

Testimony in support of H5468: Motor Fuel Tax—Inflation Adjustment

Dr. Hans Scholl, 71 Fales Avenue, Barrington, RI 02806

Date of Hearing: May 21, 2025

To Chair DiPalma and the honorable Members of the Senate Finance Committee:

I support the bill, because it would adjust the tax rate to inflation from currently every two years to every single year. The current practice means that adjustments to the gas tax do not keep pace with inflation because they ignore the inflation that occurs every other year. If the gas tax had kept pace with the Consumer Price Index for All Urban Consumers, it would currently be 42 cents per gallon instead of 38.

RIPTA depends on allocations from the motor fuel tax. The sponsor of the bill estimates that, had RIPTA received 30% of these lost revenues, it would have provided an additional \$5 million annually. Additional funding is critically important, especially this year where RIPTA is underfunded and will have to significantly cut back on service.

These services cuts will hit commuters in rural areas particularly hard, because they depend on RIPTA to get to work. If they lose that service they will no longer be able to use public transportation to commute to their workplaces, and are at risk to also losing their jobs. To make things worse, service cuts would impact in particular the financially most vulnerable residents, who often can't afford to own a car.

Please bring the bill to a vote in 2025.

Thank you very much for considering my input, and thank you to Representative Tanzi for introducing this important bill.



Dr. Hans Scholl

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