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Via Electronic Mail

May 21, 2025

The Honorable Marvin L. Abney Chair, House Committee on Finance Room 35. State House Providence, RI 02903

Re: CLF **Supports** House Bill No. 5468 – An Amendment to Rhode Island's Motor Fuel Tax

Dear Chair Abney:

The Conservation Law Foundation ("CLF") appreciates the opportunity to comment on House Bill No. 5468, which makes an adjustment for inflation on Rhode Island's motor fuel tax. Under the current statute, the Rhode Island tax administrator makes an adjustment every two years, based on the inflation that occurred only in the previous year. This bill would amend the statute so that the adjustment made every two years is based on the inflation that has occurred over the full two-year period.

CLF is a member-supported non-profit advocacy organization working to protect public health and the environment and build healthy communities in Rhode Island and throughout New England. CLF supports policies that increase services and ridership on The Rhode Island Public Transit Authority's ("RIPTA") bus transportation system and help to achieve the greenhouse gas emissions reduction mandates of the Act on Climate.

For fiscal year 2026, RIPTA faces a \$32.6 million deficit resulting from the loss of federal Covid funding. Without any additional revenue sources to make up for this loss, similar annual deficits are expected to continue for the foreseeable future. A significant portion of RIPTA's annual budget is funded from a portion of Rhode Island's Motor Fuel Tax. Passage of H-5468, which would adjust the Motor Fuel Tax to correctly account for inflation over time, provides one piece of this additional revenue source puzzle.

CLF works alongside several RIPTA transit rider advocacy groups, including the Kennedy Plaza Coalition, the Save RIPTA Coalition, Providence Streets Coalition, Rhode Island Transit Riders, and GrowSmartRI (collectively the "RIPTA Rider Advocates"). The RIPTA Rider Advocates'

¹ Colleen Cronin, RIPTA Is Facing a Budget Deficit ... Again: The 2026 budget proposal marks the second consecutive year that Gov. McKee has proposed a spending plan that leaves the transit agency with a deficit, EcoRI News (Jan. 17, 2025), https://ecori.org/ripta-is-facing-a-budget-deficit-again/.



main budget priorities are to keep RIPTA funded and to implement the transit service improvements outlined in the 2020 state-approved Transit Master Plan ("TMP").²

The TMP makes five broad recommendations to increase RIPTA ridership, which is needed to lower the number of personal carbon-producing vehicles on Rhode Island's roads:

- Improve Existing Services
- Expand Services to New Areas
- Develop High-Capacity Transit
- Improve Access to Transit
- Make Service Easier

According to the Rhode Island Department of Environmental Management's published Greenhouse Gas Emissions Inventory, Rhode Island's transportation sector accounts for 37% of the state's greenhouse gas emissions.³ On April 14, 2021, Governor McKee signed into law the Act on Climate, which sets enforceable climate emissions reduction mandates.⁴ In particular, the Act on Climate mandates that Rhode Island achieve greenhouse gas emissions of 45% below 1990 levels by 2030, 80% by 2040, and net-zero emissions by 2050.⁵

These targets can only be achieved by substantially reducing the number of personal carbon-producing vehicles on Rhode Island's roads. One of the best tools in Rhode Island's toolbox to meet this target is to substantially increase RIPTA ridership. Moreover, since RIPTA currently serves many low-income communities in Rhode Island, there are compelling environmental justice issues that can only be addressed by fully funding RIPTA and funding the recommendations of the TMP.

Besides H-5468, the RIPTA Rider Advocates are urging the passage of several other legislative initiatives to effectively close the RIPTA budget gap and provide crucial investments to implement the TMP. One of these initiatives includes passage of H-5467. As a companion bill to H-5468, H-5467 will fix RIPTA's allocation of the Motor Fuel Tax, as well as RIPTA's allocation of the one cent per gallon environmental protection fee, at 30%.

We therefore ask that you pass House Bill No. 5468.

Thank you for your time and consideration of this testimony.

Respectfully submitted,

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² *Transit Forward RI 2040* - Rhode Island Transit Master Plan: https://www.ripta.com/wpcontent/uploads/2021/07/TFRI-Recs-Briefing-Book-Final-201230.pdf.

³ R.I. Dep't of Envtl. Mgmt., *2022 Rhode Island Greenhouse Gas Emissions Inventory* (2024), *available at* https://dem.ri.gov/sites/g/files/xkgbur861/files/2024-12/ghg-inventory-2022-f_1.pdf.

⁴ R.I. Gen. Laws § 42-6.2-9.

⁵ *Id*.



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cc: Members of the House Committee on Finance

Representative David Morales Representative Michelle McGaw Representative Edith H. Ajello Representative Jennifer Stewart Representative Rebecca Kislak Representative Leonela Felix

Darrèll Brown, Vice President, Rhode Island, Conservation Law Foundation