

Department of Transportation

Governor's FY 2025 Revised, FY 2026 and
Capital Budget Recommendations

Staff Presentation to the House Finance
Subcommittee on Environment/Transportation
March 11, 2025

Department of Transportation

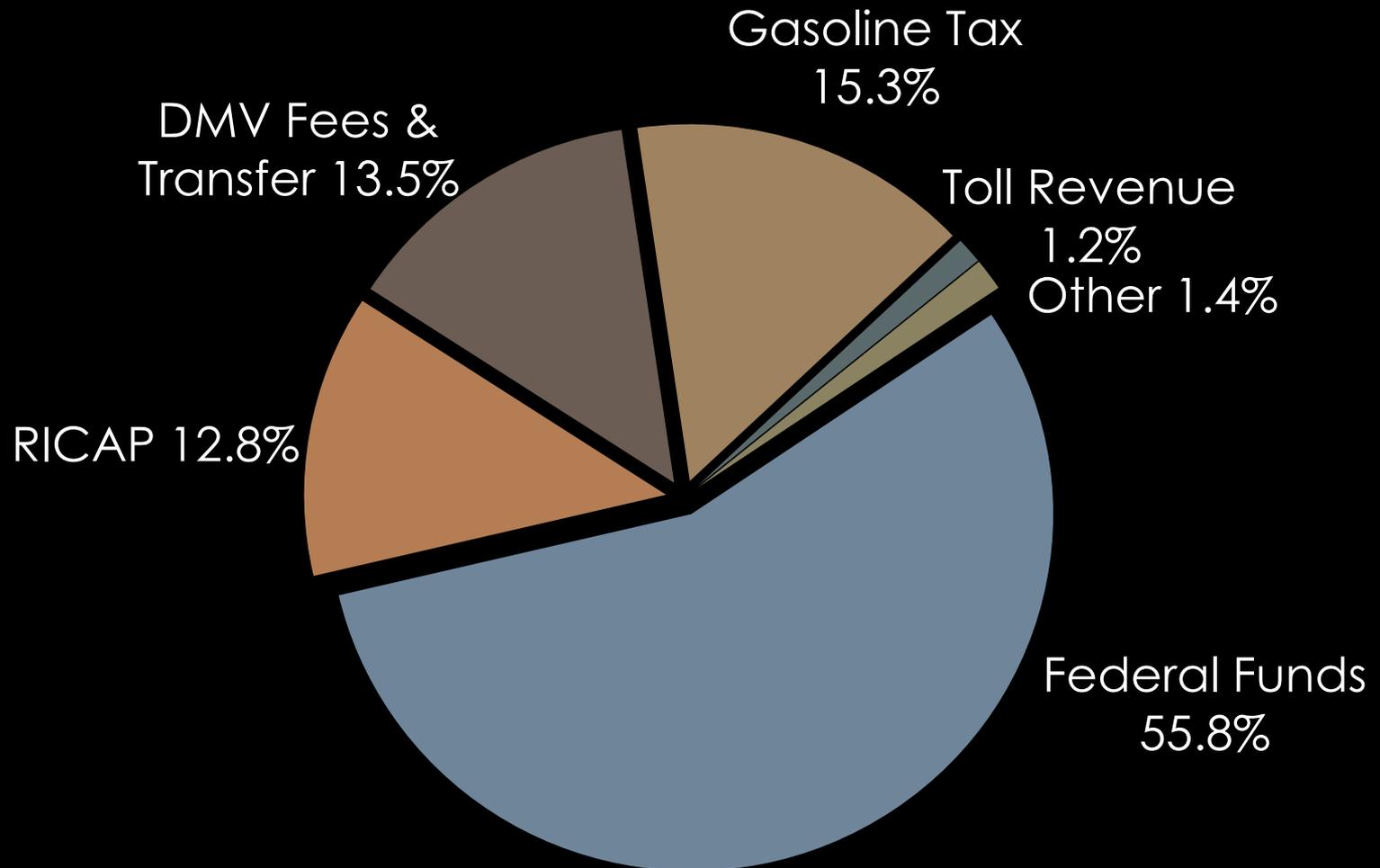
- Central Management
 - Director's Office and Legal
- Management and Budget
 - Financial oversight and administration
- Infrastructure Engineering
 - Design and construction of all transportation projects
- Infrastructure Maintenance
 - Maintain state highways, bridges, roadsides, pavement, and drainage system

Summary by Fund

	FY 2025 Enacted	FY 2025 Gov.	Chg./ Enact.	FY 2026 Gov.	Chg./ Enact.	Chg./ Req.
Federal Funds	\$474.8	\$526.6	\$51.8	\$474.9	\$0.1	\$(19.1)
Restricted Receipts	6.1	6.2	-	6.1	(0.1)	-
Other Funds	408.7	572.2	163.6	370.2	(38.4)	71.0
Total	\$889.6	\$1,105.0	\$215.5	\$851.2	\$(38.4)	\$51.9
FTE	755.0	755.0	-	755.0	-	-

\$ in millions

FY 2026 Governor



Federal Funds

- Federal gas tax is 18.4 cents per gallon
 - Unchanged since 1993
- Revenue is deposited into the Federal Highway Transportation Trust Fund
 - Allocated by FHWA to states
- Infrastructure Investment & Jobs Act
 - November 2021
 - Five-year authorization for transportation
 - FFY 2022 – FFY 2026

Infrastructure Investment & Jobs Act

FFY	RI's Allocation	New: Bridge Replace	New: Electric Charging Stations	Total	Chg./FFY 2021	Additional Match
2021	\$239.4	\$-	\$-	\$239.4	\$-	
2022	\$289.5	\$48.4	\$4.6	\$342.5	\$103.1	\$20.6
2023	\$295.3	\$48.4	\$4.6	\$348.3	\$108.9	\$21.8
2024	\$301.2	\$48.4	\$4.6	\$354.2	\$114.8	\$23.0
2025	\$307.3	\$48.4	\$4.6	\$360.2	\$120.8	\$24.2
2026	\$313.4	\$48.4	\$4.6	\$366.4	\$127.0	\$25.4
Total Match					\$574.6	\$115.0

\$ in millions

Infrastructure Investment & Jobs Act

- Authorized a National Electric Vehicle Infrastructure Formula Program
 - Nationwide network of 500,000 EV chargers by 2030
 - Included \$5.0 billion for FFY 2022 to FFY 2026 formula funds
 - June 2022 - RI awarded \$23M
 - \$2.5 billion in discretionary funds
 - Awarded on a competitive basis
 - September 2024 – RI awarded \$15M

EV Charging Stations

- Criteria
 - 50 miles within one travel mile of Interstate
 - One station must have at least 4 chargers
 - Additional considerations deemed necessary by Secretary of Transportation
- 2022 Assembly - program in general law
 - DOT and Office of Energy Resources
 - In consultation with DEM
 - Required annual report by December 31
 - Results of EV charging infrastructure investment program

EV Charging Stations

- Phase I - launched in December 2023 & completed in July 2024
 - 4 level-three fast chargers installed
 - 2 each in Warwick and Hopkinton
- Phase II – launched in November 2024
 - Address public and private entities
- \$2.1 million spent through mid-Feb. 2025
- Federal Highway Administration
 - Rescinded guidance program – Feb. 6

Gasoline Tax

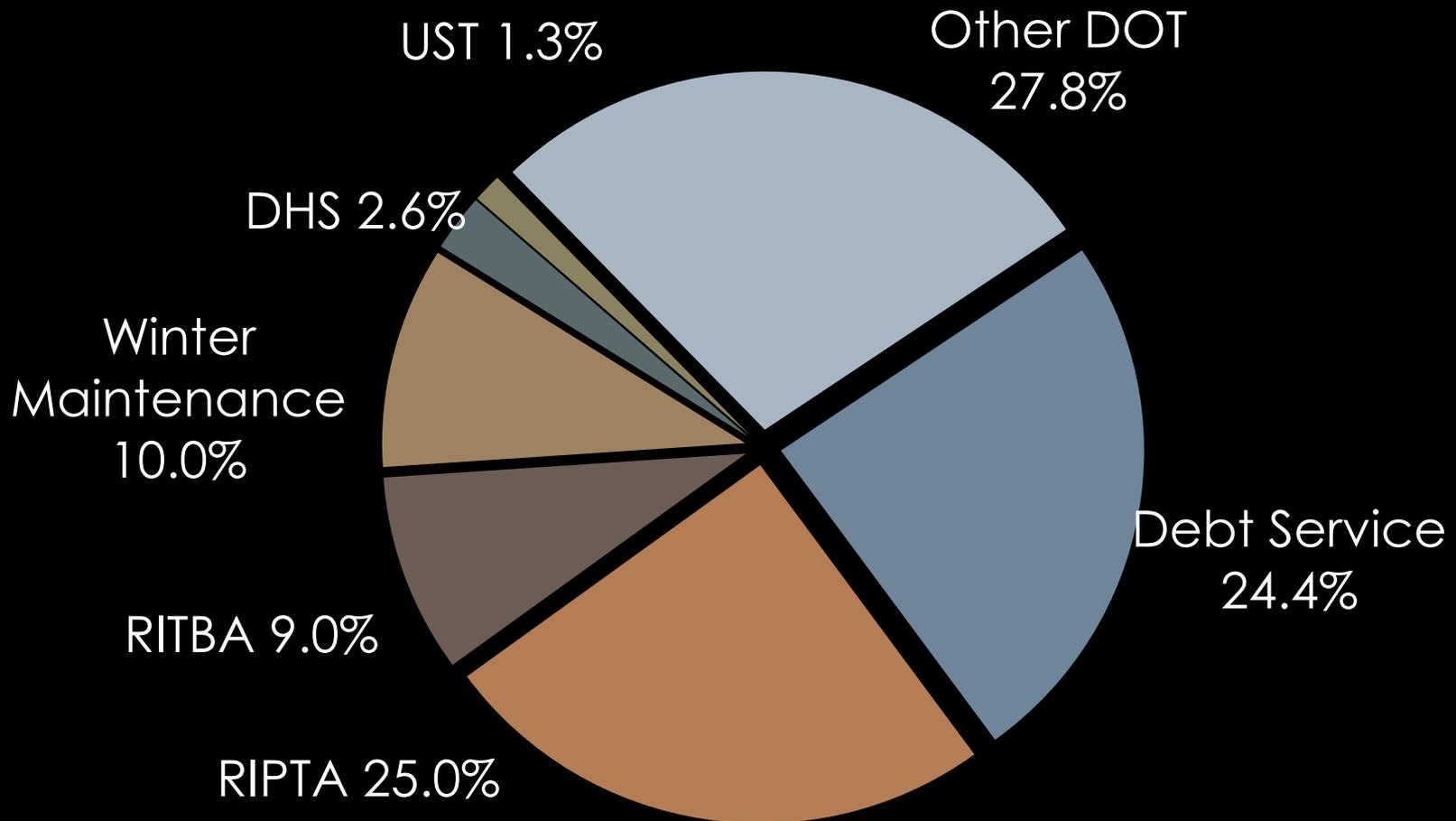
- 2014 Assembly indexed gasoline tax to CPI & dedicated future increases to DOT
 - Every other year, rounded to nearest cent
 - FY 2016 – +1 cent
 - FY 2018 – no change
 - FY 2020 – +1 cent
 - FY 2022 – no change
 - FY 2024 – + 3 cents
 - FY 2026 – +1 cent

Gas Tax Disposition

Entities	FY 2026 Current Law: Cents per Gallon	Total Proceeds
Department of Transportation	24.25	\$102.9
RI Public Transit Authority	9.75	41.4
RI Turnpike and Bridge	3.50	14.9
DHS - Elderly Transportation	1.00	4.2
Underground Storage Tank	0.50	2.1
Total	39.00	\$165.5

\$ in millions

FY 2026 Gas Tax Expenditures



Gasoline Tax – Regional (cents)

New England States	Gas	Diesel
Rhode Island	38.0	38.0
Connecticut	25.0	49.2
Maine	30.0	31.2
Massachusetts	24.0	24.0
New Hampshire	23.8	23.8
Vermont	32.6	33.0
New England Average	28.9	33.2
U.S. Average	32.6	34.8

Source: Federation of Tax Administrators as of 7/1/2024

Other Funds – *Highway Maintenance Account*

- 2014 Assembly
 - Transferred and new revenue sources
 - Increased inspection fee from \$39 to \$55
 - \$25 surcharge for good driving dismissal
 - Established a schedule to transfer transportation related fees from DMV to DOT
 - Plan to address transportation funding
 - RIPTA receives 5% of HMA funding

Other Funds – *Highway Maintenance Account*

- 2017 Assembly provided RIPTA with additional \$5.0 million
 - Reinstated bus pass program & cover debt
 - Originally for only two years
 - \$5.0 million made permanent by 2019 Assembly
- Authority's share of funds in FY 2026
 - Estimated to be \$10.6 million
 - Fixed \$5.0 million
 - 5% share = \$5.6 million

Other Funds – Highway Maintenance Account

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Balance Forward	\$28.2	\$18.1	\$87.5	\$115.2	\$150.8	\$(9.6)
New Receipts	103.5	100.6	109.1	111.8	111.6	118.8
5% GR Transfer	(5.2)	(5.0)	(5.5)	(5.6)	(5.6)	(5.9)
Available	\$126.6	\$113.7	\$191.2	\$221.6	\$256.8	\$103.3
Expenses	\$108.4	\$26.2	\$76.0	\$70.8	\$266.4	\$109.2
Balance	\$18.1	\$87.5	\$115.2	\$150.8	\$(9.6)	\$(6.0)

\$ in millions

Article 5, Section 3 – EV Fees (HFC 2/25/25)

- Article imposes annual registration fees
 - \$150.00 for battery EVs
 - \$75.00 for plug-in hybrid EVs
- Fees would be deposited into RI Highway Maintenance Account (HMA)
 - \$1.8 million in FY 2026
 - \$5.3 million in FY 2027
 - Adjusted for inflation every two years
 - Same method used for the gas tax
- Future support for transportation

Article 5, Section 3 – EV Fees (HFC 2/25/25)

- Registrations as of December 2024
 - 11,264 Battery Electric Vehicles (BEV)
 - 9,181 Plug-in Hybrid Vehicles (PHEV)
- Out-year estimates are for significant growth in BEV registrations

Type	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
BEV	18,564	29,629	45,545	64,425	86,442
PHEV	11,138	11,987	12,706	13,356	13,954
Gross Revenues	\$1.8M	\$5.3M	\$8.0M	\$10.9M	\$14.7M

Other Funds – Toll Revenue

- 2016-H 7409, Substitute A, as amended
 - Tolling on large commercial trucks
 - Border-to-border trip through I-95
 - CT to MA not to exceed \$20
- U.S. District Court ruled tolling program unconstitutional
 - October 2022 - state filed appeal
- 2023 Assembly provided \$70.0 million to backfill 2 years of toll revenues

Other Funds – Toll Revenues

Fiscal Year	Toll Revenues	Cumulative
2018	\$0.4	\$0.4
2019	\$8.1	\$8.6
2020	\$16.7	\$25.3
2021	\$34.8	\$60.0
2022	\$38.4	\$98.4
2023	\$5.3	\$103.8

\$ in millions

Other Funds – Toll Revenue

- U.S. Court of Appeals ruled in Dec. 2024
 - Affirmed legality of tolling program with exception of the daily caps
 - Severable from the rest of the statute
- Governor recommends \$10.0 million from toll revenues in FY 2026
 - Capital budget assumes \$40.0 million annually for FY 2027 through FY 2030
 - Specifics of timing and other potential changes in tolling program are not known

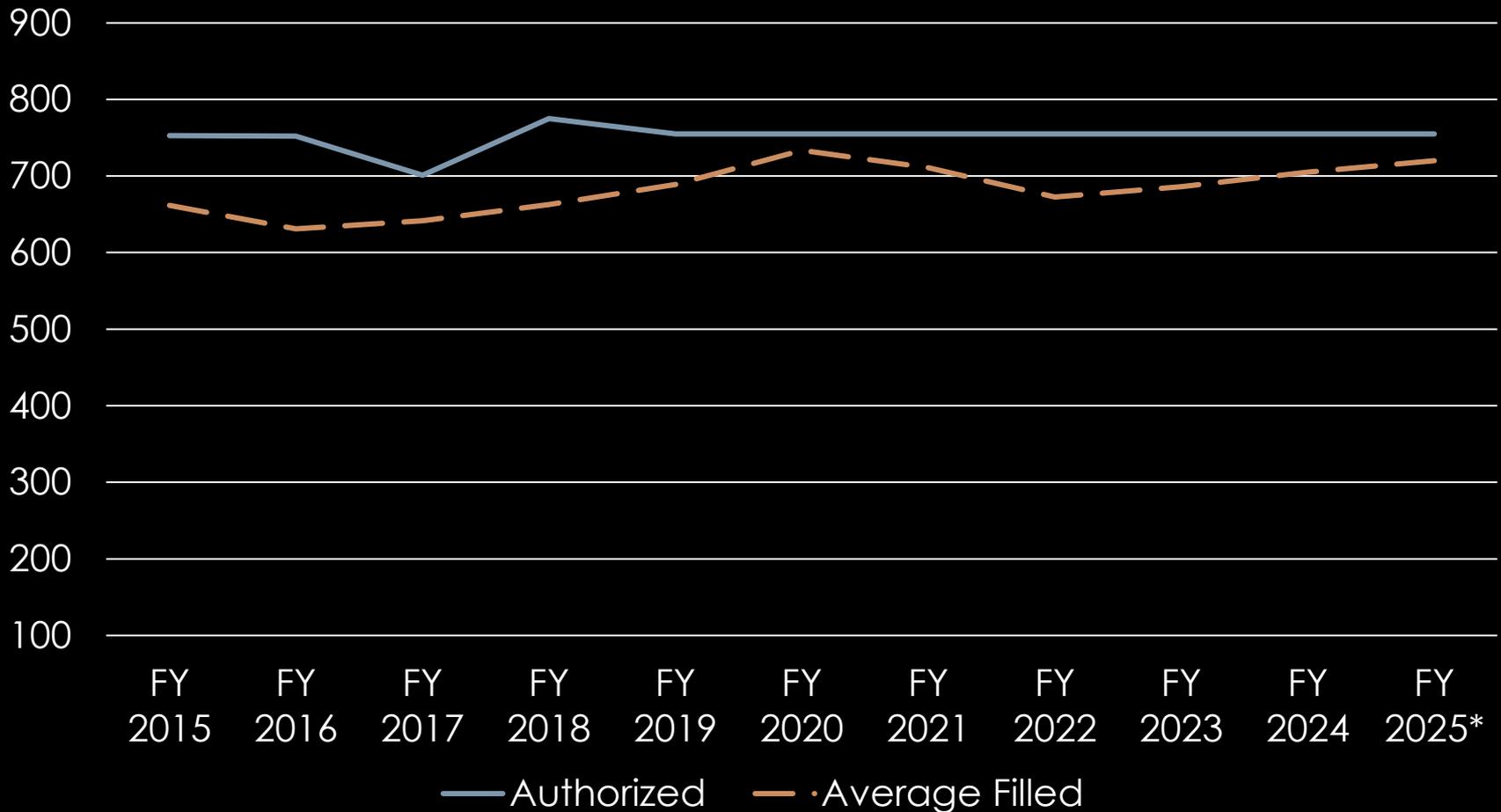
Staffing

	FY 2025 Enacted	FY 2025 Gov.	Chg./ Enacted	FY 2026 Gov.	Chg./ Enacted
Salaries/ Wages	\$63.2	\$62.6	\$(0.6)	\$67.4	\$4.3
Overtime	6.0	7.1	1.1	6.9	0.9
Benefits	41.7	41.1	(0.6)	44.0	2.3
Total	\$110.9	\$110.8	\$(0.1)	\$118.3	\$7.5
FTE	755.0	755.0	-	755.0	-

\$ in millions

- Department had 56 vacancies as of mid-February

Full-Time Equivalent Positions



Municipal Roads Grant Program

- 2024 Assembly - \$27.0 million over 2 years

	FY 2024 Final	FY 2025 Enacted
\$20.0 million	\$5.0M distributed equally = \$128,205	\$7.0M distributed equally = \$179,487
	\$15.0M proportionally based on non-federal lane miles of roads in each community	
Match	67% municipal	67% municipal
Unobligated funds 6/30/24	DOT keeps for statewide paving projects	

RhodeRestore

- Governor recommends making grant program permanent
 - Renames program RhodeRestore
 - Budget includes \$6.5 million from gas tax proceeds
 - Does not specify how funds will be distributed or if a match is required

Maintenance

- Maintenance Division
 - Personnel
 - Operations
 - Electricity – highway lighting
 - Equipment maintenance
 - Winter maintenance

Winter Maintenance Operations

	FY 2024 Reported	FY 2025 Enacted	FY 2025 Gov.	Chg.	FY 2026 Gov.	Chg.
Materials	\$5.7	\$4.7	\$5.7	\$1.0	\$4.2	(\$0.5)
Vendors	6.5	3.3	5.0	1.7	5.3	2.0
Repairs	2.8	2.3	2.8	0.5	2.8	0.5
All Other	0.9	1.6	1.6	-	1.6	-
Total	\$16.0	\$11.9	\$15.1	\$3.2	\$13.9	\$2.0

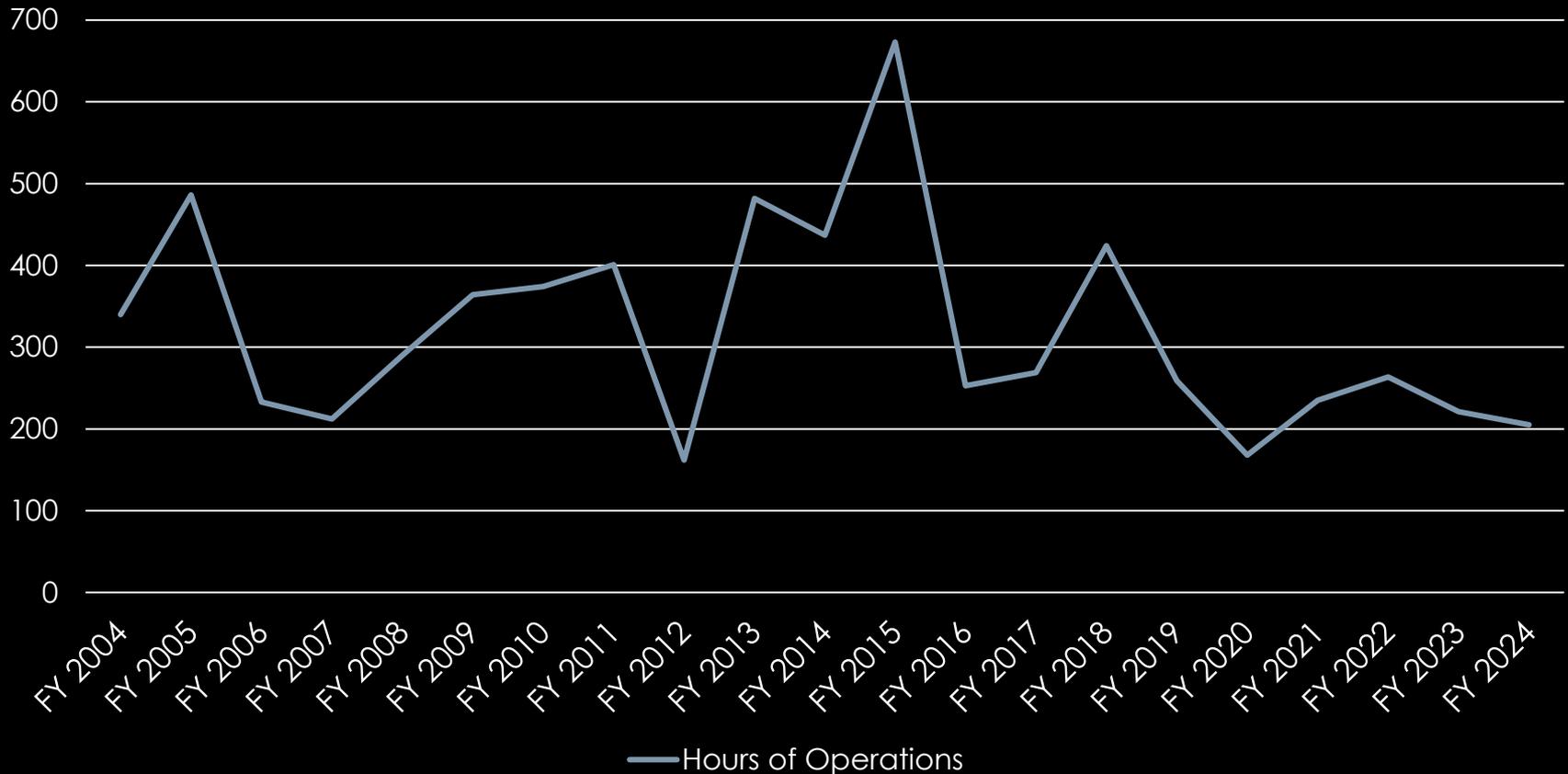
\$ in millions

Excludes salary and benefit costs

- Year to date expenses total \$10.4 million
 - March 4, 2025
 - Winter operations end - April

Winter Maintenance Operations

Hours of Operations



Department of Transportation

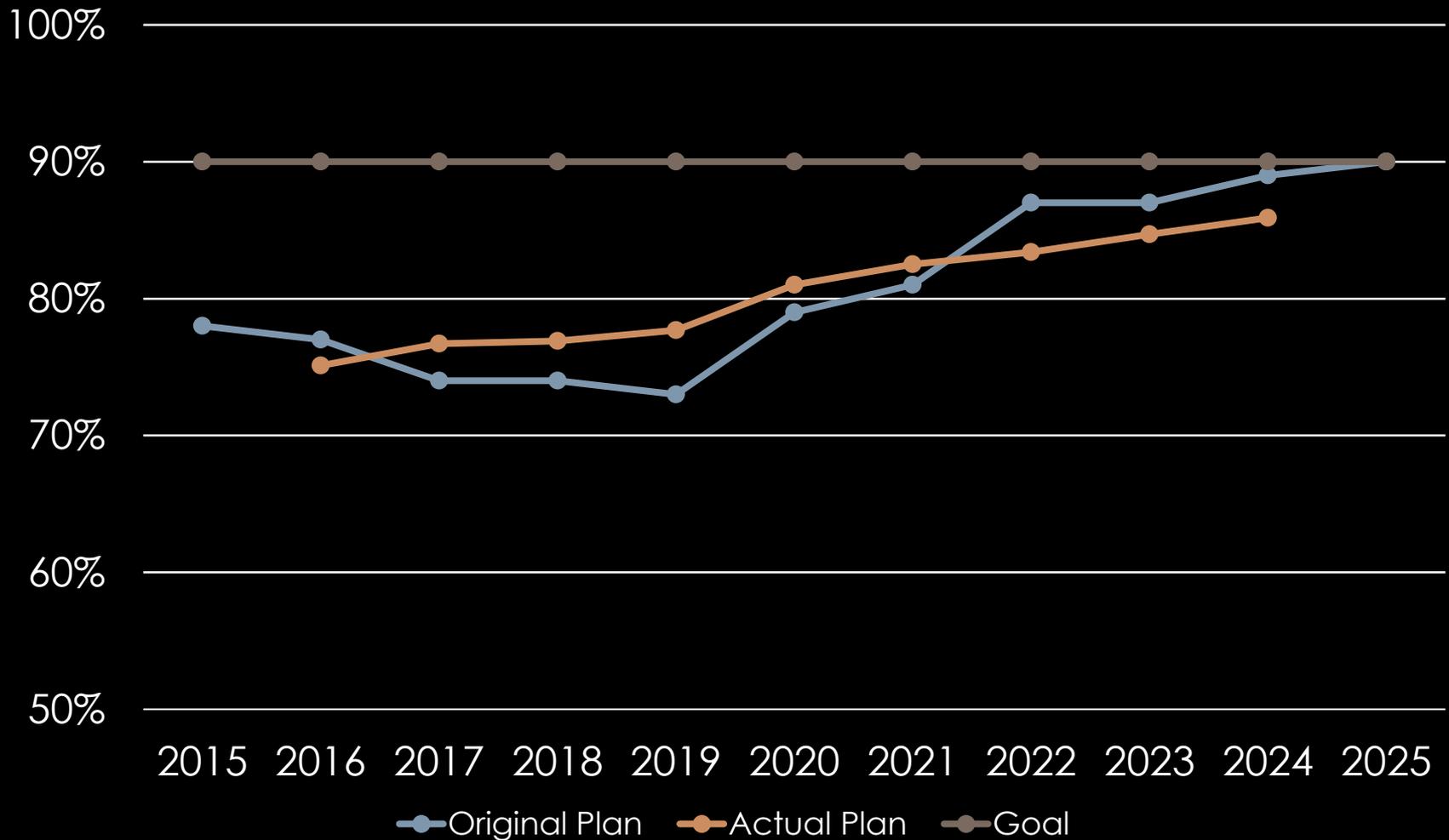
- Department inspects all bridges in RhodeWorks = 1,197
 - Over 8 ft. every 2 years
 - 700 inspections per year
 - 85% of inspections done by contractors
 - 15% in-house
 - Data on bridges over 20 ft. is submitted to Federal Highway Administration
 - National Bridge Inventory

Department of Transportation

- FHWA National Bridge Inventory

FF Year	FHWA # of Bridges	Structurally Deficient	% Structurally Deficient
2024	783	110	14.0%
2023	782	120	15.3%
2022	784	130	16.6%
2021	779	136	17.5%
2020	777	148	19.0%
2019	779	174	22.3%
2018	780	180	23.1%
2017	778	181	23.3%
2016	772	192	24.9%

Structurally Sufficient Bridges



Turnpike & Bridge Authority

2014 Assembly Change

- Transferred 3.5 cents of gasoline tax to the RI Turnpike and Bridge Authority
 - Used in lieu of Sakonnet Bridge tolls
 - For operations and maintenance of the bridges under the Authority's purview
 - No state support prior to this
- Primary source of revenue is tolls on Newport Bridge

Turnpike & Bridge Authority

- Receipts from 3.5 cents share of gas tax

Fiscal Year	Amount
2026 Gov.	\$14,856,097
2025 Gov. Rev.	\$15,267,259
2024	\$15,106,198
2023	\$15,079,306
2022	\$15,031,715
2021	\$14,259,127
2020	\$14,473,165

Turnpike & Bridge Authority – *Safety Barriers Study*

- Approved plan included \$1.8 million from State Fiscal Recovery funds
 - Identify and evaluate options to prevent and address risk of suicide on bridges under Authority's purview
 - Newport, Mount Hope, Jamestown & Sakonnet
 - Selection of a vendor through RFP process
- Studies have been completed
 - Mount Hope and Jamestown – May 2024
 - Newport and Sakonnet – February 2025

Turnpike & Bridge Authority – Safety Barriers Study

Bridges	Capacity for Additional Load	Options
Mt. Hope	None	None
Jamestown	None	Replace bridge railing Steel wire net fence Up to 7.5 feet 9 feet is effective height \$8.9M - \$10.3M
Newport	None	None
Sakonnet	Yes	Steel wire net fence \$6.4M - \$7.4M Steel rod fence \$8.2M - \$9.6M

Turnpike & Bridge Authority – Capital Budget

Projects	5 Year Total	Project Total
Administrative Facilities Asset Prot.	\$0.5	\$2.5
Jamestown Verrazzano	7.3	13.1
Minor Bridges	1.7	3.4
Mount Hope Bridge	70.9	88.4
Newport Pell Bridge	134.3	163.6
Route 138 Connector	3.2	3.5
Sakonnet River Bridge	1.9	3.9
Total	\$219.9	\$278.4

\$ in millions

Turnpike & Bridge Authority – Newport Pell Bridge

- Capital budget includes \$163.6 million to upgrade Newport Pell Bridge
 - Awarded \$82.5 million federal grant toward a \$137.5 million project to rehab. bridge
 - Deck replacement or rehab.
 - Dehumidification to deter corrosion in wires
 - Main towers steel repairs and painting
 - Grant funds 60% of project cost
 - Lowers recommended revenue bonds
 - Match is required for most transportation projects
 - Using previously issued revenue bonds

RhodeWorks

- 2016 Legislation
 - Allows Department to toll large commercial trucks
 - Issue \$300 million of new Grant Anticipation Revenue Vehicle (GARVEE) bonds
 - Refinance existing GARVEE

RhodeWorks – Reporting

- Legislation required quarterly reports
 - Progress and implementation
 - Due within 30 days after quarter close
 - Posted on Department's website
 - Office of Management and Budget, House and Senate fiscal advisors
 - Since adoption of law, 37 reports have been published
 - All on time
 - Next one is due April 2025

RhodeWorks – Reporting

- Reporting requirement:
 - Construction/design contracts greater than \$500K:
 - Planned to be advertised and expected award date
 - Expected substantial completion date
 - Expected final costs
 - Total number of workers employed through contracts and number with RI address

RhodeWorks – Reporting

Requirements	FFY 2024 Reported
Design contracts awarded	\$28.9
Design contracts completed	\$8.4
Construction contracts awarded	\$1,105.8
<i>I-95 and Route 10 (Prov., Cranston & Warwick)</i>	\$625.1
<i>Route 37 Improvements (Cranston & Warwick)</i>	\$115.6
<i>Warwick Corridor (Routes 2, 5, 113 and 117)</i>	\$79.9
Expected final cost of const. contracts >\$500K	\$305.2
Total number of workers*	1,671
Number of RI workers*	1,009

\$ in millions; *updated from report

Federal Discretionary Grants Reporting

- 2021 Assembly required Department to report on a quarterly basis
 - List of federal discretionary and other grants Department applies for
 - Grants that require match
 - Identify if source for match is available under currently authorized funding
- January 2025 Report
 - Pending applications for 4 projects totaling \$2.5 million

Federal Discretionary Grants

- Awarded on a competitive basis for specific project - state match is required
 - There were other opportunities in Infrastructure Bill

Projects	Awards	Initial Cost	Revised Cost
Route 37 Project	\$20.0	\$39.2	\$81.8
Cranston Canyon	\$21.3	\$85.0	\$85.0
Providence Train Station	\$12.5	\$25.0	\$30.0
Rt. 146 Reconstruction	\$65.0	\$150.0	\$196.0
I-95 15 Bridges	\$251.2	\$723.0	\$779.0
Washington Bridge – West Span Replacement	\$221.0	\$368.3	???

\$ in millions

Transportation Improvement Program

- Federal law requires statewide transportation improvement plan covers a period of no less than 4 yrs.
 - RhodeWorks covers 10-year period
 - Changes are adopted
 - Appropriately coordinate, communities and constituents can have annual inputs
- Federal regulations require first 4 yrs. to be fiscally constrained
 - Projects in plan may not exceed anticipated funding

Transportation Improvement Program

Federal Fiscal Year	Date Approved	Total Amendments*
2022-2031	September 9, 2021	16
2018-2027	December 14, 2017	30
2017-2025	September 8, 2016	3
2013-2016	February 28, 2013	7
2009-2018	August 14, 2008	13

**January 7, 2025*

- Approved plan did not include additional funds authorized in IIJA
 - Incorporated in subsequent amendments

Capital Recommendation

- \$9,046.6 million total project costs
- \$4,404.7 million for FY 2026 – FY 2030
- Includes projects in Transportation Improvement Program
 - Highway Improvement Program
 - State Funded Improvement Projects
 - Mass Transit Hub Infrastructure
 - Maintenance Facilities
 - Salt Storage

Capital Recommendation

Projects	5 Year Total	Project Total
Highway Improvement Program	\$4,087.7	\$8,387.4
State Funded Improv. Projects	146.0	323.1
Commuter Rail (Fixed Guideway)	74.5	115.3
Capital Equipment Replacement	47.6	109.0
Mass Transit Hub	9.3	35.0
Salt Storage & Maintenance Facilities	26.3	48.6
IT Investment Strategy	13.2	28.2
Total	\$4,404.6	\$9,046.6

\$ in millions

Active Transportation Program

- Active Transportation Program
 - Bike path resurfacing and preservation
 - Bridge replacements over bike paths
 - Sidewalk resurfacing
 - Safe routes to school infrastructure improvements
- Amended TIP includes \$401.6 million for active transportation projects
 - \$192.0 million from FFY 2022 - FFY 2025

State Funded Projects

- Capital budget includes \$146.0 million in 5-yr. plan from HMA for State Funded Projects
 - Emergency road and bridge repairs
 - Drainage improvements
 - Consent decree with U.S. Department of Justice
- These projects do not qualify for federal match

Mass Transit Hub

- 2014 voters - \$35M Mass Transit Hub
 - \$14.5 million spent through FY 2024
 - Several RFPs issued
 - Land acquisition, parking lot for Pawtucket/ CF Train Station, legal & preparing RFPs
- Providence Transit Center – *location?*
 - Restrooms, interior waiting space, customer service center, retail & dining space
 - P-3 for development of project
 - Long-term viability, including maintenance & daily operations of facility

Route 37 Corridor

- Rehabilitate Route 37
 - Replacement/rehab. 15 bridges & culverts
 - Improv. to Pontiac Av. westbound exit ramp
- Total project cost of \$81.8 million
 - In August 2018, awarded \$20.0 million federal discretionary grant
 - 2025 anticipated completion
 - Additional phases
 - Phase II – Cranston: \$85M – construction 2022-2026
 - Phase III – Cranston/Warwick: \$142.8M – construction 2025-2028

Route 146 Reconstruction

- Awarded \$65.0 million federal grant to reconstruction Route 146
 - Replacing multiple bridges
 - Reconstruct interchange at Sayles Hill Rd.
 - Repaving
 - Adding safety improvements
- Estimated project cost of \$196.0 million
 - \$46.0 million more than initial estimate
 - Construction to be completed 2026

I-95 15 Bridges

- Awarded \$251.2 million in July 2024 toward initial project costs of \$723.0 million
- Revised project cost is now \$779 million
 - Address conditions of 15 bridges along I-95 Corridor
 - 9 are in poor condition, 4 in fair condition but approaching poor condition & 2 in fair condition
 - Awarded construction contract in August
 - Construction 2024-2031
- *Status of federal grant funds???*

Washington Bridge – Westbound Span

- Closed for repairs in December 2023
- Jan./Feb. 2024 - inspections and analysis of bridge
- March 14, 2024 report - replacement needed
 - Demolition and design/build = 30 months
 - Initial estimate of \$250M - \$300M
- April 2024 - requests for proposals issued

Washington Bridge – Westbound Span (May 2024)

- Preliminary estimate of \$455.2 million
 - \$46.4 million for emergency expenses
 - Emergency tie rod repairs, bridge inspections and municipal/State Police reimbursements
 - \$40.5 million for demolition expenses
 - \$368.3 million for replacement expenses
 - Design, construction, utility work, contingency and other

FFY 2024	FFY 2025	FFY 2026	FFY 2027	Total
\$49.4	\$239.0	\$138.5	\$28.3	\$455.2

\$ in millions

Washington Bridge Funding

Source	Mechanism	2024 Assembly	1/1/25	Chg.
Federal Funds	New GARVEE Bonds	\$334.6	\$140.0	\$(194.6)
	Prior Project Balance	37.0	37.0	-
	Grant Awards	-	221.0	221.0
Subtotal Federal Funds - 80%		\$371.6	\$398.0	\$26.4
State Match	ARPA - SFRF	\$35.0	\$35.0	\$-
	RI Capital Plan Funds	45.0	45.0	-
	Department Sources	3.6	3.6	-
Subtotal State Match - 20%		\$83.6	\$83.6	-
Total		\$455.2	\$481.6	\$26.4

\$ in millions

Washington Bridge Funding

- Governor's recommendation maintains approved amounts
 - Does not alter FY 2025 budget assumptions
- Impact to project costs
 - There have been change orders to demolition component
 - Ongoing through end of 2025
 - Bridge replacement contract to be awarded in June 2025
- *Status of federal grant funds???*

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