rate or different or varying rates; be
27 payable at a designated time or times at a specified place or places; be subject to express terms of
28 redemption or recall, with or without premium; be in a form, with or without interest coupons
29 attached; carry such registration, conversion, reconversion, transfer, debt retirement, acceleration
30 and other provisions as may be fixed by the general treasurer, with the approval by the governor,
31 upon each issue of such capital development bonds at the time of each issue. Whenever the
32 governor shall approve the issuance of such capital development bonds, the governor's approval
33 shall be certified to the secretary of state; the bonds shall be signed by the general treasurer and
34 countersigned by the secretary of state and shall bear the seal of the state. The signature approval

1 of the governor shall be endorsed on each bond.

2 **SECTION 5. Refunding bonds for 2026 capital development program. –**

3 The general treasurer is hereby authorized and empowered, with the approval of the
4 governor, and in accordance with the provisions of this act, to issue bonds to refund the 2026 capital
5 development program bonds, in the name of and on behalf of the state, in amounts as may be
6 specified by the governor in an aggregate principal amount not to exceed the total amount approved
7 by the people, to be designated as "capital development program loan of 2026 refunding bonds"
8 (hereinafter "refunding bonds").

9 The general treasurer with the approval of the governor shall fix the terms and form of any
10 refunding bonds issued under this act in the same manner as the capital development bonds issued
11 under this act, except that the refunding bonds may not mature more than twenty (20) years from
12 the date of original issue of the capital development bonds being refunded.

13 The proceeds of the refunding bonds, exclusive of any premium and accrual interest and
14 net the underwriters' cost, and cost of bond insurance, shall, upon their receipt, be paid by the
15 general treasurer immediately to the paying agent for the capital development bonds which are to
16 be called and prepaid. The paying agent shall hold the refunding bond proceeds in trust until they
17 are applied to prepay the capital development bonds. While such proceeds are held in trust, the
18 proceeds may be invested for the benefit of the state in obligations of the United States of America
19 or the State of Rhode Island.

20 If the general treasurer shall deposit with the paying agent for the capital development
21 bonds the proceeds of the refunding bonds, or proceeds from other sources, amounts that, when
22 invested in obligations of the United States or the State of Rhode Island, are sufficient to pay all
23 principal, interest, and premium, if any, on the capital development bonds until these bonds are
24 called for prepayment, then such capital development bonds shall not be considered debts of the
25 State of Rhode Island for any purpose starting from the date of deposit of such monies with the
26 paying agent. The refunding bonds shall continue to be a debt of the state until paid.

27 The term "bond" shall include "note," and the term "refunding bonds" shall include
28 "refunding notes" when used in this act.

29 **SECTION 6. Proceeds of capital development program. –**

30 The general treasurer is directed to deposit the proceeds from the sale of capital
31 development bonds issued under this act, exclusive of premiums and accrued interest and net the
32 underwriters' cost, and cost of bond insurance, in one or more of the depositories in which the funds
33 of the state may be lawfully kept in special accounts (hereinafter cumulatively referred to as "such
34 capital development bond fund") appropriately designated for the project set forth in section 1

1 hereof which shall have been approved by the people to be used for the purpose of paying the cost
2 of the project so approved.

3 All monies in the capital development bond fund shall be expended for the purposes
4 specified in the proposition provided for in section 1 hereof under the direction and supervision of
5 the director of administration (hereinafter referred to as "director"). The director, or designee shall
6 be vested with all power and authority necessary or incidental to the purposes of this act, including,
7 but not limited to, the following authority:

8 (1) To acquire land or other real property or any interest, estate or right therein as may be
9 necessary or advantageous to accomplish the purposes of this act;

10 (2) To direct payment for the preparation of any reports, plans and specifications, and
11 relocation expenses and other costs such as for furnishings, equipment designing, inspecting and
12 engineering, required in connection with the implementation of the project set forth in section 1
13 hereof;

14 (3) To direct payment for the costs of construction, rehabilitation, enlargement, provision
15 of service utilities, and razing of facilities, and other improvements to land in connection with the
16 implementation of the project set forth in section 1 hereof; and

17 (4) To direct payment for the cost of equipment, supplies, devices, materials and labor for
18 repair, renovation or conversion of systems and structures as necessary for the 2026 capital
19 development program bonds or notes hereunder from the proceeds thereof. No funds shall be
20 expended in excess of the amount of the capital development bond fund designated for the project
21 authorized in section 1 hereof. With respect to the bonds and temporary notes described in section
22 1, the proceeds shall be used for the following purpose:

23 Question 1, relating to bonds in the amount of one hundred million dollars (\$100,000,000)
24 to provide funding for a statewide transit system by improvement of existing services, expansion
25 of services to new areas, development of high capacity transit, improvement of access to transit and
26 adoption of new technologies and methods to make service easier to use.

27 **SECTION 7. Sale of bonds and notes. –**

28 Any bonds or notes issued under the authority of this act shall be sold at not less than the
29 principal amount thereof, in such mode and on such terms and conditions as the general treasurer,
30 with the approval of the governor, shall deem to be in the best interests of the state.

31 Any premiums and accrued interest, net of the cost of bond insurance and underwriter's
32 discount, which may be received on the sale of the capital development bonds or notes shall become
33 part of the Rhode Island capital plan fund of the state, unless directed by federal law or regulation
34 to be used for some other purpose.

1 In the event that the amount received from the sale of the capital development bonds or
2 notes exceeds the amount necessary for the purposes stated in section 6 hereof, the surplus may be
3 used to the extent possible to retire the bonds as the same may become due, to redeem them in
4 accordance with the terms thereof or otherwise to purchase them as the general treasurer, with the
5 approval of the governor, shall deem to be in the best interests of the state.

6 Any bonds or notes issued under the provisions of this act and coupons on any capital
7 development bonds, if properly executed by the manual or electronic signatures of officers of the
8 state in office on the date of execution, shall be valid and binding according to their tenor,
9 notwithstanding that before the delivery thereof and payment therefor, any or all such officers shall
10 for any reason have ceased to hold office.

11 **SECTION 8. Bonds and notes to be tax exempt and general obligations of the state. –**

12 All bonds and notes issued under the authority of this act shall be exempt from taxation in
13 the state and shall be general obligations of the state, and the full faith and credit of the state is
14 hereby pledged for the due payment of the principal and interest on each of such bonds and notes
15 as the same shall become due.

16 **SECTION 9. Investment of monies in fund. –**

17 All monies in the capital development fund not immediately required for payment pursuant
18 to the provisions of this act may be invested by the investment commission, as established by
19 chapter 10 of title 35, entitled "state investment commission," pursuant to the provisions of such
20 chapter; provided, however, that the securities in which the capital development fund is invested
21 shall remain a part of the capital development fund until exchanged for other securities; and
22 provided further, that the income from investments of the capital development fund shall become
23 a part of the general fund of the state and shall be applied to the payment of debt service charges
24 of the state, unless directed by federal law or regulation to be used for some other purpose, or to
25 the extent necessary, to rebate to the United States treasury any income from investments (including
26 gains from the disposition of investments) of proceeds of bonds or notes to the extent deemed
27 necessary to exempt (in whole or in part) the interest paid on such bonds or notes from federal
28 income taxation.

29 **SECTION 10. Appropriation. –**

30 To the extent the debt service on these bonds is not otherwise provided, a sum sufficient to
31 pay the interest and principal due each year on bonds and notes hereunder is hereby annually
32 appropriated out of any money in the treasury not otherwise appropriated.

33 **SECTION 11. Advances from general fund. –**

34 The general treasurer is authorized, with the approval of the director and the governor, in

1 anticipation of the issue of notes or bonds under the authority of this act, to advance to the capital
2 development bond fund for the purposes specified in section 6 hereof, any funds of the state not
3 specifically held for any particular purpose; provided, however, that all advances made to the
4 capital development bond fund shall be returned to the general fund from the capital development
5 bond fund forthwith upon the receipt by the capital development fund of proceeds resulting from
6 the issue of notes or bonds to the extent of such advances.

7 **SECTION 12. Federal assistance and private funds. –**

8 In carrying out this act, the director, or designee, is authorized on behalf of the state, with
9 the approval of the governor, to apply for and accept any federal assistance which may become
10 available for the purpose of this act, whether in the form of loan or grant or otherwise, to accept the
11 provision of any federal legislation therefor, to enter into, act and carry out contracts in connection
12 therewith, to act as agent for the federal government in connection therewith, or to designate a
13 subordinate so to act. Where federal assistance is made available, the project shall be carried out in
14 accordance with applicable federal law, the rules and regulations thereunder and the contract or
15 contracts providing for federal assistance, notwithstanding any contrary provisions of state law.
16 Subject to the foregoing, any federal funds received for the purposes of this act shall be deposited
17 in the capital development bond fund and expended as a part thereof. The director, or designee may
18 also utilize any private funds that may be made available for the purposes of this act.

19 **SECTION 13.** Sections 1, 2, 3, 11 and 12 of this act shall take effect upon passage. The
20 remaining sections of this act shall take effect when and if the state board of elections shall certify
21 to the secretary of state that a majority of the qualified electors voting on the proposition contained
22 in section 1 hereof have indicated their approval of the project thereunder.

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LC001292
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EXPLANATION
BY THE LEGISLATIVE COUNCIL

OF

A N A C T

RELATING TO CAPITAL DEVELOPMENT PROGRAM -- 2026 BOND REFERENDA

1 This act would submit the state's 2026 capital development program requesting the
2 issuance of general obligation bonds totaling one hundred million dollars (\$100,000,000) for
3 approval of the electorate at the general election to be held in November, 2026.

4 Sections 1, 2, 3, 11 and 12 of this act would take effect upon passage. The remaining
5 sections of this act would take effect when and if the state board of elections shall certify to the
6 secretary of state that a majority of the qualified electors voting on the proposition contained in
7 section 1 hereof have indicated their approval the project thereunder.

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2025 -- H 5467

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

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A N A C T

RELATING TO MOTOR AND OTHER VEHICLES -- MOTOR FUEL TAX

Introduced By: Representatives Stewart, Cotter, Kislak, Morales, Hull, J. Lombardi,
Tanzi, and Handy

Date Introduced: February 12, 2025

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~~ through 2025, the allocation shall be
5 nine and seventy-five hundredth cents (\$0.0975), of which ~~of~~ one-half cent (\$0.005) shall be
6 derived from the one cent (\$0.01) per gallon environmental protection fee pursuant to § 46-12.9-
7 11. For fiscal years 2026 and thereafter, the allocation shall be thirty percent (30%) of the total
8 proceeds, including thirty percent (30%) derived from the one cent (\$0.01) per gallon
9 environmental protection fee pursuant to § 46-12.9-11. One cent (\$0.01) per gallon shall be
10 transferred to the Elderly/Disabled Transportation Program of the department of human services,
11 and the remaining cents per gallon shall be available for general revenue as determined by the
12 following schedule:

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

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

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

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

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

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

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

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

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

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

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

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

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LC000988
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO MOTOR AND OTHER VEHICLES -- MOTOR FUEL TAX

1 This act would extend through 2025 the allocation of motor fuel tax to the Intermodal
2 Surface Transportation Fund. This act would change the allocation to thirty percent (30%) of the
3 total proceeds, including thirty percent (30%) derived from the one cent (\$0.01) per gallon
4 environmental protection fee pursuant to § 46-12.9-11 through 2026 and thereafter.

5 This act would take effect upon passage.

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LC000988
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2025 -- S 0046

LC000764

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

RELATING TO MOTOR AND OTHER VEHICLES -- MOTOR FUEL TAX

Introduced By: Senators Zurier, Kallman, Acosta, Ujifusa, and Gu

Date Introduced: January 23, 2025

Referred To: Senate 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~~ through 2025, the allocation shall be
5 nine and seventy-five hundredth cents (\$0.0975), of which ~~of~~ one-half cent (\$0.005) shall be
6 derived from the one cent (\$0.01) per gallon environmental protection fee pursuant to § 46-12.9-
7 11. For fiscal years 2026 and thereafter, the allocation shall be thirty percent (30%) of the total
8 proceeds, including thirty percent (30%) derived from the one cent (\$0.01) per gallon
9 environmental protection fee pursuant to § 46-12.9-11. One cent (\$0.01) per gallon shall be
10 transferred to the Elderly/Disabled Transportation Program of the department of human services,
11 and the remaining cents per gallon shall be available for general revenue as determined by the
12 following schedule:

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

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

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

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

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

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

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

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

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

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

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

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

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LC000764
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO MOTOR AND OTHER VEHICLES -- MOTOR FUEL TAX

1 This act would extend through 2025 the allocation of motor fuel tax to the Intermodal
2 Surface Transportation Fund. This act would change the allocation to thirty percent (30%) of the
3 total proceeds, including thirty percent (30%) derived from the one cent (\$0.01) per gallon
4 environmental protection fee pursuant to § 46-12.9-11 through 2026 and thereafter.

5 This act would take effect upon passage.

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LC000764
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2025 -- H 5468

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LC000589
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

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A N A C T

RELATING TO MOTOR AND OTHER VEHICLES -- MOTOR FUEL TAX

Introduced By: Representatives Tanzi, Morales, Cortvriend, McGaw, Ajello, Stewart,
Kislak, Felix, Alzate, and Hull

Date Introduced: February 12, 2025

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 31-36-7 of the General Laws in Chapter 31-36 entitled "Motor Fuel
2 Tax" is hereby amended to read as follows:

3 **31-36-7. Monthly report of distributors — Payment of tax.**

4 (a) State requirements. Every distributor shall, on or before the twentieth (20th) day of each
5 month, render a report to the tax administrator, upon forms to be obtained from the tax
6 administrator, of the amount (number of gallons) of fuels purchased, sold, or used by the distributor
7 within this state and the amount of fuels sold by the distributor without this state from fuels within
8 this state during the preceding calendar month, and, if required by the tax administrator as to
9 purchases, the name or names of the person or persons from whom purchased and the date and
10 amount of each purchase, and as to sales, the name or names of the person or persons to whom sold
11 and the amount of each sale, and shall pay at the same time to the administrator tax at the rate of
12 thirty-two cents (\$0.32) per gallon on all taxable gallons of fuel sold or used in this state.

13 (b) Federal requirements. In the event the federal government requires a certain portion of
14 the gasoline tax to be dedicated for highway improvements, then the state controller is directed to
15 establish a restricted receipt account and deposit that portion of gasoline tax receipts which brings
16 the state into federal compliance.

17 Beginning July 1, ~~2015~~ 2025, and every other year thereafter, the gasoline tax shall be
18 adjusted by the two (2) year percentage of increase in the Consumer Price Index for all Urban
19 Consumers (CPI-U) as published by the United States Bureau of Labor Statistics determined by

1 comparing the CPI-U as of September 30 of the prior calendar year (“measurement date”) with the
2 CPI-U as of September 30, twenty-four (24) months prior to said measurement date; said
3 adjustment shall be rounded to the nearest one cent (\$.01) increment, provided that the total tax
4 shall not be less than provided for in section (a).

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

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LC000589
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO MOTOR AND OTHER VEHICLES -- MOTOR FUEL TAX

1 This act would make an adjustment for inflation on the motor fuel tax. As currently written
2 and applied, the tax administrator makes an adjustment every two (2) years, based on the inflation
3 that occurred in the previous year. This act would adjust every two (2) years based on the inflation
4 that has occurred in the previous two (2) years.

5 This act would take effect upon passage.

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LC000589
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2025 -- S 0047

LC000315

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

RELATING TO MOTOR AND OTHER VEHICLES -- MOTOR FUEL TAX

Introduced By: Senators Zurier, DiPalma, DiMario, Sosnowski, and Acosta

Date Introduced: January 23, 2025

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 31-36-7 of the General Laws in Chapter 31-36 entitled "Motor Fuel
2 Tax" is hereby amended to read as follows:

3 **31-36-7. Monthly report of distributors — Payment of tax.**

4 (a) State requirements. Every distributor shall, on or before the twentieth (20th) day of each
5 month, render a report to the tax administrator, upon forms to be obtained from the tax
6 administrator, of the amount (number of gallons) of fuels purchased, sold, or used by the distributor
7 within this state and the amount of fuels sold by the distributor without this state from fuels within
8 this state during the preceding calendar month, and, if required by the tax administrator as to
9 purchases, the name or names of the person or persons from whom purchased and the date and
10 amount of each purchase, and as to sales, the name or names of the person or persons to whom sold
11 and the amount of each sale, and shall pay at the same time to the administrator tax at the rate of
12 thirty-two cents (\$0.32) per gallon on all taxable gallons of fuel sold or used in this state.

13 (b) Federal requirements. In the event the federal government requires a certain portion of
14 the gasoline tax to be dedicated for highway improvements, then the state controller is directed to
15 establish a restricted receipt account and deposit that portion of gasoline tax receipts which brings
16 the state into federal compliance.

17 Beginning July 1, ~~2015~~ 2025, and every other year thereafter, the gasoline tax shall be
18 adjusted by the two (2) year percentage of increase in the Consumer Price Index for all Urban
19 Consumers (CPI-U) as published by the United States Bureau of Labor Statistics determined by

1 comparing the CPI-U as of September 30 of the prior calendar year (“measurement date”) with the
2 CPI-U as of September 30, twenty-four (24) months prior to said measurement date; said
3 adjustment shall be rounded to the nearest one cent (\$.01) increment, provided that the total tax
4 shall not be less than provided for in section (a).

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

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LC000315
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO MOTOR AND OTHER VEHICLES -- MOTOR FUEL TAX

1 This act would make an adjustment for inflation on the motor fuel tax. As currently written
2 and applied, the tax administrator makes an adjustment every two (2) years, based on the inflation
3 that occurred in the previous year. This act would adjust every two (2) years based on the inflation
4 that has occurred in the previous two (2) years.

5 This act would take effect upon passage.

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LC000315
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2025 -- S 0092

LC000172

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

RELATING TO MOTOR AND OTHER VEHICLES -- RIDESHARE OR TRANSPORTATION
NETWORK COMPANY VEHICLE SURCHARGE

Introduced By: Senators Kallman, Ciccone, Britto, Sosnowski, Murray, Acosta, Mack,
Euer, and Appollonio

Date Introduced: January 31, 2025

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 31 of the General Laws entitled "MOTOR AND OTHER VEHICLES"

2 is hereby amended by adding thereto the following chapter:

3 CHAPTER 34.2

4 RIDESHARE OR TRANSPORTATION NETWORK COMPANY VEHICLE SURCHARGE

5 **31-34.2-1. Rideshare or transportation network company vehicle surcharge.**

6 (a) Each rideshare or transportation network company shall collect a surcharge which shall
7 be added to the fare charged to each customer. For the purposes of this chapter, "rideshare or
8 transportation network company" means a company that provides on-demand transportation
9 services through app-based platforms to connect drivers with clients or passengers to facilitate
10 and/or provide transportation for compensation or a fee.

11 (b) The surcharge shall be seventy-five cents (\$0.75) per fare.

12 (c) The total amount of surcharge collections shall be remitted to the State of Rhode Island,
13 and fifty percent (50%) of the surcharge collections shall be deposited in a restricted account to be
14 used for street infrastructure improvements in the municipality where the fare originated, and fifty
15 percent (50%) of the surcharge collections shall be deposited in a restricted account to be used as
16 funding for implementation of Transit Forward RI as adopted by the state planning council.

17 (d) The tax administrator shall promulgate rules and regulations necessary to implement
18 the provisions of this chapter.

1 (e) All disbursements and expenditures of funds from the restricted accounts subject to the
2 provisions of this section shall be by appropriation of the general assembly.

3 SECTION 2. Chapter 44-18 of the General Laws entitled "Sales and Use Taxes — Liability
4 and Computation" is hereby amended by adding thereto the following section:

5 **44-18-18.2. Transportation network companies tax.**

6 All sales tax revenue collected from transportation network companies, as defined in § 44-
7 18-7.3, shall be deposited in a restricted receipt account for the benefit of the Rhode Island public
8 transit authority (RIPTA).

9 SECTION 3. This act shall take effect upon passage.

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LC000172
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO MOTOR AND OTHER VEHICLES -- RIDESHARE OR TRANSPORTATION
NETWORK COMPANY VEHICLE SURCHARGE

1 This act would impose a seventy-five cent (\$0.75) surcharge on fares charged by rideshare
2 or transportation network companies. This act would also require that fifty percent (50%) of the
3 surcharge be deposited in a restricted account to be used for street improvements in the municipality
4 where the fare originated, and fifty percent (50%) of the surcharge be deposited in a restricted
5 account to fund Transit Forward RI. The tax administrator would promulgate rules and regulations
6 to implement the provisions of this chapter. The act would also establish a restricted receipt account
7 for the benefit of RIPTA funded by sales tax collected from ride-share companies such as Uber and
8 Lyft.

9 This act would take effect upon passage.

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LC000172
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