

To: Chairman Abney and Honorable Members of the House Finance Committee:

My name is Thomas Dresser and I am a group leader of Rhode Island Citizens' Climate Lobby, a national bipartisan not-for-profit climate advocacy group with over 600 members statewide. I am writing in support of House Bill 5468, Motor Fuel Tax – Two-Year Inflation Rate.

The RIPTA Operations budget funds essential resources for delivering transit services: bus drivers, fuel, maintenance workers, and other essential staff and ongoing costs. The governor's proposed FY 2026 budget leaves RIPTA Operations with a \$32.6 million funding gap. It is important to address this gap to maintain existing services and to do so in a manner that will sustain future growth of public transit in Rhode Island.

From a climate perspective Rhode Island State Law requires a reduction in greenhouse gasses to 45% below 1990 emissions by 2030 and to net zero by 2050. Transportation constitutes 40% of these carbon emissions. Maintaining and increasing mass transportation is key to meeting these Act on Climate goals. This bill presents an opportunity to reduce the funding gap, secure a more reliable and stable funding source for RIPTA, and help Rhode Island meet its Act on Climate goals.

RIPTA funding currently depends on the gas tax which is adjusted for inflation. The adjustment occurs every two years but only takes one year of inflation into account. This adjustment is, therefore, not sufficient to keep up with the rising costs of maintaining and operating public transit. This bill would change how the gas tax is calculated. It would take into consideration the rate of inflation over the full two years, increasing the total amount of gas tax collected, and the amount RIPTA receives.

The Providence Streets Coalition projects that by adding an additional penny per gallon to the gas tax starting next year, we could provide RIPTA with an extra \$1.3 million annually. While this bill is not sufficient to resolve the funding deficit on its own, it is a step in the right direction to give Rhode Island an opportunity to create a more sustainable, forward-thinking funding structure for RIPTA and public transit. This bill will contribute to filling the funding gap, set the stage for a more reliable and equitable transportation system in the years to come, and help the state meet its climate goals.

We urge the House Finance Committee to prioritize House Bill 5468, Motor Fuel Tax – Two-Year Inflation Rate, which supports public transit as a critical part of Rhode Island's future and the riders who rely on its services.

Thank you for taking our input into consideration.

Sincerely,

Thomas Dresser, Group Leader RI CCL, Newport, RI 02840