Rhode Island Transportation:
Review of Functions and Organization

Report to the House and Senate Finance Committees
Submitted December 14, 2012

Rhode Island Office of Management and Budget

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ABSTRACT

This report reviews the organizational structure of transportation functions in Rhode Island and in other states and determines areas for enhanced coordination and efficiency

RHODE ISLAND SURFACE TRANSPORTATION AT A GLANCE

System Information

Rhode Island's road system includes 13,510 lane-miles.

State-owned	2,924 lane-miles (21.6%)
Locally owned	10,468 lane-miles (77.4%)
Owned by other jurisdictions	118 (0.9%)

Bridge Statistics [1]

State-owned bridges:	611
Bridges owned by others:	151
Total bridges:	762
Structurally Deficient:	158 (20.7%)
Functionally Obsolete:	217 (28.5%)
Posted Bridges:	78 (10.2%)
Closed Bridges:	13 (1.7%)

Public Transportation

RIPTA Ridership in Fiscal Year 2012	20,062,015

Transportation Budgets (Fiscal Year 2013)	All Funds
Rhode Island Department of Transportation:	$511,621,101
Rhode Island Public Transit Authority:	$107,574,269
Rhode Island Turnpike and Bridge Authority:	$18,810,000

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EXECUTIVE SUMMARY

Rhode Island's transportation programs are administered by more than a dozen governmental departments, quasi-governmental agencies and public-private partnerships, each with its own area of responsibility. Their respective operations are funded from a variety of sources, with state roadway and bridge programs primarily financed through the Federal Highway Trust Fund and state motor fuel taxes. As these two transportation funding sources have been stagnant or declining in recent years, the Rhode Island Department of Transportation has implemented efficiencies to contain costs, but the state still faces an annual estimated deficit of $285 million between existing revenues and the funds needed to keep our infrastructure in a state of good repair.

States have developed different organizational models to encourage operational efficiency and consistency in transportation policy. Rhode Island is one of nineteen states with a centralized approach in which a chief transportation executive oversees planning, finance and operations. In twenty-three states, transportation policy and finance are directed by a policy-making board, with the chief transportation executive charged with implementation and operational oversight. Rhode Island is also noteworthy for being one of seven states in which certain core transportation functions are managed by entities outside the state's department of transportation.

Changes or improvements to the state's transportation organizational structure may lead to enhanced efficiencies, but changes should not be pursued without carefully weighing the benefits of reorganization against the operational, personnel and fiscal challenges that may result. The experiences of other states have demonstrated that enhanced interagency cooperation can be a helpful precursor to organizational change. For that reason, Rhode Island's Office of Management and Budget (OMB) will coordinate an interagency effort to explore efficiencies and improvements in three priority areas: economic development, project management and maintenance operations, and shared services. As the next phase in this effort, OMB expects to work with transportation agencies to meet the following timeline to develop recommendations in the three priority areas:

January – June 2013	Collect departments and agency data Engage with public and stakeholder groups Review data and develop ideas
July 2013	Present interim report with data and findings, recommendations and implementation plans

INTRODUCTION

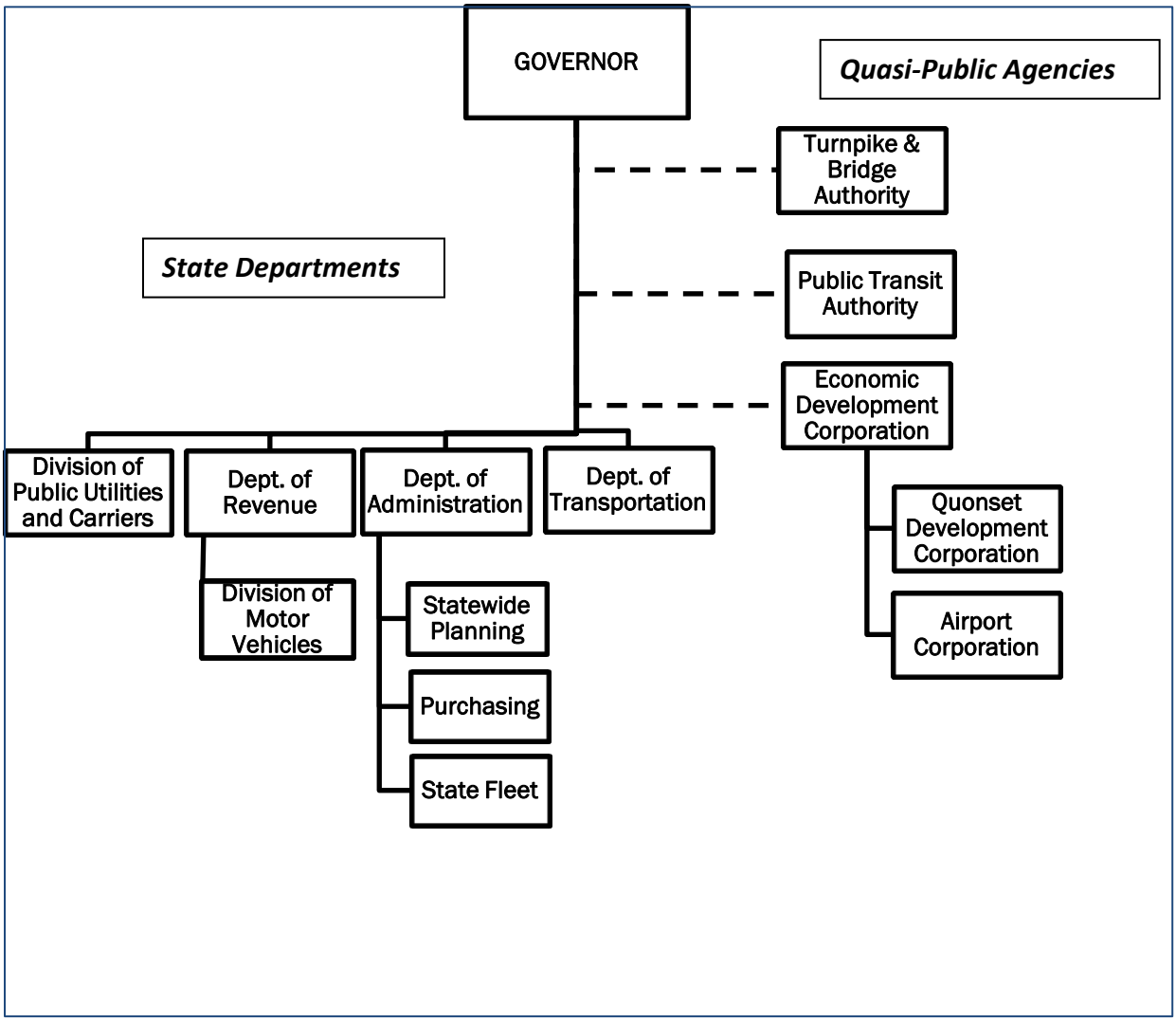
This report was developed in response to the FY 2013 Budget Act directing the Office of Management and Budget (OMB) "to study the programs of the department of transportation and other quasi-transportation related agencies."[1] Rhode Island's transportation system has been the topic of numerous studies in the last two decades, including the Rhode Island Senate's Sustainable Transportation Funding Report in 2011, the Governor's Blue Ribbon Panel report in 2008 and several operational reviews of the Rhode Island Public Transit Authority (RIPTA). This report is not intended to revisit topics addressed in previous reports, as many of the former findings are still valid. Instead, this report aims to summarize the administration of transportation functions within the state, review transportation organization in other states and recommend areas for continued study and improvement.

An important component of the state's transportation system is RIPTA, which has faced budget deficits and operational challenges in recent years. When OMB developed the original scope of work for this report, an assessment of the operations and finances of the RIPTA by the Bureau of Audits was included. Based on the Bureau's initial findings and a separate investigation into potential security breaches at RIPTA, Governor Chafee dispatched a resource team to review all aspects of RIPTA's operations and finances in August 2012. Because that review is ongoing, this report will address only RIPTA within the larger context of transportation organization in the state.

TRANSPORTATION FUNCTIONS IN RHODE ISLAND

Rhode Island's transportation programs are administered by a number of governmental departments, quasi-governmental agencies and public-private partnerships, each with its own area of responsibility. The state departments and quasi-public agencies are shown in the organization chart in Figure A.

Figure A: Transportation Organization in Rhode Island



Source: RI Office of Management and Budget

Rhode Island Department of Transportation (RIDOT)

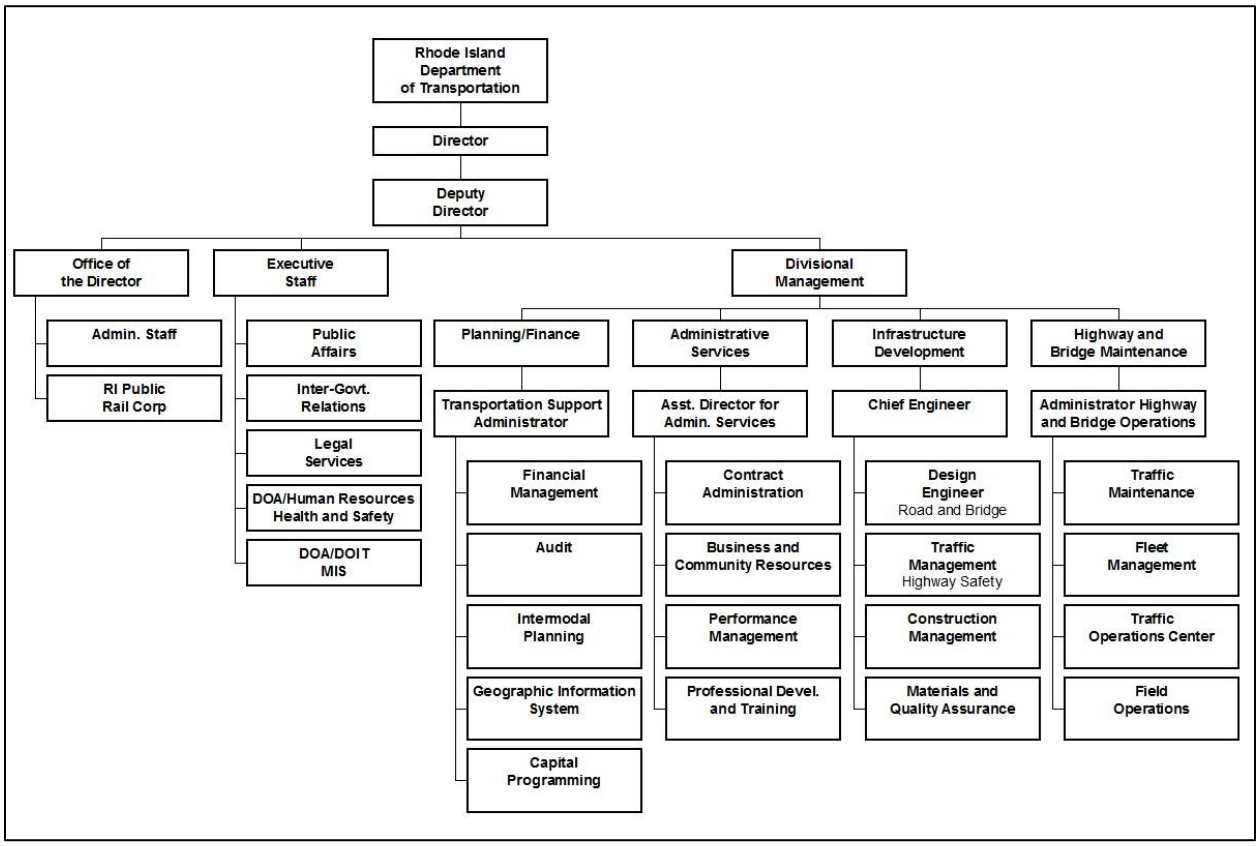
The Rhode Island Department of Transportation was established in 1970 to replace the Department of Public Works, and its authorizing statute delegates the following transportation responsibilities and functions:[2]

- Planning – Develop feasibility plans and other studies related to transportation projects; collaborate with the Division of Planning (Department of Administration) on the transportation elements of the long-range state guide plan;
- Public Works – Oversee design, engineering and construction of roads, bridges and other transportation projects; and
- Maintenance – Maintain all roads, bridges and other transportation facilities under the jurisdiction of RIDOT; install and maintain traffic signs and signals.

Under its authorizing statute, RIDOT has operating responsibility for "state-owned airports, heliports, and other facilities for air transportation," though in practice those functions have been assumed by the Rhode Island Airport Corporation (RIAC), a subsidiary of the Economic Development Corporation (see separate RIAC entry on page 15).[3] The statute also gives RIDOT property management responsibility for state piers used for port or waterways transportation purposes. (Note: the Port of Davisville is managed by the Quonset Development Corporation, also a subsidiary of EDC. In 1974, the state established the RI Port Authority and Economic Development Corporation, a precursor to the EDC, to assume control of the Federal assets at Quonset.[4])

RIDOT is led by the Director of Transportation, who is appointed by the Governor with the advice and consent of the Rhode Island Senate. RIDOT's FY 2012 budget authorized 772.6 full-time equivalent (FTE) employees, though approximately 725.6 FTE positions were actually filled in that fiscal year.[5] RIDOT's organizational chart is represented in Figure B below.

Figure B: RIDOT Organizational Chart



Source: RI Department of Transportation

Rhode Island Public Transit Authority (RIPTA)

The Rhode Island Public Transit Authority was created as a quasi-public agency in 1964. Its authorizing statute gives RIPTA responsibility for the following functions:[6]

- Public Transit – Provide public transit options (mass motor bus, water, or rail passenger transportation) to the residents of the state, with emphasis on improving access to employment, fostering intermodal connections, enhancing community design, conserving energy and reducing traffic congestion;
- Paratransit – Offer flexible service transit options, particularly to meet the needs of the elderly and the disabled; and
- Vehicle Maintenance – Coordinate and perform vehicle maintenance for a state paratransit system. In addition to this statutory requirement, RIPTA maintains RIDOT's larger equipment.

Despite its statutory authorization, RIPTA does not currently manage water or rail-based passenger transportation. RIPTA's ferry service between Providence and Newport was discontinued in 2008; commuter passenger rail is provided by the Massachusetts Bay Transit Authority (MBTA, see separate entry on page 22) under an agreement with RIDOT.

RIPTA provided three types of transit service to approximately 20.1 million passengers in FY 2012 (see Table 1). Fixed-route service consists primarily of regular bus service on established routes and accounted for 95.1% of passenger rides. Flex service, representing 1.4% of passenger rides, provides van transportation within a limited geographic area. The RIde program, which provides transportation to eligible senior citizens and individuals with disabilities, represented 3.5% of passenger trips.

In the last three years, overall RIPTA ridership has grown 11.4%, from 18.0 million in FY 2010 to 20.1 million in FY 2012. Much of that increase is attributable to an increase of 2.0 million in fixed route ridership, though the RIDE program for elderly and disabled passengers experienced a 14.5% increase in ridership, from 616,875 in FY 2010 to 706,347 in FY 2012.

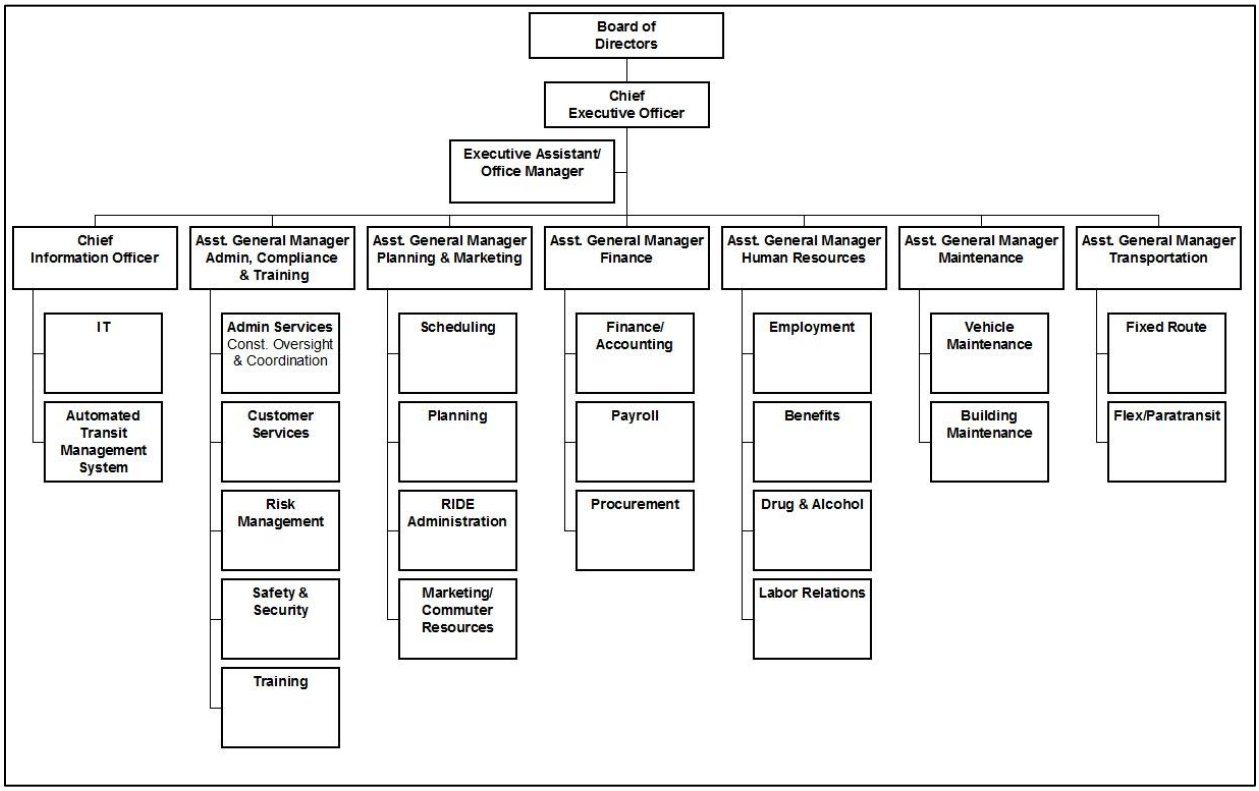
Table 1: RIPTA Ridership – FY 2010 - 2012

	FY 2010	FY 2011	FY 2012	% of Total Rides (2012)
Fixed Route	17,062,751	17,311,378	19,076,507	95.1%
Flex	332,049	291,524	279,161	1.4%
Elderly & Disabled	616,875	641,534	706,347	3.5%
Total Ridership	18,011,675	18,244,436	20,062,015	100.0%

Source: RI Public Transit Authority

RIPTA is governed by a board of eight members, seven of whom are appointed by the Governor with advice and consent of the Senate; the Director of Transportation or his/her designee serves as an ex officio member. The organization is managed by an Executive Director selected by the Board of Directors. RIPTA has an authorized level of 825.0 FTE positions of which 808.0 FTE positions are filled. Figure C illustrates RIPTA's organizational chart. (Note that the organization chart represents RIPTA in August 2012 prior to the arrival of the Governor's resource team.)

Figure C: RIPTA Organizational Chart



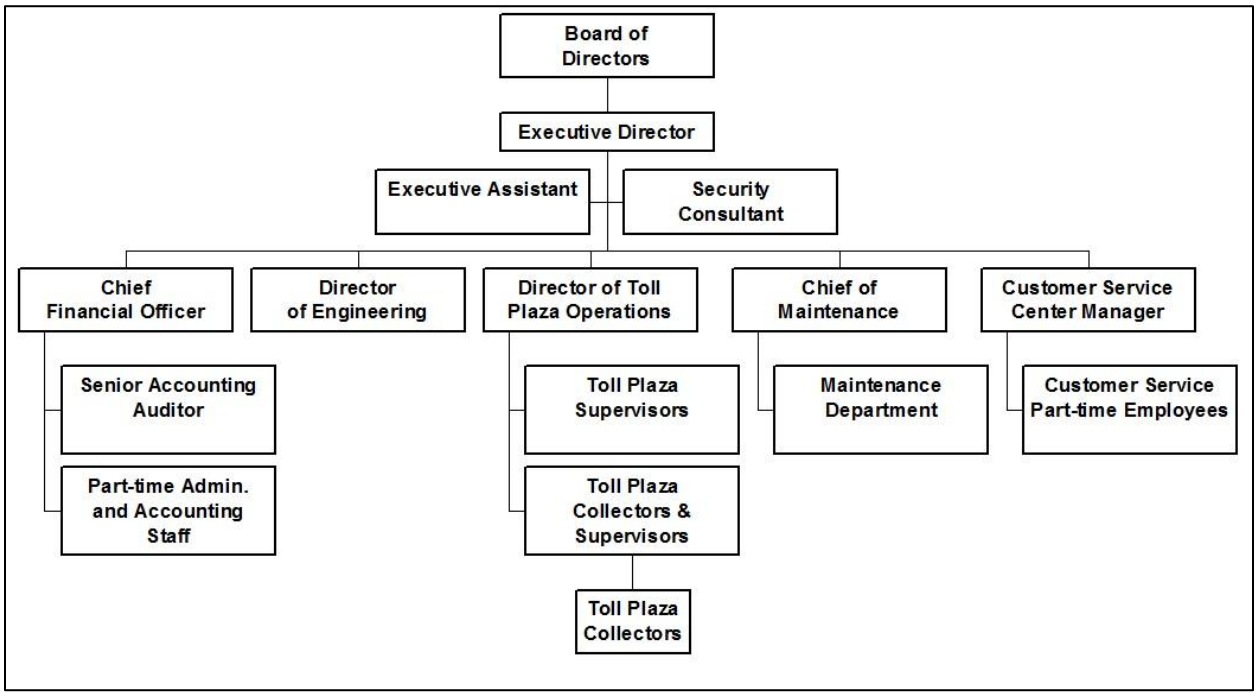
Source: RI Public Transit Authority

Rhode Island Turnpike and Bridge Authority (RITBA)

The Rhode Island Turnpike and Bridge Authority (RITBA) was created by the General Assembly as a quasi-public agency in 1954 to construct and operate the Newport Bridge (now officially the Claiborne Pell Bridge). Its authorizing statute also gives RITBA responsibility for operating and maintaining the Mount Hope Bridge, which had been tolled until 1998. The FY 2013 Budget Act authorized RITBA to assume management of the Jamestown and Sakonnet Bridges from the state and authorized RITBA to install a toll on the Sakonnet Bridge.[7]

RITBA is governed by a board of five members, four of whom are appointed by the Governor; the Director of Transportation or his/her designee serves as an ex officio member. The organization is managed by an Executive Director selected by the Board of Directors. RITBA has 30 full-time employees and 35 seasonal staff. The organization is divided into five operational areas: finance, engineering, toll operations, maintenance and customer service (including E-Z Pass), and its organization chart is shown in Figure D below:

Figure D: RITBA Organizational Chart



Source: RI Turnpike and Bridge Authority[8]

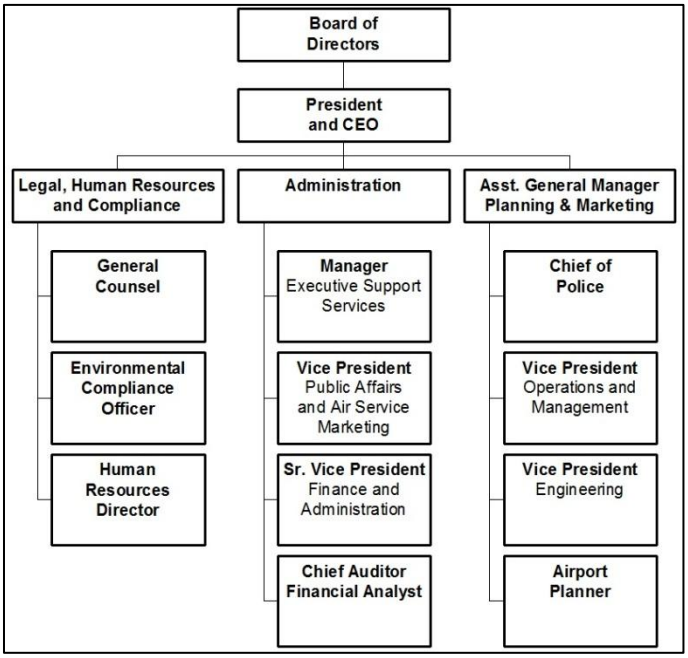
RITBA's operating revenues come primarily from tolls paid by motorists crossing the Pell Bridge. RITBA issues bonds for large construction and maintenance projects, paying debt service as an operational expense from toll revenues. RITBA hires consultants and contractors for large renovation and maintenance projects, using an in-house engineer and contract staff for project oversight. RITBA's seasonal maintenance staff perform minor road repairs and landscaping around the bridges.

Rhode Island Airport Corporation

The Rhode Island Airport Corporation (RIAC) is responsible for the design, construction, operation, and maintenance of the state's six airports, including the T.F. Green State Airport, the state's commercial airport in Warwick and five general aviation airports. RIAC was established in 1992 as a subsidiary quasi-public corporation of what is now the Economic Development Corporation (EDC). RIAC was created, in part, because the airlines operating at T.F. Green wanted an independent authority dedicated solely to managing the airport in order to provide greater flexibility, expertise, financial accountability and transparency. In exchange, the airlines terminated existing leases and entered into longer term leases at higher rents, enabling RIAC to finance a significant portion of the new terminal and other airport improvements.

RIAC's planning is guided by the state's Airport System Plan, last updated in September 2011, and its operations are governed largely by Federal laws and regulations promulgated by the Federal Aviation Administration (FAA). RIAC is led by a seven-member Board of Directors, with the Governor appointing all members, subject to advice and consent of the Senate. By statute, directors must have "extensive experience in the fields of finance, business, construction and/or organized labor."[9] RIAC has 152.0 FTE positions, of which 149.0 are filled; its organizational chart is depicted in Figure E below:

Figure E: RIAC Organizational Chart



Source: RI Airport Corporation

RIAC receives no general revenues or gas tax receipts from the state. It generates operating revenue from airline leases and landing fees, parking and rental car fees, concessions and other sources. RIAC also collects Passenger Facility Charges (PFCs), a charge on airline travel, which is used for projects to expand airport capacity, improve safety, provide noise abatement or enhance competition among airline competitors.

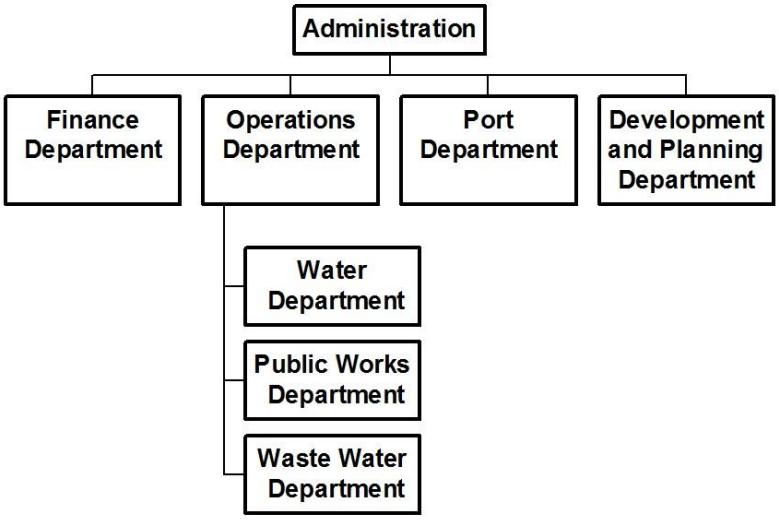
Quonset Development Corporation

The Quonset Development Corporation (QDC) was established in 2005 as the real estate development and property management entity for the 3,207 acre Quonset Business Park in North Kingstown. It is also responsible for certain transportation functions, including oversight of the Port of Davisville and maintenance of roads and infrastructure within the business park. Freight rail service within the park, run by Seaview Transportation Company, connects business operations to major rail carriers. The business park is the site of the Quonset Airport, managed by RIAC, and seasonal high-speed ferry service to Martha's Vineyard, managed by Vineyard Fast Ferry. Finally, QDC manages an independent water supply system, a stormwater collection system and a wastewater treatment facility.

Like RIAC, QDC is a subsidiary quasi-public corporation of the EDC. QDC receives no general revenues from the state. Its operating revenues come from property lease payments from businesses.

QDC is led by an eleven-member Board of Directors, with the EDC Director serving as chair. The Governor appoints six members; the North Kingstown Town Council appoints two members; the Town Councils of East Greenwich and Jamestown each appoint one member. QDC has 44.0 FTE positions, and its organizational chart is depicted in Figure F.

Figure F: QDC Organizational Chart



Source: Quonset Development Corporation

Rhode Island Public Rail Corporation

The state created the independent Public Rail Corporation to facilitate the operation of passenger and freight rail in Rhode Island. The Corporation began as the East Bay Rail Corporation to assume liability for the East Side Rail Tunnel, Seekonk River Drawbridge and the connecting tracks when passenger service on that line ended. When Rhode Island sought to extend commuter rail south of Providence on existing Amtrak rail lines, the Corporation was authorized to indemnify Amtrak for any damage that might occur from commuter rail operations. According to RIDOT, this indemnification is provided through a $200 million insurance policy with Amtrak, RIAC, RI Public Rail Corporation, RIDOT and the State as named insureds. The insurance policy covers the MBTA as a named insured for its role as the operator of the South County Commuter Rail Service, while also covering bridges above Amtrak property when RIDOT conducts maintenance or rehabilitation work that could adversely affect the rail lines.

The Public Rail Corporation is led by a board of directors consisting of the Director of Transportation, the Director of Administration and the chairperson of RIPTA's board of directors, or their designees. It has no dedicated employees and is supported by RIDOT staff.

The Public Rail Corporation is not authorized to operate rail service in the state. As noted above, RIPTA has statutory authority to operate commuter rail service, though that service is currently provided by MBTA through an agreement with RIDOT.

State Traffic Commission

Rhode Island created the State Traffic Commission in 1950 to establish "a uniform system of traffic control signals, devices, signs, and marking [. . .] for use upon the public highways."[10] The Traffic Commission uses the Manual on Uniform Traffic Control Devices (MUTCD), an official publication of the Federal Highway Administration, as its manual of regulations and specifications governing traffic control on state roadways.

The Commission has five members, four of whom hold other positions in government: the Superintendent of State Police (or designee), the Director of Revenue (or designee from the Division of Motor Vehicles), the Director of Transportation (or designee), and the Governor's representative to the National Highway Traffic Safety Administration. The fifth member is appointed by the Governor with advice and consent of the Senate; the authorizing statute states that the Governor should give consideration to the recommendation of the Rhode Island Police Chiefs Association for that appointment.

The State Traffic Commission is responsible for the approval of all traffic control devices on state roads. These devices include: traffic signals, regulatory signs (stop signs, speed limits, etc.), warning signs, directional and guide signs, pavement markings and designated school zones. The Commission also approves parades and road races on state roads. The Commission reviews requests by municipalities, individuals or others to approve traffic control devices. Because the Commission has no employees, RIDOT conducts relevant studies regarding the requests and makes recommendations. The Commission uses RIDOT guidance and the guidelines in the Manual to determine whether to approve proposed traffic modifications.

The previously described organizational entities illustrate transportation programs that are housed in departments or quasi-public agencies whose primary function is transportation-related. Additionally, the state administers a number of transportation programs from agencies that have primary functions other than transportation. These programs are described below.

Division of Motor Vehicles, Department of Revenue

The Division of Motor Vehicles is responsible for issuing state driver's licenses and motor vehicle registrations. It is also responsible for processing accident reports, which state law

requires to be filed for accidents resulting in injuries and/or property damage greater than $1,000. In addition to the Cranston headquarters, it offers services in five branches in Middletown, Wakefield, Warren, Westerly and Woonsocket.

The DMV had previously been a division within RIDOT and later in the Department of Administration before being transferred to the Department of Revenue in 2006. In other states, motor vehicle registries are either standalone agencies or included in another department, ranging from Transportation to Public Safety to Revenue. (See Appendix A for state-by-state breakdown of transportation functions.)

State Planning Council / Statewide Planning Program, Department of Administration

According to its authorizing statute, Rhode Island's Statewide Planning Program was established to "prepare, adopt, and amend strategic plans for the physical, economic, and social development of the state."[11] The Program consists of the appointed State Planning Council and the staff of the Statewide Planning Program – one of the three offices within the Department of Administration's Division of Planning.

The Council's 16-person membership consists of the following members:

(1) The director of the Department of Administration as chairperson;
(2) The director, policy office, in the Office of the Governor, as vice-chairperson;
(3) The Governor, or his or her designee;
(4) The budget officer;
(5) The chairperson of the Housing Resources Commission;
(6) The highest-ranking administrative officer of the Division of Planning, as secretary;
(7) The president of the League of Cities and Towns or his or her designee and one official of local government, who shall be appointed by the governor from a list of not less than three (3) submitted by the Rhode Island League Cities and Towns;
(8) The executive director of the League of Cities and Towns;
(9) One representative of a nonprofit community development or housing organization;
(10) Four (4) public members, appointed by the governor;
(11) Two (2) representatives of a private, nonprofit environmental advocacy organization, both to be appointed by the governor;
(12) The director of planning and development for the city of Providence;
(13) The director of the Department of Transportation;
(14) The director of the Department of Environmental Management;
(15) The director of the Department of Health; and
(16) The executive director of the Economic Development Corporation.

The State Planning Council, acting as the Federally designated Metropolitan Planning Organization for the State, develops and approves Rhode Island's long-range transportation plan and the four-year Transportation Improvement Program (TIP), both of which are mandated by the Federal government as a condition of receipt of Federal highway and transit funds. The Statewide Planning Program also develops plans in other transportation-related areas, including state freight and passenger rail, the state airport system, travel demand forecast modeling, congestion management, state employee travel and commuting, and transit.

The Statewide Planning Program's authority extends beyond transportation planning; it is also responsible for developing and updating the State Guide Plan, which sets strategic policy direction in the areas of land use, environment and conservation, economic development, housing, energy, and other areas. The Statewide Planning Program serves as the review agent for local comprehensive plans (as required by RIGL 45-22.2); provides technical assistance to state agencies, municipalities and the general public; and maintains a comprehensive database of geographic information for statewide planning purposes (as required by RIGL 42-11-10).

State Fleet Operations, Department of Administration

The Office of Facilities Management within Department of Administration's Division of Operations Management maintains a registry of all state vehicles, operates 15 fueling stations statewide, provides for state vehicle maintenance, and makes purchasing and disposal decisions. Vehicles are apportioned to departments and agencies according to need, and Facilities Management reviews vehicle mileage to determine if actual usage matches expected levels. Any vehicle assigned to a specific individual for official use undergoes a higher level of scrutiny, requiring approval of the Department of Administration on an annual basis.

Though Office manages the state fleet, it does not have a role in mileage reimbursement for employee travel. State employees are authorized to receive mileage reimbursement for certain travel on official business. Mileage payments are based on a fixed per-mile rate, updated annually by the Department of Administration's Office of Accounts and Control according to the business mileage reimbursement rate authorized by Internal Revenue Code (26 U.S.C. § 162). As of July 1, 2012, the reimbursement rate is 55.5 cents per mile driven.[12]

Division of Purchases, Department of Administration

The State of Rhode Island has a centralized purchasing program to review and authorize all expenditures greater than $5,000 (or $10,000 for construction).[13] RIDOT's purchases for design, construction, maintenance and other contracts must be approved through the Division of Purchases, which has one FTE position dedicated to RIDOT purchase review and approval.

Quasi-public agencies such as RIPTA, RITBA, RIAC and QDC are authorized to have their own internal purchasing functions and do not need to use the Division of Purchases for procurement, though the agencies are required under state law to comply with state purchasing guidelines.[14]

Division of Public Utilities and Carriers

The Division of Public Utilities and Carriers (DPUC) has regulatory jurisdiction over carriers that transport property or passengers for hire between points within the state of Rhode Island. These carriers include taxicabs, limousines, jitneys and similar passenger services, couriers, towing and freight companies, household good movers and liquid petroleum carriers, among others. DPUC's Motor Carrier Section employs several field investigators to research consumer complaints and provide inspections of common carriers to ensure compliance with requirements. DPUC conducts public hearings on new applicants to ensure their ability to provide public transportation services. In addition to regulating these carriers, the DPUC also determines the appropriate emergency fuel surcharges that taxicabs, tow trucks and ferry services may charge if gasoline or diesel fuel exceed established thresholds.

Transportation Functions Outside State Government

While state government has substantial authority over transportation planning and operations in Rhode Island, some transportation functions on which Rhode Islanders rely are administered by organizations outside the state government. The examples below demonstrate that coordinated transportation policy and oversight must involve other government organizations and the private sector.

ProvPort – ProvPort is a public-private partnership that administers the Port of Providence, a 105-acre marine terminal facility along the Providence River.[15] Like the Port of Davisville, it has access to freight rail. ProvPort is administered by a board of directors that includes representatives of ProvPort tenants and private sector businesses, as well as appointees by the Providence Mayor and City Council.

Massachusetts Bay Transportation Authority – Commuter rail in Rhode Island is administered by the Massachusetts Bay Transportation Authority (MBTA) under an agreement with RIDOT. MBTA's Providence/Stoughton line provides service between Boston's South Station and three stations in Rhode Island – Providence, T.F. Green Airport in Warwick and Wickford Junction in North Kingstown. Commuter fare revenues are collected and retained by MBTA; no funds are transferred to Rhode Island entities.

Municipal Governments – Of the 13,510 lane-miles that comprise the state's road system, only 2,924 are owned and maintained by RIDOT, with 10,468 lane-miles (77.5% of total) administered by municipal governments. (The remaining 118 lane-miles are managed by entities such as the Department of Defense, other Federal agencies or other jurisdictions.)[16] The state does not have clear data about the amount spent by municipal governments for transportation construction and maintenance projects, though the Rhode Island Senate Commission on Municipal Shared Services reported in May 2010 that municipalities employed 1,135.9 FTE positions and budgeted $124.87 million for public works functions in FY 2010.[17] (Note that public works expenditures may also include funding for parks and recreation, waste management and recycling and other non-transportation functions.)

TRANSPORTATION FINANCING

In 2008, the Blue Ribbon Panel's report *Rhode Island's Transportation Future* estimated the state would need to spend $640 million annually to maintain our state's transportation infrastructure in a state of good repair -- $285 million short of the funds received from Federal, state and other sources.

The funding shortfall is partly attributable to Rhode Island's comparatively low public investment in transportation. In its 2012 edition of "How Rhode Island Expenditures Compare," the Rhode Island Public Expenditure Council (RIPEC) found that Rhode Island's highway expenditures in FY 2010 ranked 45th in the nation on a per capita basis and 48th when evaluated per $1,000 of personal income.[18]

In recent years, funding for state-administered transportation programs has come from three main sources: state gasoline tax revenues, the Federal Highway Trust Fund, and funds borrowed through issuance of voter-approved General Obligation bonds. Governor Chafee initiated and led efforts to end the state's reliance on public borrowing for transportation projects, which has diversified transportation funding sources and reduced future debt service (see "Capital Projects – State Funding" on page 26). Controlling debt service costs and creating new sources of revenue are beneficial to RIDOT and RIPTA's operations, as revenues from gasoline tax and the Federal government have been steady or declining in recent years. Because RITBA, RIAC and QDC receive no state funds from general revenue or the gasoline tax, the following discussion of financing focuses primarily on RIDOT and RIPTA activities.

Maintenance and Operations – State Motor Fuel Tax

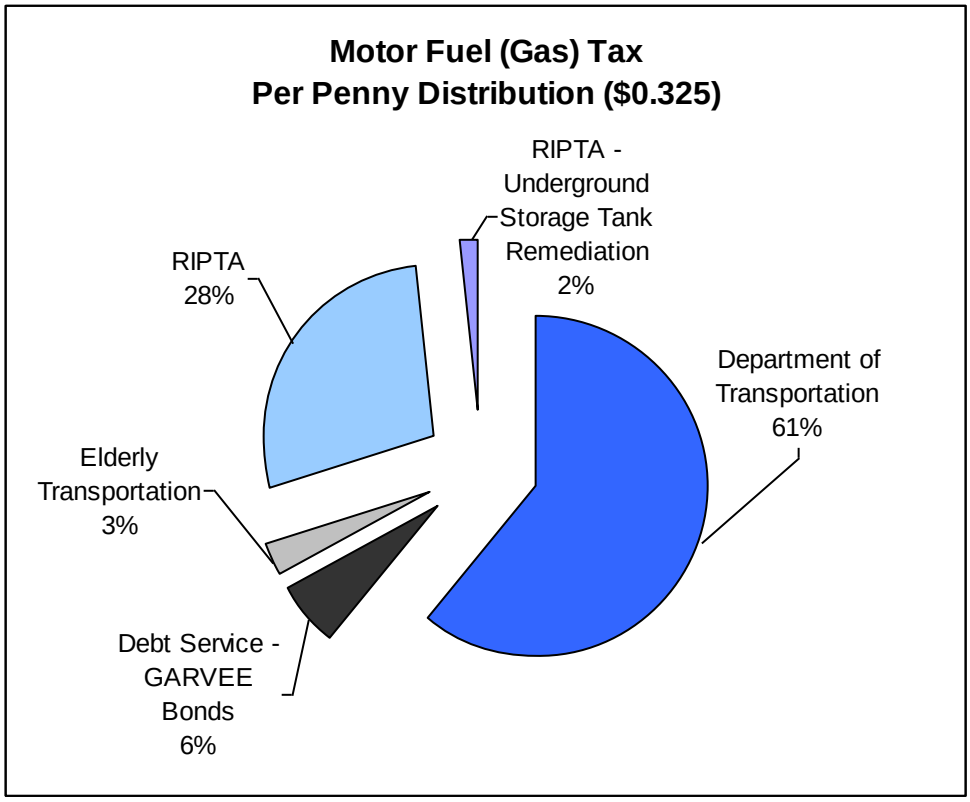
Prior to FY 1994, transportation financing was provided through general revenue, restricted receipts, general obligation bonds, and Federal funds. In FY 1994, the State established the Intermodal Surface Transportation Fund (ISTF) to segregate the financing for transportation-related expenditures, including RIDOT. Funds deposited into the ISTF include a portion of the State's Motor Fuel tax (referred to as the "gas tax"). In FY 2011, for the first time, all the State's gas tax collections were allocated for transportation purposes and deposited into the ISTF.

The gas tax is currently $0.32 per gallon. In FY 2013, it is expected to yield $4.2 million per penny, or $134.8 million total, in revenue. The gas tax is distributed to transportation programs as follows (see Figure G):

- $0.1975 per gallon is allocated to certain RIDOT personnel and operating expenses, primarily in the Maintenance Division, and debt service costs for General Obligation bond borrowing to match Federal funds

- $0.02 per gallon is allocated by statute for repayment of the Motor Fuel bonds that were used by RIDOT for the State match for the GARVEE bonds (Grant Anticipation Revenue Vehicles, or GARVEE bonds, were used to finance projects such as the I-195 relocation and construction of Quonset Rt. 403, among others).
- $0.01 per gallon is allocated to pay for elderly transportation services through the Rhode Island Department of Human Services.
- $0.0925 per gallon is used to finance operations at RIPTA. In addition to the $0.32 gas tax, RIPTA also receives half of the one cent per gallon fee collected to support the Underground Storage Tank (UST) remediation fund.

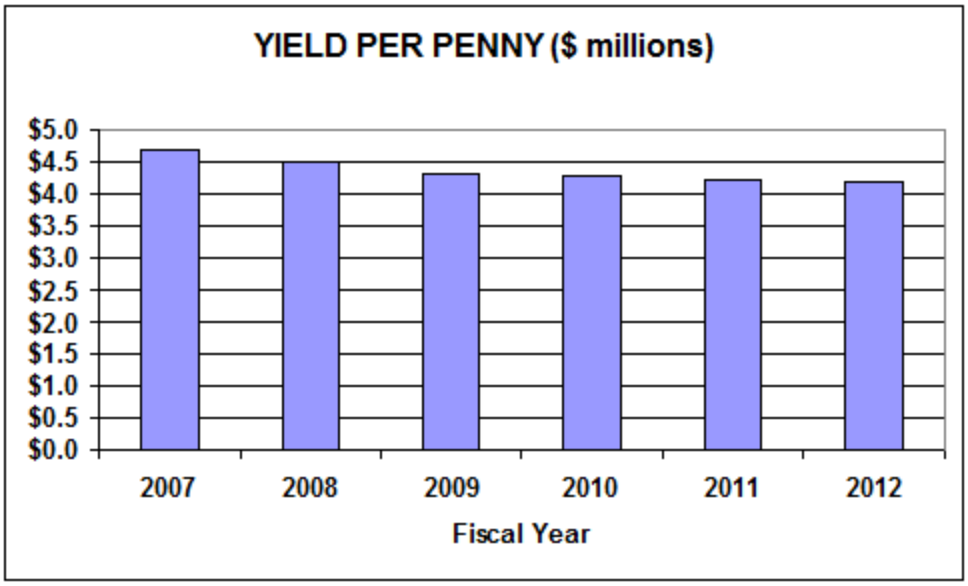
Figure G: Motor Fuel Tax Distribution



Source: RI Office of Management and Budget

Figure H represents the gas tax yield per penny from FY 2007 through FY 2012. The yield has declined in recent years as residents drive less and cars become more fuel efficient. (Note that the gas tax rate was increased by two cents in FY 2010, and this increase is reflected in the chart.)

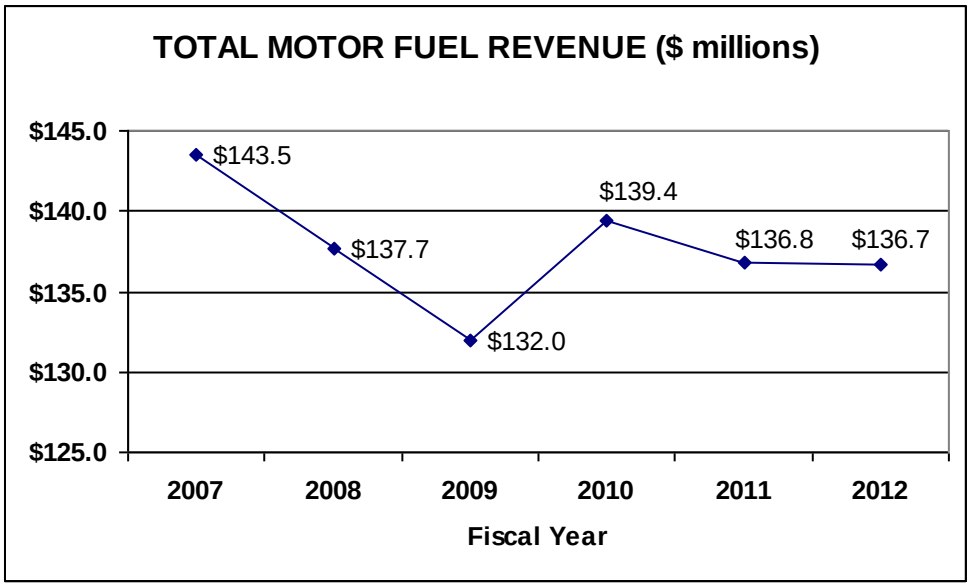
Figure H: Gasoline Tax Yield per Penny (FY 2007 – FY 2012)



Source: RI Office of Management and Budget

Figure I represents actual revenues from the gas tax between FY 2007 and FY 2012. (Note that the gas tax rate was increased by two cents in FY 2010, which is reflected in the chart.)

Figure I: Total Motor Fuel Revenue (FY 2007 - FY 2012)



Source: RI Office of Management and Budget

Capital Projects – State Funding

The Intermodal Surface Transportation Fund also includes funding for Rhode Island's capital projects. These projects are typically funded with 80.0% Federal funding and 20.0% state matching funds. All Federally funded capital projects are incorporated into the TIP, a four-year project selection and work plan that establishes priorities for planning, design and project implementation. The TIP is adopted by the State Planning Council and approved by the Governor. Federal regulations require states and metropolitan areas to undertake an extensive public planning process resulting in the development of the TIP as a prerequisite for receipt of Federal highway and transit funds. No highway or transit project can utilize Federal funds unless it appears in an approved TIP.

Prior to FY 2013, the State had traditionally matched Federal highway funds with General Obligation bonds, which were approved by the voters as referenda questions at the November general election every two years. Debt service on the General Obligation bonds issued was paid with gas tax revenue. As a result of continued borrowing, less gas tax revenue remained available each year for operations and maintenance costs. In FY 2012, the State Budget Office refinanced existing General Obligation bonds, smoothing the steep curve of rising debt service costs. However, refinancing was only one part of the solution to the structural deficit created by long-term borrowing for the annual highway program. Without a change in the way the state match was financed, along with the refinancing, General Obligation debt service would have risen above $70 million in FY 2016, leaving little funding available for operations and maintenance projects.

As a solution to the structural deficit and increasing debt service impact, Governor Chafee proposed shifting existing license and registration fees to transportation purposes over five years as part of his FY 2012 Budget proposal (Article 22). However, the Article included in the FY 2012 Budget as Enacted did not shift any existing registration and license fees, but instead increased registration and license fees and dedicated those new revenues to transportation purposes. The Article created the Rhode Island Highway Maintenance Trust Fund and prescribed a three-year, phased increase in registration and license fees, beginning in FY 2014 (July 2013). The funding generated from increased fees are shown in Table 2 below: two-year registrations and driver's licenses would each be increased by $30 ($10 per year for 3 years), while one-year registrations would be increased by $15 ($5 per year for 3 years). Initial estimates indicate that these increases will generate approximately $20.0 million annually when fully implemented.

The FY2013 Budget Act also included an annual allocation from the Rhode Island Capital Plan (RICAP) fund in the FY 2012 Budget as Enacted, to supplement the revenue generated by the

new fees. These two funding sources combined would eliminate General Obligation bond borrowing to match Federal highway funding by FY 2016. The FY2013 Budget Act accelerated the replacement of General Obligation bond financing by including an additional $20.0 million in RICAP funds; this eliminated the need for a final $20.0 million transportation bond referendum in November 2012. Table 2 illustrates how new RICAP and DMV revenues will end the state's reliance on debt financing for capital projects over time.

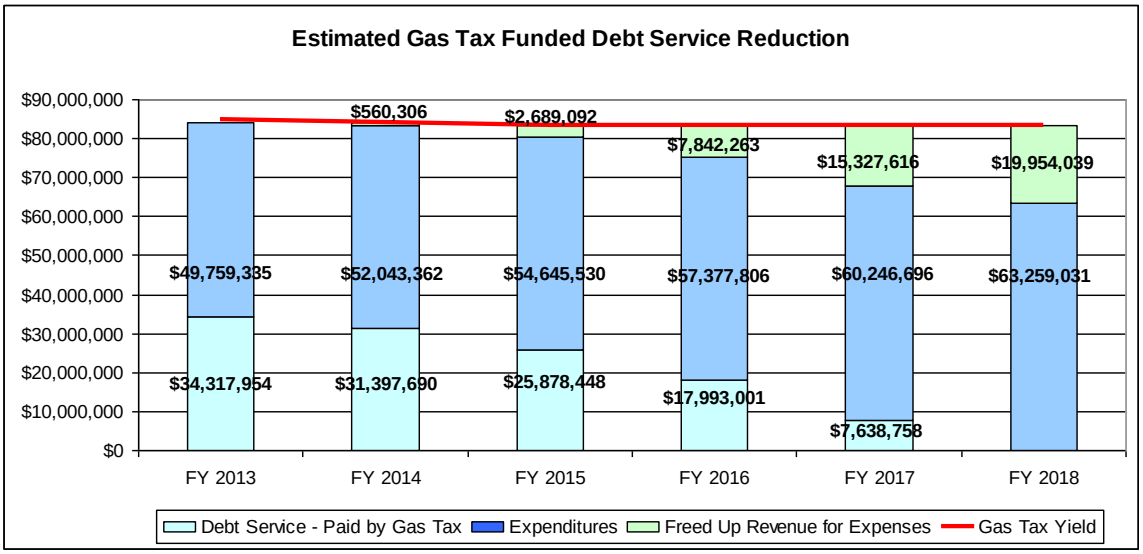
Table 2: Funding for Rhode Island Highway Maintenance Trust Fund (FY 2012 - FY 2017)

Source	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
Increase Two-Year Registrations by $30	$0.0	$0.0	$3.9	$7.8	$11.7	$11.7	$11.7
Increase One-Year Registrations by $15	$0.0	$0.0	$1.6	$3.2	$4.8	$4.8	$4.8
Increase License Fees by $30	$0.0	$0.0	$1.5	$3.0	$4.5	$4.5	$4.5
Rhode Island Capital Plan Fund (RICAP)	$0.0	$20.0	$20.0	$20.0	$20.0	$20.0	$20.0
Total New Sources	**$0.0**	**$20.0**	**$27.0**	**$34.0**	**$41.0**	**$41.0**	**$41.0**
Annual State Match Needed	$40.0	$40.0	$40.0	$40.0	$40.0	$40.0	$40.0
Annual BalanceRequired from Bonds	**$40.0**	**$20.0**	**$13.0**	**$6.0**	**$0.0**	**$0.0**	**$0.0**
$ in millions							
Source: RI Department of Transportation							

The shift from borrowing to dedicated funding sources will lead to substantial savings in debt service costs. The Rhode Island Highway Maintenance Trust Fund will completely replace debt financing, reduce RIDOT's debt service and alleviate the systemic deficits created by rising debt payments and declining gas tax yields. By shifting the 20.0% state match from bonds to more sustainable sources, the state will be able to dedicate more gas tax revenues to RIDOT operations and maintenance instead of spending it on debt service. OMB and RIDOT estimate that the aforementioned changes will allow the state to dedicate an additional $559.4 million in gas tax revenues for RIDOT operations and maintenance through FY 2035.[19] Further, since General Obligation bonds for the state match will no longer be issued moving forward, RIDOT expects to pay off current debt service by FY 2035.

Governor Chafee and the General Assembly continue to recognize the importance of establishing new funding streams to improve the condition of Rhode Island's transportation infrastructure. The Governor's five-year budget request proposed shifting $10.0 million per year in debt service costs from gas tax to General Revenue sources, beginning in FY 2014. The General Assembly supported the shift away from gas tax funded debt service payments, allocating $8.0 million in General Revenue for debt service in FY 2013. Should the state continue to shift debt service to General Revenue, Rhode Island would be able to improve maintenance and fund additional projects related to transportation infrastructure.

Figure J: Reduction in Gas Tax-Funded Debt Service (FY 2013 - FY 2018)



Source: RI Department of Transportation

Note that the graph reflects a constant gas tax yield of $4,213,320 per penny (FY13 and FY14 reflect a slight increase due to available carry-forward dollars)

Capital Projects – Federal Funding

Federal highway funding is provided through the Highway Trust Fund and other sources, as appropriated and allocated by Congress through transportation authorization legislation. Typically, these authorization provisions extend five to six years, allowing for mid-range capital planning at the state level. In October 2009, the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), the prior authorization, expired, resulting in a series of temporary extensions, some as short as three months. In June 2012, Congress approved a new two-year transportation authorization, called Moving Ahead for Progress in the 21st Century (MAP-21). MAP-21 shifts the Federal planning and project model toward performance measurements. The limited time of the authorization is an improvement over short-term extensions, but a two-year authorization still requires the state to make assumptions when projecting the availability of future Federal resources.

MAP-21 intends to create a streamlined and performance-based surface transportation program and builds on and refines many existing highway, transit, bike, and pedestrian programs and policies. MAP-21 sets forth the following goals:[20]

- Strengthen America's highways
- Establish performance-based programs

- Create jobs and support economic growth
- Support the Department of Transportation's aggressive safety agenda
- Streamline Federal highway transportation programs
- Accelerate project delivery and promotes innovation

The Highway Trust Fund (HTF) is the source of funding for most MAP-21 programs. The HTF is comprised of the Highway Account, which funds highway and intermodal programs, and the Mass Transit Account. Federal motor fuel taxes are the primary source of income for the HTF. MAP-21 extends highway-user fees (Federal gas tax and other related taxes), generally at the rates that were in place when the legislation was enacted, through September 30, 2016. It also extends provisions for full or partial exemption from highway-user taxes and provisions for deposit of almost all of the highway-user taxes into the HTF through September 30, 2016.

In MAP-21, the metropolitan and statewide transportation planning processes are continued and enhanced to incorporate performance goals, measures, and targets into the process of identifying needed transportation improvements and project selection. Requirements for a long-range plan and a short-term TIP continue, with the development of the Long-Range Transportation Plan (LRTP) incorporating the performance plans required by the Act for certain programs. The TIP must also be developed to make progress toward established performance targets and must include a description of the anticipated achievements. Overall, MAP-21 provides an array of provisions designed to increase innovation and improve efficiency, effectiveness, and accountability in the planning, design, engineering, construction and financing of transportation projects.

RIDOT estimates approximately $212.0 million in Federal fiscal year (FFY) 2013 and $214.0 million in FFY 2014 in Federal funds authorized under MAP-21 for Rhode Island. Prior to MAP-21, Rhode Island received one-half of one percent of all funds allocated to states nationwide as a result of the Federal funding formula. With the advent of MAP-21, the FFY 2013 allocations to states are based upon a three-year average of funds received during FFY 2009 through FFY 2011. For FFY 2014, there is a 1.4% escalator for all state funding levels.[21]

RECENT IMPROVEMENTS

As noted in the previous section, Governor Chafee led efforts to identify new sources of revenue for transportation programs and end borrowing for the state match to Federal highway funds. The dedication of certain DMV fees and RICAP funds to replace borrowing will reduce total debt service by $559.4 million through FY 2035. Further, by gradually shifting RIDOT's debt service from gas tax funding to general revenues, RIDOT could have an additional $20.0 million available for operations by FY 2018.

Despite these improvements, the state still faces a shortfall in the funding necessary to meet the state's transportation needs. Facing level funding in Federal transportation dollars and declining yields from the state gasoline tax, RIDOT has sought to maximize the use of existing resources by pursuing efficiency improvements, particularly in the areas of project management and maintenance operations.

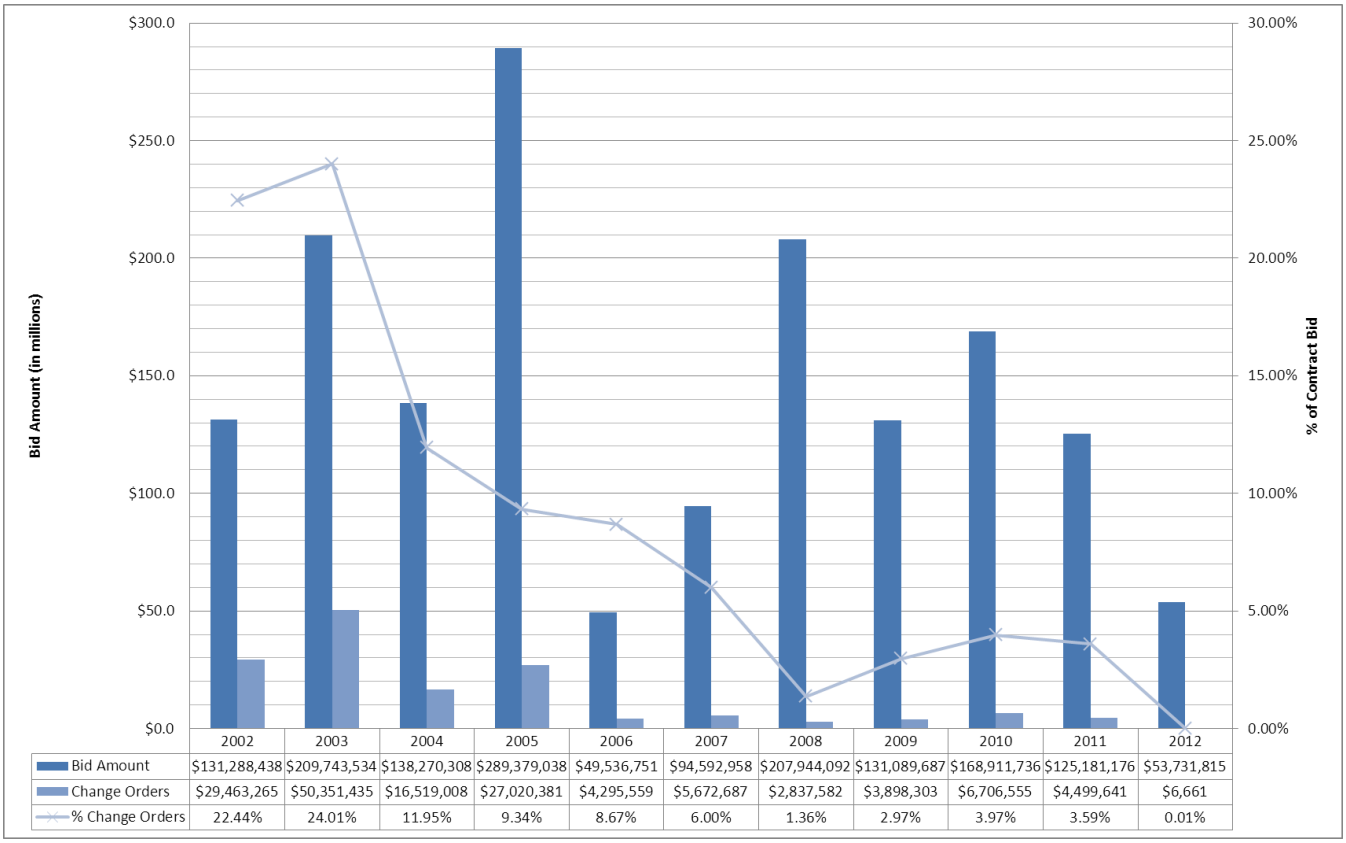
Change Orders

RIDOT has prioritized reducing the number and cost of change orders for construction projects. Change orders are modifications to the scope of work of an open contract, normally resulting in additional costs above the original contract amount. They may result from updated modifications to project scope or insufficient planning or design. In 2003, the state spent $50.4 million on change orders (24.0% of the $209.7 million in total construction bid awards made that contract year). RIDOT developed more stringent standards for change orders, leading to a significant decline over the last decade. Since 2008, the cost of change orders has been below RIDOT's target of 5.0% of bid amount, and change orders accounted for only 0.01% of contract bid totals in 2012 (see Figure K).

Construction and Asset Management

RIDOT has pursued new design and construction management techniques to reduce the cost and timeline of transportation projects. For bridge replacement projects that involve total closure, RIDOT now requires the use of pre-cast materials and/or accelerated construction techniques whenever feasible. This approach, combined with financial incentives to contractors for early completion, has yielded several improvements. In 2010, the Round Top Bridge in Burrillville was built in 41 days for $1.3 million, ahead of schedule by 23 days and below budget by $700,000. Earlier this year, the Frenchtown Brook Bridge in East Greenwich was completed in 33 days for $1.9 million, ahead of schedule by 30 days and below budget by $500,000.

Figure K: RIDOT Change Orders, 2002-2012



	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bid Amount	$131,288,438	$209,743,534	$138,270,308	$289,379,038	$49,536,751	$94,592,958	$207,944,092	$131,089,687	$168,911,736	$125,181,176	$53,731,815
Change Orders	$29,463,265	$50,351,435	$16,519,008	$27,020,381	$4,295,559	$5,672,687	$2,837,582	$3,898,303	$6,706,555	$4,499,641	$6,661
% Change Orders	22.44%	24.01%	11.95%	9.34%	8.67%	6.00%	1.36%	2.97%	3.97%	3.59%	0.01%

Source: RI Department of Transportation

RIDOT has also successfully implemented design-build projects, a process that has been described by the Federal Highway Administration as way to "accelerate project delivery, lower project costs and improve project quality."[22] Under design-build, contractors bid on both the design and construction phases of a project, allowing greater coordination and reducing the risk of design errors. The contractor assumes risk and associated penalties from delays and cost overruns, providing greater certainty about the public cost of projects. The Wickford Junction commuter rail station in North Kingstown, a design-build project, was completed three months ahead of schedule and $8.0 million below its budget of $33.0 million – a savings of 24.2%.

Constrained resources also require the state to manage its existing assets better through improved maintenance procedures. RIDOT is implementing Vueworks, a GIS-based Maintenance Management System that will manage RIDOT's maintenance projects, facilities and vehicle fleet. The system permits tracking of equipment, inventory, personnel and vendor time by project, providing greater detail about the resource needs of individual projects and allowing better allocation of resources. It will also permit better tracking of service requests

made by the public to provide better responsiveness and reduce duplication of effort. This software system will be expanded to serve as an enterprise Asset Management System for the entire Department in the coming years.

Vehicle Maintenance

RIPTA performs vehicle maintenance for a portion of RIDOT's equipment fleet. The partnership began in 2005 when RIPTA began performing maintenance for 40 sweepers and other equipment; as of January 2012, the number had climbed to 65 pieces of equipment – 25.9% of the 251 pieces of heavy equipment it owns. RIDOT estimates that using RIPTA for equipment maintenance saved nearly $120,000 in FY 2011, compared to the cost of using outside maintenance vendors. RIDOT and RIPTA are pursuing efforts to expand the current maintenance agreement to include nearly all of the heavy fleet.

Performance Management

As part of Governor Chafee's efforts to implement performance management in state agencies, RIDOT has moved quickly to integrate performance measures into management decision-making and dedicated staff toward this initiative. RIDOT has developed performance measures to monitor the state's transportation system in areas such as congestion, safety, bridge and roadway conditions, and gasoline and diesel consumption. It also tracks performance of its own programs in the areas of central management, budget and finance, engineering and maintenance. RIDOT reports performance data to OMB on a monthly basis, and managers have used this data to monitor progress toward goals such as controlling change orders and improving pavement quality. Because MAP-21 now requires state departments of transportation to develop performance measures to be reported to the Federal government, RIDOT and OMB will adapt existing performance measures to meet Federal requirements once established.

ONGOING CHALLENGES

National Rankings of State Roadways and Bridges

Despite recent improvements, Rhode Island ranks behind most other states in national surveys of its roads and bridges. In the Reason Foundation's *19th Annual Report on the Performance of State Highway Systems* from 2010, Rhode Island ranked 50th in the nation for bridge conditions (53.4% categorized as deficient or functionally obsolete).[23] However, the state performed well in highway safety, ranking 3rd best in the nation (0.79 fatalities per 100 million vehicle mile). The state's performance on pavement conditions is mixed; Rhode Island ranked 1st in the nation in both rural and urban interstate condition, but scored low in "rural other principal arterial condition," ranking 49th with 10.2% of these roads in poor condition. (Table 3 includes select rankings for New England states and Delaware from the Reason study.)

One problem with many national rankings, particularly those regarding pavement conditions, is that they may assess a relatively small portion of the state's road network. RIDOT is responsible for only 2,934 of the 13,510 lane-miles (21.7%) in the state. Rhode Island's first-place ranking in the Reason Foundation's rural and urban interstate conditions are based on only 1.1% of the state's road system, while the 49th place ranking in rural other principal arterial reflects 0.7% of the state's roads.[24] The majority (56.9%) of the state's roads are local roads in urban areas, followed by local roads in rural areas (12.5% of network).

Rhode Island's small network of state-run roads may also limit the benefits of economies of scale that other states experience. The Reason Foundation rates the efficiency of a state's transportation system by measuring state expenditures per lane-mile under state control.[25] In Rhode Island, where the state maintains 21.7% of the total roads, total highway disbursements per state mile averaged $361,089, placing Rhode Island 43rd in the nation. In Delaware, by contrast, where the state manages 89.0% of the state's roads,[26] total disbursements by state mile were $127,163, ranking them 22nd in the Reason study. By way of comparison, Massachusetts ranked 48th at $661,994, and Connecticut placed 41st at $329,955. (Table 4 shows the Reason study's efficiency rankings for New England states and Delaware.) It is uncertain whether Delaware's relative efficiency comes from better management practices, from an ability to spread fixed costs across a larger number of lane-miles, or a combination of the two. Either way, Rhode Island could review its own practices and compare them to other states to determine areas for efficiencies.

Table 3: Transportation Quality Rankings, Reason Foundation (2010)

State	Deficient Bridge Ranking	Highway Safety (Fatality Rate) Ranking	Rural Interstate Condition Ranking*	Urban Interstate Condition Ranking**	Rural Other Principal Arterial Condition Ranking
Connecticut	44	5	1	32	31
Delaware	13	29	N/A	34	1
Massachusetts	45	1	1	1	30
Maine	36	16	1	1	47
New Hampshire	42	17	1	25	19
Rhode Island	50	3	1	1	49
Vermont	43	10	33	47	39

* 22 states had 0.0% miles ranked poor and received top rank

** 10 states had 0.0% miles ranked poor and received top rank

Source: Reason Foundation

Table 4: Transportation Efficiency Rankings, Reason Foundation (2010)

State	State Controlled Miles	Total Disbursements Per Mile	Total Disbursements Per Mile Ranking
Connecticut	4,048	$329,955	41
Delaware	5,372	$127,163	22
Massachusetts	3,605	$661,994	48
Maine	8,665	$82,271	14
New Hampshire	4,025	$160,900	33
Rhode Island	1,111	$361,089	43
Vermont	2,840	$115,553	20
Weighted National Average	--	$145,127	--

Source: Reason Foundation

Shared Services

The fact that Rhode Island has numerous transportation agencies is not necessarily problematic if their work is well coordinated. However, inefficiencies may occur if agencies are duplicating efforts or not sharing best practices. While RIDOT's decision to perform some vehicle maintenance at RIPTA has realized cost savings, the state could explore additional areas of cooperation among agencies, whether in vehicle and equipment maintenance, purchasing agreements, fueling or other services. Municipal governments may also benefit from additional collaboration with state agencies and should be considered as potential partners in future efforts.

Transportation agencies have similar administrative functions such as human resources, finance and communications. However, they currently have no institutionalized method of sharing best practices, as most collaboration is done on an ad hoc, project-specific basis. The state could benefit by encouraging greater cooperation among agencies and pursuing consolidation when it is cost-effective.

OTHER TRANSPORTATION MODELS

Some states have used organizational structure as a method of improving collaboration among transportation functions, ensuring operational consistency with strategic goals and encouraging efficiencies through shared resources.

States have developed a number of different organizational structures for their transportation agencies. According to a 2011 report developed by the American Association of State Highway Transportation Organization (AASHTO) and National Conference on State Legislatures (NCSL), state transportation functions are organized in four main ways.[27]

1) Led by a Secretary, Commissioner or Director
2) Led by a Secretary, Commissioner or Director with a policy-making board or commission
3) Led by a Secretary, Commissioner or Director with an advisory board or commission
4) Organized according to another model

Table 2 demonstrates which transportation leadership structures are used in the 50 states and the District of Columbia. (Appendix A provides greater detail about each state's organization.)

Table 5: Organizational Models for State Transportation Functions

Model 1: Secretary, Commissioner or Director	Model 2: Secretary, Commissioner or Director and Policy-making Board	Model 3: Secretary, Commissioner or Director and Advisory Board	Model 4: Other
Alabama	Arizona	Hawaii	California
Alaska	Arkansas	Kansas	New Jersey
Connecticut	Colorado	Nebraska	Oklahoma
Delaware	Florida		Vermont
District of Columbia	Georgia		Virginia
Illinois	Idaho		West Virginia
Indiana	Iowa		
Kentucky	Massachusetts		
Louisiana	Michigan		
Maine	Mississippi		
Maryland	Missouri		
Minnesota	Montana		
New Hampshire	Nevada		
New York	New Mexico		
North Dakota	North Carolina		
Ohio	Oregon		
Rhode Island	Pennsylvania		
Tennessee	South Carolina		
Wisconsin	South Dakota		
	Texas		
	Utah		
	Washington		
	Wyoming		

Model #1: Commissioner of Transportation

Under the first organizational model, a Commissioner of Transportation oversees some or all transportation-related government functions in the state.[28] Within this centralized structure, however, the specific organizational structure may differ. In many states, modes of transportation (highway, transit, aviation, etc.) have separate agencies or divisions within the departmental structure to promote specialization and expertise development. Cross-cutting functions (finance, human resources, etc.) may be either independent divisions or consolidated into a centralized administrative office.

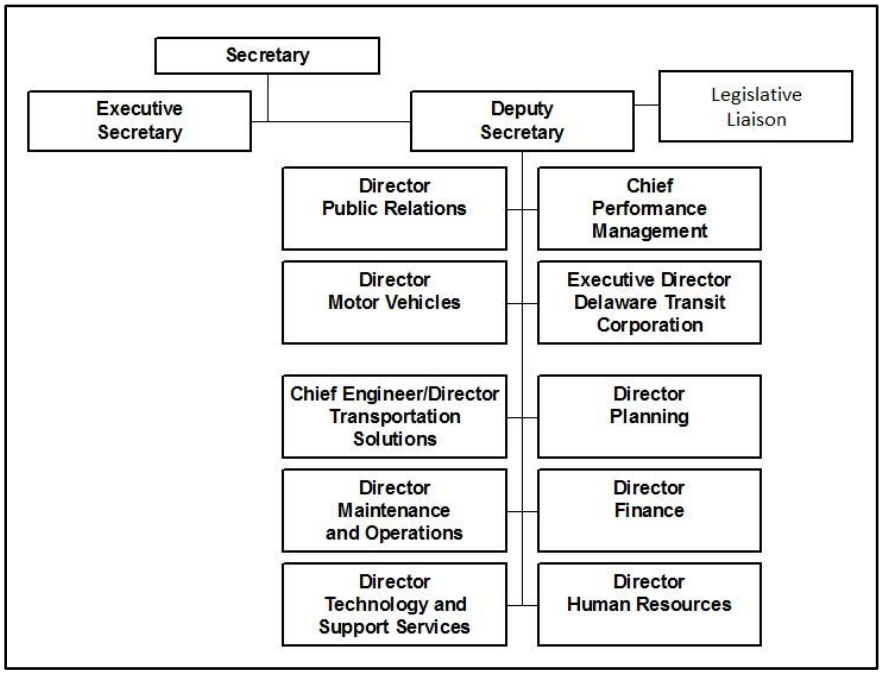
In this model, the Commissioner of Transportation is the central figure in the development and implementation of transportation policy, usually with guidance from the Governor and/or the legislature. The Commissioner is also responsible for oversight of transportation planning, design, construction and maintenance, as well as operations of transportation modes under his/her jurisdiction. In most cases, the Commissioner is appointed by the Governor with advice and consent of the Senate.

Rhode Island's transportation organization fits this centralized model, with many transportation functions managed by RIDOT. However, Rhode Island is one of seven states categorized by AASHTO and NCSL as having numerous transportation functions outside the primary transportation agency (see "Divided Authority" below).

<u>Model #1 Example: Delaware</u>

Delaware is an example of the Commissioner approach to transportation organization, with many of the state's transportation functions reporting to one individual. The Delaware Department of Transportation (DelDOT) is led by a Secretary of Transportation, who is appointed by the Governor with advice and consent of the Senate. DelDOT includes both functional and modal divisions reporting directly to the Secretary. Figure L illustrates DelDOT's organizational chart.

Figure L: DelDOT Organizational Chart



Source: Delaware Department of Transportation[29]

Transit operations are managed by the Delaware Transit Corporation (DTC), with its Director reporting to the Secretary of Transportation. DTC operates transit services, including statewide bus operations and paratransit, and also provides commuter rail services in collaboration with the Southeastern Pennsylvania Transportation Authority (SEPTA). However, unlike other modal divisions within DelDOT, the DTC is an independent entity, and DTC staff are not state employees.

With 13,613 lane-miles, Delaware has the fourth smallest roadway system in the United States, ahead of Rhode Island (13,520 lane-miles), Hawaii (9,523) and the District of Columbia (3,541). In an effort to realize economies of scale in road maintenance, DelDOT maintains 89.0% of the total lane-miles in the state, including those that would fall under municipal jurisdiction in Rhode Island. Delaware funds transportation programs, including DTC's operational subsidy, from its Transportation Trust Fund, which is supported by motor vehicle registry fees, tolls, gas tax revenues and some general revenues.

Not all transportation functions in the state fall under the DelDOT umbrella. The Delaware River and Bay Authority (DRBA) is an independent, bi-state quasi-government agency

established to coordinate transportation and economic development between Delaware and New Jersey. DRBA operates the Delaware Memorial toll bridge, five regional airports and two ferry services. It is led by twelve commissioners appointed by the Governors of Delaware and New Jersey. DRBA and DelDOT collaborate on projects that overlap the two jurisdictions.[30]

Model #2 – Commissioner of Transportation & Policy-making Board

The second organizational model includes the Commissioner-led structure from Model #1. However, a policy-making board, not the Commissioner, is charged with developing transportation policy for the state. The authority of the board varies among states, though common functions include long-range transportation planning, project development and oversight, review of annual budget requests, and review and approval of contracts above a specified threshold.

In most of the twenty-three states that use the policy-making board model, the Governor appoints the members of the Board according to specified qualifications such as professional expertise, geographic location and/or political party.[31] In three states (Georgia, Mississippi and South Carolina), some or all of the Board members are elected by residents or legislators from a particular geographic region.

The authority to appoint the Commissioner of Transportation also differs by state. In twelve states, the Governor appoints the Commissioner, while in seven states, the Board has appointment authority. In four states, the Governor and Board each has a role in appointing the position, with one making recommendations and the other making the final selection.

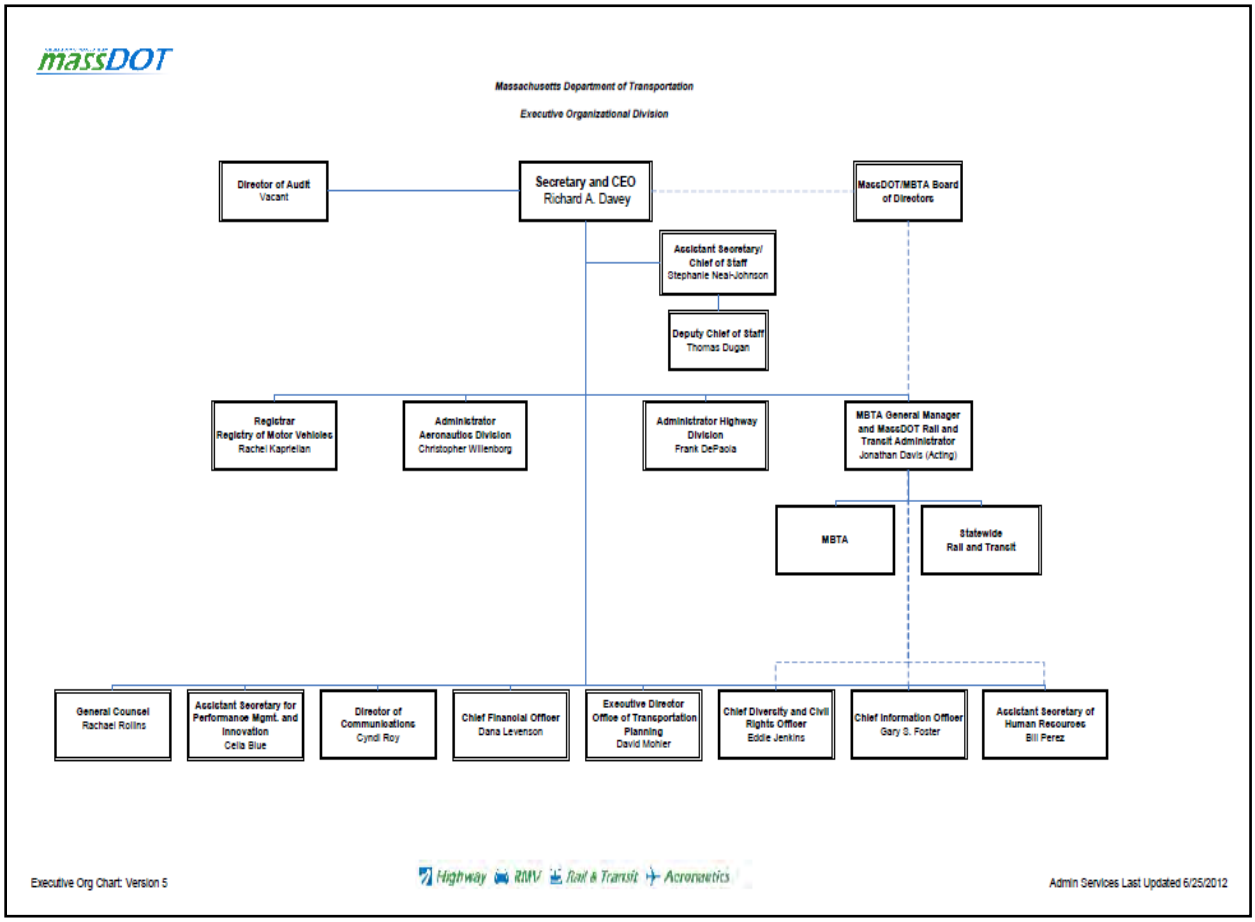
Model #2 Example: Massachusetts

Recent reforms to Massachusetts' transportation organizational structure provide a good example of the Commissioner and policy-making board model. In 2009, Massachusetts consolidated many of its state and quasi-public transportation agencies under a single department, the Massachusetts Department of Transportation (MassDOT). Prior to the reorganization, the state had seven separate government or quasi-public agencies charged with administering transportation operations, not including regional transit authorities (RTAs) that operated municipal and regional bus service. The consolidation placed under MassDOT the functions of the Executive Office of Transportation and Public Works (EOT), the Massachusetts Turnpike Authority (MTA), the Massachusetts Highway Department (MHD), the Registry of Motor Vehicles (RMV), the Massachusetts Aeronautics Commission (MAC), and operations of the Tobin Bridge, which had been managed by the Massachusetts Port Authority (Massport).[32]

Further, MassDOT assumed greater oversight of the Massachusetts Bay Transportation Authority (MBTA) and the RTAs.

MassDOT organizes transportation programs into four modal divisions: Highway, Mass Transit, Aeronautics and Registry of Motor Vehicles. Cross-cutting functional areas such as finance, planning and human resources are separate offices reporting to the Secretary of Transportation, who is appointed by the Governor.[33] Figure M illustrates MassDOT's organizational chart.

Figure M: MassDOT Organizational Chart



Source: Massachusetts Department of Transportation

The 2009 reorganization also established a five-member board of directors to oversee the Department of Transportation. Members of the board are appointed by the Governor and must meet certain criteria for experience, including transportation finance, transportation planning or civil engineering.[34] The authorizing statute also specifies that not more than three

Board members may be of the same political party. Other than exercising the corporate powers of the Department of Transportation, the board's responsibilities are not enumerated in statute. Under MassDOT's bylaws and a delegated authority agreement established with the Board and MassDOT, the Board has final authority over MassDOT's annual budget, tolling structure, public-private partnerships, debt instrument agreements, the long-term statewide transportation plan, the five-year capital plan and contracts above specified thresholds.[35]

In addition to overseeing MassDOT, the board of directors is also the governing board of MBTA and exercises authority over the Regional Transit Authorities (RTAs). Though MBTA falls within MassDOT's organizational structure and implements the strategic and operational plans established by the Board and MassDOT, it remains a separate legal entity but reports to the Secretary of MassDOT. The 2009 consolidation standardized some MBTA employee benefits with those of state employees; for example, at the expiration of collective bargaining agreements, MBTA employees and retirees were transferred to the health care benefit structure administered by the state's group Insurance Commission, saving the MBTA an estimated $31.0 million.[36]

Not all Massachusetts transportation agencies are included in the MasssDOT structure. The Massachusetts Port Authority (Massport) remains an independent public authority overseen by a board of directors that is chaired by the state's Secretary of Transportation. Under the 2009 consolidation, MassDOT assumed control of the Tobin Bridge from Massport, but Massport continues to operate Logan, Worcester and Hanscom airports as well as the Port of Boston. Also independent is the Cape and Islands Steamship Authority, which provides ferry service to Martha's Vineyard and Nantucket.

MassDOT funds its transportation operations from a variety of revenue sources, including motor vehicle license and registration fees, a dedicated portion (0.385%) of the state sales tax, and tolls from the Massachusetts Turnpike and the Sumner and Ted Williams Tunnels, among others.

Model #3 – Commissioner of Transportation & Advisory Board

The third organizational model is similar to the second, characterized by centralized transportation department and an appointed or elected board. However, in this model, the board is advisory only and cannot establish transportation policy.

In Hawaii and Nebraska, appointments to the commission are based on geography, with commissioners representing counties (in Hawaii) or transportation districts (in Nebraska). Commissioners may hold regional hearings to obtain public input on proposed transportation projects and policies. Though advisory in nature, this organizational model aims to ensure that transportation policy set by the Commissioner is equitable to all regions of a state.

Kansas's Highway Advisory Commission also had a geographic-oriented approach to commission membership until it was replaced with the Economic Development Advisory Panel in 2011 to focus on project streamlining.[37]

Model #4 – Alternative Organizational Structure

According to NCSL and AASHTO, six states have transportation organizational structures that do not fall into the previous three categories.

California – The California Department of Transportation (Caltrans) is led by Director appointed by the Governor. As in states with Model #2 structures, transportation policy in California is established by a separate board, the California Transportation Commission. However, Caltrans is not independent, as it is one of twelve departments and several economic development programs reporting to the state's Business, Transportation and Housing Agency, which is led by a Governor-appointed Secretary.

Pursuant to a government reorganization plan that takes effect in July 2013, Caltrans will become part of a new Transportation Agency, along with Motor Vehicles, High-Speed Rail Authority, Highway Patrol, Board of Pilot Commissioners and the California Transportation Commission.[38] Though full implementation details are not yet known, the new Transportation Agency would likely place California into the Model #2 category.

New Jersey – New Jersey transportation functions are managed by several agencies (see "Divided Authority" below) that administer highways and planning (New Jersey Department of Transportation, NJDOT), transit (New Jersey Transit Authority) and tolled roads (New Jersey Turnpike Authority). The state is unique in its use of a separate entity, the Transportation Trust Fund Authority, to finance capital projects for the New Jersey Department of Transportation and the New Jersey Transit Authority. NJDOT's Commissioner leads all four of these agencies.

Oklahoma – Oklahoma's Secretary of Transportation, appointed by the Governor, is currently the head of two separate agencies: the Department of Transportation and Turnpike Authority. The state's Transportation Commission oversees the Department of Transportation (similar to a Model #2 policy-making board) and is composed of Commissioners representing eight geographic districts within Oklahoma. The Turnpike Authority has a separate Board of Directors that includes the Governor.

Vermont – The Vermont Agency of Transportation (VTrans) is charged with managing transportation policy development and operations. The state's Transportation Board conducts public hearings on transportation-related topics, serving a function similar to the advisory board in the Model #3 structure. However, the Board also provides appellate review of decisions made by VTrans and has original jurisdiction to resolve disputes.

Virginia – The Secretary of Transportation oversees seven transportation agencies. The Secretary also serves as the Chair of the Commonwealth Transportation Board, which sets policy for state transportation agencies. In addition to the Secretary of Transportation, the Board's membership consists of two-ex officio members (Commissioner of the Department of Transportation and Director of the Department of Rail and Public Transportation), eight representatives of geographic regions, two at-large members representing urban areas and one at-large member representing rural areas.

West Virginia – The Governor appoints, with Senate advice and consent, both the Secretary of the Department of Transportation (WVDOT) and the Commissioner of the Division of Highways, a division within WVDOT. (The current Secretary of Transportation also serves as Commissioner of Highways.)

Divided Authority

In addition to the four organizational models listed above, the NCSL/AASHTO report notes that in seven states, including Rhode Island, certain core transportation functions are managed by entities outside the state's department of transportation. The other states are Delaware, Georgia, Massachusetts, New Jersey, Ohio and Virginia.[39] (Since the report's publication, Massachusetts and Georgia have reorganized transportation agencies but still retain some independent transportation functions.) In these states, certain transportation activities such as transit are managed by independent subsidiaries, quasi-public agencies or other organizations.

In addition to these six examples, many states have created independent authorities to manage transportation operations such as airports or seaports that issue bonds or that are self-supporting through collected revenues or issue bonds. Some of these entities may serve multiple states, such as the Port Authority of New York and New Jersey, which operates airports, marine terminals and ports, rail and bus transit, ferry service, bridges and tunnels and real estate development projects in the New York-New Jersey region.[40]

Delaware – As previously noted, the Delaware Transit Corporation is an operational arm of the state's Department of Transportation, but it is a separate legal entity. The Delaware River and Bay Authority (DRBA) is an independent, bi-state quasi-government agency established to coordinate transportation and economic development between Delaware and New Jersey. DRBA operates the Delaware Memorial toll bridge, five regional airports and two ferry services.

Georgia – Georgia's State Transportation Board, a policy-making board, oversees operations of the Georgia Department of Transportation (GDOT). The Georgia Regional Transportation Authority (GRTA) is a separate organization created to advise GDOT on transportation policy and land-use planning specific to the greater Atlanta region. GRTA also develops the Atlanta region's TIP.

Massachusetts – As previously noted, the state's 2009 consolidation merged numerous independent transportation agencies into MassDOT. Although part of that structure, the MBTA remains a separate legal entity, with policy directed by the same board that oversees MassDOT. The Massachusetts Port Authority (Massport), which operates Logan, Worcester and Hanscom airports as well as the Port of Boston, is also an independent public agency chaired by the state's Secretary of Transportation.

New Jersey -- New Jersey transportation functions are divided among several agencies by mode of transportation. The New Jersey Department of Transportation (NJDOT) administers state highways and transportation planning; the New Jersey Transit Commission oversees rail, light rail and bus service; and the New Jersey Turnpike Authority manages the state's tolled roads (New Jersey Turnpike and Garden State Parkway). The Transportation Trust Fund Authority, an independent agency, finances capital projects for the NJDOT and NJ Transit. The Commissioner of NJDOT chairs all four of these agencies,[41] as well as the South Jersey Transportation Authority, which has responsibility for multimodal operations in the Atlantic City region, including the Atlantic City airport. New Jersey also has a separate Motor Vehicle Commission for vehicle registration and licenses; it is overseen by an eight-member board, which includes the Commissioner of Transportation.

Ohio – Most of the state's transportation functions are managed by the Ohio Department of Transportation. A separate entity, the Ohio Rail Development Commission, is charged with improving passenger and freight rail in the state, as well as enhancing safety of the rail system.

Rhode Island –The Rhode Island Department of Transportation (RIDOT) is charged with managing roadways and bridges under the state's jurisdiction, though operations and maintenance of the Pell and Mount Hope bridges (expanding to include Sakonnet and Jamestown bridges) are handled by the Rhode Island Turnpike and Bridge Authority, a quasi-public agency. The Rhode Island Public Transit Authority, a quasi-public agency, manages all fixed route, flexible route and paratransit service in the state. Commuter rail service is provided by the Massachusetts Bay Transportation Authority (MBTA) under an agreement with RIDOT.

Virginia – Like New Jersey, Virginia has separate agencies to oversee different modes of transportation. The agencies include the Virginia Department of Transportation (roads, bridges and tunnels), Virginia Department of Rail and Public Transportation, Virginia Department of Aviation and the Virginia Port Authority. Virginia has a Department of Motor Vehicles for vehicle license and registration, as well as a Motor Vehicle Dealer Board to ensure compliance with dealer-related regulations and to hear consumer complaints against dealers. As noted in the Model #4 description above, the Commonwealth Transportation Board is the policy-making board for most transportation functions, with the Department of Aviation and the Port Authority having separate advisory boards.

ORGANIZATIONAL STRUCTURE OPTIONS FOR RHODE ISLAND

Though Rhode Island has numerous departments and agencies with transportation functions, this decentralized model is not necessarily problematic if the agencies collaborate in areas of shared interest and if their operations are consistent with the state's long-term transportation goals. In cases where organizational structure is impeding progress, the state could consider other organizational models or improvements to the existing structure. The experience in states such as Massachusetts (described below) suggests that organizational changes in transportation can be complex and that structured collaboration among agencies is often a helpful precursor to determine areas for improvement that may drive change. As the state is still reviewing RIPTA operations, OMB does not recommend any significant organizational changes in the near term.

In the longer term, if the state determined that its current structure was insufficient to meet the public's transportation needs, it could look to different organizational models, ranging from enhanced coordination of existing structures to agency consolidation. The diversity of organizational models in other states suggests that no one system is perfect. The options discussed below provide some ideas for organizational changes, as well as the benefits and challenges associated with each.

Transportation Coordinating Council

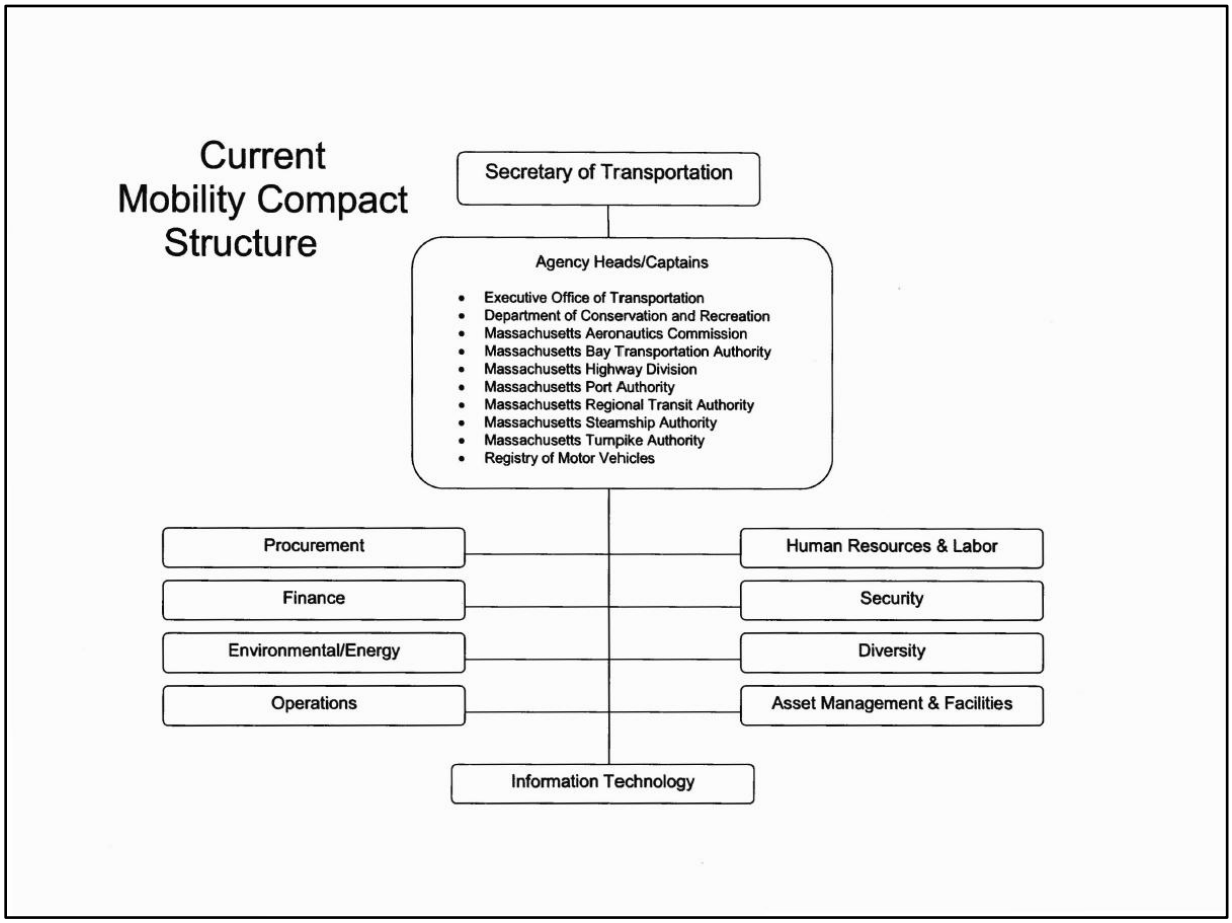
Organizational change could include creating a Transportation Coordinating Council that includes all of the state's transportation agencies. The council's purpose would be to identify areas for improvement that cut across multiple agencies or modes of transportation and would meet regularly to share information and promote best practices. For example, a coordinating council could develop standardized plans for maintenance operations, construction management, human resources, customer service or other areas, with relevant agency staff supporting each working group. The council could also develop performance measures for the state's transportation system and report regularly on progress toward established goals and targets.

A coordinating council could also promote greater consistency and planning in transportation policy. Rhode Island benefits from having a long-range transportation plan that is developed with a variety of stakeholders and is consistent with other state guide plans, such as land use, economic development and environmental preservation. The state's challenge has been ensuring that each agency's strategic and operational plans are consistent with the long-range

transportation plan. Agencies must also collaborate to prioritize the numerous objectives, policies and strategies in the long-range plan and allocate their resources accordingly.

A potential model for this approach is Massachusetts' Mobility Compact, initiated by Governor Deval Patrick in 2007. Prior to the state's transportation consolidation of 2009, the Mobility Compact permitted agencies to develop a common agenda around "improving mobility, implementing efficiencies and sharing best practices."[42] The ten departments developed working groups in nine areas, and their work led to an interagency cost-sharing agreement and development of a one-stop shop for Massachusetts drivers to permit sales of toll transponders at the Registry of Motor Vehicles.[43] Figure N illustrates the Massachusetts Mobility Contact structure and its functional working groups.

Figure N: Massachusetts Mobility Compact Structure



Source: Massachusetts Department of Transportation[44]

In Rhode Island, a similar model could permit greater coordination and operational consistency across departments without significant organizational change or disruption. It is a flexible model, permitting the Administration to identify priority areas for improvement and to implement changes relatively quickly. It could promote the transfer of best practices across agencies while maintaining the existing quasi-public agency structure for organizations such as RIPTA and RITBA, thereby preserving stakeholder engagement and boards that characterize those organizational models.

While a coordinating council model has some advantages in the short-term, it has limits to its effectiveness. Success requires all agency leadership and staff to commit to collaboration, and the expected goals and associated timelines must be clearly defined. Transfer of best practices across agencies may be limited by organizational culture and/or technology constraints (if agencies have different and incompatible systems or processes), and the development and implementation of new initiatives may create additional responsibilities without providing resources to implement them.

If the state chooses to pursue this model, it should look beyond state agencies to find areas of collaboration with municipal governments, which oversee 77.4% of the roads in the state.

Single Chairperson of DOT and Quasi-Public Agencies

Rhode Island currently aims to ensure consistency across surface transportation agencies by making the Director of Transportation a statutory member of the State Planning Council and a member of the RIPTA and RITBA boards of directors. This participation does not extend beyond surface transportation, as the Director of Transportation does not serve on the boards of either RIAC or QDC, both of which are independent quasi-public corporations operated as subsidiaries to the EDC.

In some states where transportation functions are distributed among different agencies (see "Divided Authority" above), the chief transportation executive may serve as the director of other transportation-related agencies and/or the chair of the board of directors of independent transportation entities (described henceforth as a "Commissioner-Chair" model).

The scope of authority granted to the chief transportation executive varies by state. It is common to see Commissioner-Chair models in surface transportation, but it is less common in commercial aviation and port operations, which are often led by independent quasi-public entities with appointed boards. However, in several states, such as Massachusetts and New Jersey, the chief transportation executive does play a leadership role in airport and seaport

management. The Massachusetts Secretary of Transportation is the chair of the board of Massport, which manages three airports and the Port of Boston. In New Jersey, the Commissioner of Transportation chairs the South Jersey Transportation Authority, which has responsibility for the Atlantic City airport; however, he/she does not serve on the board of the Port Authority of New York and New Jersey, which has jurisdiction over Newark Airport, LaGuardia Airport, JFK International Airport, and the bridges and tunnels connecting New York and New Jersey.

One of the advantages of the Commissioner-Chair model is establishing clear authority over transportation policy and ensuring that transportation planning, budget and operations are consistent across government and self-reinforcing. Because the Commissioner-Chair plays a significant role in setting the agenda and establishing the priorities of the quasi-public agencies, he/she may be able to expedite implementation of transportation priorities established by the Governor and/or the legislature.

While this model may improve consistency in transportation policy in Rhode Island, it would add a significant number of responsibilities to the RI Director of Transportation. Though the Director already sits on the RITBA and RIPTA boards, an effort to give the Director a role in RIAC and QDC management would require the Director to devote additional time and develop expertise. Further, additional RIDOT staff and resources may be needed to ensure proper coordination of policy, operations and finance across the agencies.

Partial or Total Transportation Agency Merger

The most comprehensive and yet most challenging approach to create consistency in state transportation policy, operations and finances could be to merge RIDOT with other quasi-public transportation agencies. This approach could encourage operational efficiencies by combining similar functions in agencies (e.g., human resources, finance, maintenance, planning, etc.). It could also promote greater accountability for transportation policy, making one person accountable for transportation operations in Rhode Island.

However, agency consolidation could be challenging, as technological, personnel and legal constraints could limit how quickly and comprehensively a merger could be completed. Harmonizing benefit structures, standardizing policies and procedures and adopting new information technology systems to permit interoperability and data transfer all require time, training and resources. Massachusetts began its agency consolidation in 2009 and spent two years implementing the merger, requiring significant staff resources and external consultant services to effectuate the changes.

If the state were to pursue a merger of transportation agencies, it should weigh the benefits and challenges specific to each affected organization. This analysis is particularly important for quasi-public agencies, which have different governance structures, policies and procedures, funding sources, and personnel compensation and benefits. A brief description of some of the benefits and constraints of pursuing a merger with each quasi-public agency is offered below:

- **RIPTA** – Planning and operations of both RIDOT and RIPTA are currently governed by the state's Long-Range Transportation Plan and the Transportation Improvement Plan, so the two organizations have a history of collaboration. Further, both RIDOT's and RIPTA's operations are funded by gasoline tax receipts; a merger could create a unified transportation budget to provide greater transparency about how gasoline tax revenues are used. Moving RIPTA into RIDOT could also provide an opportunity to increase focus on commuter rail, which RIPTA is authorized to manage, but whose planning functions are currently in RIDOT.

  However, the two organizations' employees have different benefit and compensation structures. Any operational efficiency gained from merging RIDOT and RIPTA functions would need to be balanced against the possibility of increased labor costs to determine whether consolidation is cost-effective. For that reason, states such as Massachusetts and Delaware include transit functions as a division of the state DOT, though the division is a separate legal entity, and transit employees have separate compensation structures.

- **RITBA** – Because RITBA is financed by toll revenue and does not receive general revenue or gasoline tax funds, additional study would be required to determine what taxpayer savings could be achieved by merging with RIDOT. However, when RITBA assumes control of the Sakonnet and Jamestown Bridges, it will assume a more significant role in transportation in the East Bay region. The establishment of tolls on the Sakonnet Bridge and the creation of the East Bay Infrastructure Fund for local transportation improvements will require greater coordination between RITBA and RIDOT and state and local economic development officials to ensure that the transportation and economic growth needs of the region are understood and addressed.

  In November 2011, the Rhode Island Public Expenditure Council published a management study of RITBA, which noted some differences between RITBA's personnel system and that of state transportation agencies. The 24-7 nature of toll plaza operations has led RITBA to develop a flexible work scheduling system that relies on part-time and casual employees who are not eligible for benefits. Further, RITBA offers a 401(k) plan for retirement

benefits, which differs from the state's hybrid defined benefit/defined contribution retirement benefit.[45] Again, the state would need to calculate whether efficiency gains from shared functions between RIDOT and RITBA would justify the possible increase in labor costs associated with making RITBA a state agency.

Some of the benefits of quasi-public agencies include encouraging long-term decision-making (by staggering terms of board members and reducing leadership turnover at the completion of a Governor's term) and permitting the issuance of bonds to finance projects. Transferring RITBA functions to a state entity could make tolling decisions more susceptible to political pressure, as well as cause the state to assume RITBA-issued debt.

- **RIAC** –T.F. Green State Airport is a major economic development asset for the state, one of the reasons for which RIAC is an independent subsidiary under the RIEDC, a quasi-public agency. Long-range planning for the facility is governed by the State Airport System Plan, which is approved by the State Planning Council (of which the Director of Transportation is a member). One area of improvement from a closer relationship with RIDOT and RIAC could be fostering economic development through transportation. For example, the state could have more comprehensive planning regarding use of the Warwick intermodal station and commuter rail. If the state expects to increase the frequency of commuter rail service between T.F. Green and Providence, enhanced communication among RIAC, RIDOT and MBTA will be vital.

  Like RITBA, RIAC is operationally self-sustaining and receives no general revenue or other funds from state sources. Its operations are supported by locally generated revenues (including passenger fees), and the Federal Aviation Administration places restrictions on airport-generated revenues to prevent diversion to non-airport activities, making it unlikely that a merger would provide new sources of transportation funding.[46] Additional study would be required to determine what taxpayer savings could be achieved by consolidation. (It is worth noting that Connecticut recently followed Rhode Island's current model by creating the Connecticut Aviation Authority in July 2011 to transfer airport management functions from the Connecticut Department of Transportation and make the airports more attractive to airlines.[47])

- **QDC** – The Quonset Business Park is another significant economic development asset for the state, one of the reasons for making QDC an independent subsidiary under the RIEDC, a quasi-public agency. As with RIAC, a closer relationship between QDC and RIDOT may help foster economic development by maximizing use of the state's transportation assets.

(Note: the Rhode Island General Assembly published a study in February 2012 with recommendations about developing port facilities to promote economic development.[48])

As QDC maintains the transportation infrastructure of the Quonset Business Park, opportunity exists to share best practices and seek operational efficiencies through enhanced coordination.

Full consolidation of all transportation agencies would have implications for the outstanding debt of those agencies. Such consolidation could require the state to assume responsibility for some or all debt issued by quasi-public agencies. This consolidation could present a challenge to the state's efforts to reduce its debt ratios – key indicators of credit risk that affects the state's bond ratings. In FY 1996, the ratio of tax-supported debt as a percentage of personal income was 7.1%; that figure declined to a low of 3.7% in FY 2005 and is projected to be 3.9% in FY 2013.[49] Though the ratio has increased slightly in recent years, it is still below the state target range of 5.0% to 6.0%.[50] Under current assumptions, this ratio is expected to decline further in the coming years, reaching 3.1% in FY 2017.

Table 6 demonstrates the scheduled debt service payments for various debt obligations in FY 2013, as well as the bond rating for the debt. If the state were to support the debt held by RITBA and RIAC, it could affect the state's efforts to reduce its public debt. While RITBA and RIAC's debt service is funded by operational revenues (and would not likely require state general revenue), a consolidation could still lead the state to experience an increase in its debt ratios, a departure from the downward trend of the last two decades.

Table 6: Rhode Island Debt Service and Bond Ratings

	Annual Total Net Debt Service (FY2013)	Moody's Rating	S&P Rating	Fitch Rating
RI General Obligation	$ 140,316,563	Aa2 (Neg)	AA (Stable)	AA (Stable)
RI Lease Participation	$ 33,782,899	Aa3 (Neg)	AA- (Stable)	AA- (Stable)
Other (Historic Tax Credit, Convention Center, etc.)	$ 52,521,819	various	various	various
RI GARVEE (through EDC)	$ 48,383,383	Aa2 (Possible Downgrade)	AA- (Stable)	A+ (Stable)
RI Motor Fuel Tax (EDC)	$ 7,144,303	A2 (Neg)	A+ (Stable)	A (Stable)
RITBA	$ 5,646,861	Not Rated	A- (Stable)	A (Stable)
RIAC	$ 25,626,812	A3 (Neg)	BBB+ (Neg)	A- (Neg)

Ratings compiled by First Southwest as of November 2, 2012;
State debt information from RI Office of Management and Budget
RITBA information from FY 2011 financial statements
RIAC information from FY 2012 financial statements

One benefit of quasi-public agencies is their ability to have a longer time horizon for decision-making, since the staggered terms of board members provide greater continuity and mitigate public backlash for controversial decisions. This attribute is particularly important when a board is required to raise user fees or reduce service to meet fiscal constraints. Consolidation of quasi-public agencies into a Commissioner model could therefore have the unintended consequence of exposing the Commissioner's financial and operational decisions to new pressures.

To address some of the concerns with having a Commissioner make financial and operational decisions, twenty-three states have a policy-making board (Model #2, described earlier) to oversee transportation agencies. In many cases, members of the board are required by statute to possess certain skills or experience qualifying them for service. These boards establish policy priorities and are empowered to make certain finance-related decisions, including setting user fees, approving contracts above a specified threshold and issuing debt. The policy-making board can also provide greater policy consistency across gubernatorial terms and ensure that the state's strategic objectives for transportation are consistent with the operational activities of the agencies.

RECOMMENDATIONS AND NEXT STEPS

Any changes to Rhode Island's transportation organizational structure should be driven by specific needs. Before any organizational changes are contemplated, the Governor's resource team should be given time to complete its review of RIPTA operations.

In the interim, the State can make improvements by coordinating agencies and encouraging departments to focus on specific areas. The leaders of transportation agencies should consider meeting on a regular basis to determine how best to improve operations through collaboration and information-sharing, as well as develop new interagency initiatives to improve the state's transportation system.

Based on conversations with departmental managers, stakeholders and the Governor's office, OMB recommends the following areas to explore interagency collaboration:

- Transportation Assets and Economic Development
- Project Management and Maintenance Operations
- Shared Services

In each of these areas, OMB will work with agencies to coordinate an assessment of current practices, identify areas for cooperation, develop and review alternative options, and establish an implementation plan and timeline to achieve goals. For all three areas, the following criteria will apply:

- Remain consistent with the state's long-range transportation plan (Transportation 2030) or relevant transportation guide plan;
- Define the desired outcome and develop performance measures to demonstrate progress; and
- Work within existing staffing and financial resources - any initiatives requiring additional funds should be justified by a cost-benefit analysis.

Proposed Implementation Timeline:

January – June 2013	Collect department and agency data Engage with public and stakeholder groups Review data and develop ideas
July 2013	Present interim report with data and findings, recommendations and implementation plans

Transportation Assets and Economic Development

Rhode Island's transportation infrastructure is one of the most important assets that can contribute to economic development in the state. The state should seek to maximize the economic development potential of its transportation assets.

Relevant agencies, under the coordination of OMB, should assess Rhode Island's ability to leverage its transportation infrastructure to promote economic development. Topics should include, but not be limited to:

- Coordinating efforts to market existing assets to businesses outside Rhode Island;
- Determining the transportation needs of businesses interested in relocating to or expanding within Rhode Island;
- Enhancing commuter rail operations, including review of existing service use, passenger demand analysis, fare structure and potential revenue sources. The analysis should also consider how the service should be operated in the long-term, and what challenges to implementation exist;
- Reviewing intermodal connectivity for freight and passenger travel to ensure efficient movement of people and goods.

Project Management and Maintenance Operations

The state has a responsibility to maintain a high-quality and safe transportation infrastructure for residents, businesses, visitors and other users. Rhode Island should ensure that transportation projects are cost-effective, completed on time, meet demonstrated public need and promote safety. The state should also invest in maintaining its infrastructure to extend the useful life of its roads and bridges. All of these efforts should use national best practices to expedite project timelines and reduce cost.

Under the coordination of OMB, relevant agencies should assess the state's approach to transportation infrastructure management, focusing on best practices and cost containment for design practices, construction techniques, contract management, maintenance and asset management. The review should include, but not be limited to:

- Establishing a statewide inventory of maintenance facilities, fueling stations and equipment across agencies to find additional areas to cooperate and reduce duplication;
- Assessing work processes associated with design engineering, construction management, and asset management operations (including workflow analysis, contract approval process, purchasing procedures) to streamline when possible;
- Developing an inventory of workforce capabilities to encourage skills development, cross-training and more flexible work scheduling;

- Assessing costs of materials, labor, fuel and other project-related factors, comparing them across state agencies, with municipal public works departments and with other states; and
- Using technology to improve processes and enhance project accountability and transparency.

Shared Services

While the state's transportation departments and agencies may have different missions and responsibilities, they may share similar administrative functions. Departments and agencies should share information about these functions to determine best practices that others may emulate. They should also assess the relative costs of administering these functions compared to other agencies, both within Rhode Island and elsewhere, to determine whether opportunities exist for operational efficiencies or cost-sharing options.

Under the coordination of OMB, relevant agencies should assess areas for operational improvement and cost efficiencies by enhancing shared services among departments. The review should include, but not be limited to:

- Financial operations, including budget preparation, auditing and internal controls, and compliance with Federal laws and regulations;
- Procurement, including review of purchasing processes, compliance with state regulations, participation of Women, Minority and Disadvantaged Business Enterprises (WBEs, MBEs, DBEs) and use of Master Price Agreements;
- Legal services, including legislative liaison activities, contracts, claims and risk management;
- Information technology, including data sharing, and project and asset management systems;
- Human resources, including recruitment and hiring processes, workforce diversity, training and workforce development, and documentation and succession planning; and
- Public information and customer service, including customer service training, availability of transportation-related information to the public (e.g., traffic conditions, DMV wait times, commuter rail and bus schedules), marketing, and clarity, accuracy and readability of public information and documents.

When undertaking these reviews, the relevant agencies should also look not only within participating agencies but also to comparable states, the Federal government, and national organizations (AASHTO, APTA) for comparative data and best practices.

APPENDIX A: TRANSPORTATION ORGANIZATIONAL FUNCTIONS BY STATE

An "X" in a field indicates the state's Department of Transportation manages part or all of the transportation function indicated in that column.

State	Primary Organization	Org. Model (1-4)	Planning	Transit (Bus)	Para transit	Transit (Rail)	Freight Rail	Bridges
ALABAMA	Alabama Department of Transportation (ALDOT)	1	X	Municipal	Municipal	X (Planning)	X (Planning)	X
ALASKA	Alaska Department of Transportation and Public Facilities (DOT&PF)	1	X	X (Planning, municipally operated)	Municipal	X (Planning)	X (Planning)	X
ARIZONA	Arizona Department of Transportation (ADOT)	2	X	Municipal (non-DOT statewide planning board)	Municipal	X (Planning)	X (Planning)	X
ARKANSAS	Arkansas State Highway and Transportation Department (AHTD)	2	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
CALIFORNIA	California Department of Transportation (Caltrans)	4	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
COLORADO	Colorado Department of Transportation (CDOT)	2	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
CONNECTICUT	Connecticut Department of Transportation (ConnDOT)	1	X	X (Planning/Operations)	X (Planning/Operations)	X (Planning)	X (Planning)	X
DELAWARE	Delaware Department of Transportation (DelDOT)	1	X	X (Planning/Operations)	X (Planning/Operations)	X (Planning)	X (Planning)	X
DISTRICT OF COLUMBIA	District of Columbia Department of Transportation (DDOT)	1	Nat'l Capital Region Transportation Board	X (Planning/Operations)	X (Planning/Operations)	Washington Metropolitan Area Transit Authority, DDOT is planning for light rail	X (Planning)	X
FLORIDA	Florida Department of Transportation (FDOT)	2	X	X (Planning, municipally operated)	Municipal	X (Planning)	X (Planning)	X
GEORGIA	Georgia Department of Transportation (GDOT)	2	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
HAWAII	Hawaii Department of Transportation (DOT)	3	X	Municipal	Municipal	Municipal	N/A	X
IDAHO	Idaho Transportation Department (ITD)	2	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
ILLINOIS	Illinois Department of Transportation (IDOT)	1	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
INDIANA	Indiana Department of Transportation (INDOT)	1	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
IOWA	Iowa Department of Transportation (Iowa DOT)	2	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
KANSAS	Kansas Department of Transportation (KDOT)	3	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X

State	Primary Organization	Org. Model (1-4)	Planning	Transit (Bus)	Para transit	Transit (Rail)	Freight Rail	Bridges
KENTUCKY	Kentucky Transportation Cabinet (KYTC)	1	X	X (Planning, municipally operated)	Planning performed by Human Service Transportation Delivery Branch	X (Planning)	X (Planning)	X
LOUISIANA	Louisiana Department of Transportation and Development (DOTD)	1	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
MAINE	Maine Department of Transportation (MaineDOT)	1	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
MARYLAND	Maryland Department of Transportation (MDOT)	1	X	X (Planning/Operations)	X (Planning/Operations)	X (Planning/Operations)	Planning, does some operations	X
MASSACHUSETTS	Massachusetts Department of Transportation (MassDOT)	2	X	X (Administrative authority of MBTA, planning for other municipally-operated transit authorities)	Administrative authority of MBTA, planning for other municipally operated transit authorities	Administrative authority of MBTA, planning for other municipally-operated transit authorities	X	X
MICHIGAN	Michigan Department of Transportation (MDOT)	2	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
MINNESOTA	Minnesota Department of Transportation (Mn/DOT)	1	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
MISSISSIPPI	Mississippi Department of Transportation (MDOT)	2	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
MISSOURI	Missouri Department of Transportation (MoDOT)	2	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
MONTANA	Montana Department of Transportation (MDT)	2	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
NEBRASKA	Nebraska Department of Roads (NDOR)	3	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
NEVADA	Nevada Department of Transportation (NDOT)	2	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
NEW HAMPSHIRE	New Hampshire Department of Transportation (NHDOT)	1	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X	X (Planning)	X
NEW JERSEY	New Jersey Department of Transportation (NJDOT)	4	X	X (Planning/Operations) New Jersey Transit Commission	X (Planning/Operations) New Jersey Transit Commission	X (Planning) New Jersey Transit Commission	X (Planning)	X
NEW MEXICO	New Mexico Department of Transportation (NMDOT)	2	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
NEW YORK	New York State Department of Transportation (NYSDOT)	1	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X (NYC has own bridge bureau)

State	Primary Organization	Org. Model (1-4)	Planning	Transit (Bus)	Para transit	Transit (Rail)	Freight Rail	Bridges
NORTH CAROLINA	North Carolina Department of Transportation (NCDOT)	2	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
NORTH DAKOTA	North Dakota Department of Transportation (NDDOT)	1	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
OHIO	Ohio Department of Transportation (ODOT)	1	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
OKLAHOMA	Oklahoma Department of Transportation (ODOT)	4	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
OREGON	Oregon Department of Transportation (ODOT)	2	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
PENNSYLVANIA	Pennsylvania Department of Transportation (PennDOT)	2	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
RHODE ISLAND	Rhode Island Department of Transportation (RIDOT)	1	Dept. of Admin – Statewide Planning Program	Rhode Island Public Transportation Authority	Rhode Island Public Transportation Authority	X (Planning) , Service provided by MBTA	X (Planning w/Statewide Planning); RI Public Rail Corporation	X (also, Turnpike & Bridge Authority)
SOUTH CAROLINA	South Carolina Department of Transportation (SCDOT)	2	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
SOUTH DAKOTA	South Dakota Department of Transportation (SDDOT)	2	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
TENNESSEE	Tennessee Department of Transportation (TDOT)	1	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
TEXAS	Texas Department of Transportation (TxDOT)	2	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
UTAH	Utah Department of Transportation (UDOT)	2	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
VERMONT	Vermont Agency of Transportation (VTrans or AOT)	4	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
VIRGINIA	Virginia Department of Transportation (VDOT)	4	X	Planning performed by Virginia Department of Rail and Public Transportation, municipally operated	Planning performed by Virginia Department of Rail and Public Transportation, municipally operated	Dept. of Rail and Public Transportation	Dept. of Rail and Public Transp.	X
WASHINGTON	Washington State Department of Transportation (WSDOT)	2	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
WEST VIRGINIA	West Virginia Department of Transportation (WVDOT)	4	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X (Planning)	X
WISCONSIN	Wisconsin Department of Transportation (WisDOT)	1	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X	X
WYOMING	Wyoming Department of Transportation (WYDOT)	2	X	X (Planning, municipally operated)	X (Planning, municipally operated)	X (Planning)	X	X

State	Turnpike / Tolling	Aviation	Port	Organizational Chart
ALABAMA	X	X	Alabama State Port Authority	http://www.gis.fhwa.dot.gov/bus_model_rpt_3-08/images/fig1_AL.gif
ALASKA	X	X	X	Not found
ARIZONA	None at this time	X	N/A	http://www.azdot.gov/Org_Charts/ADOT/ADOT_OrgChart.asp
ARKANSAS	None at this time	Department of Aeronautics	Municipal	Not found
CALIFORNIA	X (Both DOT-operated and municipally-operated)	X	California Association of Port Authorities	http://www.dot.ca.gov/orgchart/departmentalorgchart.pdf
COLORADO	X	X	N/A	http://www.coloradodot.info/about/CDOT-org-chart/at_download/file
CONNECTICUT	None at this time	X	X	http://www.ct.gov/dot/cwp/view.asp?a=1399&Q=479520&PM=1
DELAWARE	X (Both DOT-operated and municipally-operated)	X	X	http://www.deldot.gov/home/about/org_chart/org_chart_rev100912.pdf
DISTRICT OF COLUMBIA	None at this time	Metropolitan Washington Airports Authority	N/A	http://dc.gov/DC/DDOT/About+DDOT/Who+We+Are/Agency+Organization
FLORIDA	X	X	X	http://www.dot.state.fl.us/personnel/OfficeOrg.shtm
GEORGIA	X	Georgia Ports Authority	Georgia Port Authority, GDOT assists with planning	http://www.dot.state.ga.us/aboutGeorgiadot/Documents/OrgChart.pdf
HAWAII	None at this time	X	X	http://hawaii.gov/dot/administration/about/orgchart7.gif
IDAHO	None at this time	X	N/A	http://itd.idaho.gov/AboutITD/Images/ITD_Reorganization_Chart_2011.pdf
ILLINOIS	Illinois State Toll Highway Authority	X	N/A	Not found
INDIANA	Indiana Toll Road Concession Company (private corporation)	X	N/A	Not found
IOWA	None at this time	X	N/A	http://www.iowadot.gov/pdf_files/dot_organ_chart.pdf
KANSAS	Kansas Turnpike Authority	X	N/A	http://kdotweb.ksdot.org/KDOTOrg/OffMangBudg/Documents/CompletedResposibilityAndAuthorityStatement.pdf#page=10
KENTUCKY	None at this time	X	X	http://transportation.ky.gov/Organizational-Resources/Documents/Cabinet%20Org%20Chart.pdf
LOUISIANA	Louisiana Transportation Authority	X	X	Not found

State	Turnpike / Tolling	Aviation	Port	Organizational Chart
MAINE	Maine Turnpike Authority	X	Maine Port Authority	http://www.maine.gov/mdot/pdf/mainedotorgchart812012.pdf
MARYLAND	Maryland Transportation Authority	Maryland Aviation Administration	X	www.mdot.maryland.gov/Office_of.../2011%20CAFR.pdf
MASSACHUSETTS	X	X	Massachusetts Port Authority	http://www.massdot.state.ma.us/portals/0/docs/Executive.pdf
MICHIGAN	X (Both DOT-operated and municipally-operated)	X	N/A	http://www.michigan.gov/documents/orgchart011603_55427_7.pdf
MINNESOTA	X	X	X (Municipal, MnDOT assists with planning)	http://www.dot.state.mn.us/information/orgchart/mndotorgchart.pdf
MISSISSIPPI	None at this time	X	X	http://www.gis.fhwa.dot.gov/bus_model_rpt_3-08/images/fig16_MS.gif
MISSOURI	None at this time	X	X	http://www.modot.mo.gov/about/documents/DeptOrgChart-March-1-2012.pdf
MONTANA	None at this time	X	N/A	http://www.gis.fhwa.dot.gov/documents/images/bizmodel_5.gif
NEBRASKA	None at this time	Dept. of Aeronautics	N/A	http://www.dor.state.ne.us/info/docs/general-names.pdf
NEVADA	None at this time	X	N/A	http://www.leg.state.nv.us/Session/76th2011/Exhibits/Senate/FIN/SFIN484E.pdf
NEW HAMPSHIRE	X	X	New Hampshire State Port Authority	http://www.nh.gov/dot/org/index.htm
NEW JERSEY	Shared between New Jersey Turnpike Authority and Port Authority of New York & New Jersey	Various (incl. Port Authority)	Various (incl. Port Authority)	http://www.state.nj.us/transportation/about/pdf/orgchart.pdf
NEW MEXICO	None at this time	X	N/A	Not found
NEW YORK	Shared amongst numerous authorities and municipalities	X	X	Not found
NORTH CAROLINA	North Carolina Turnpike Authority	X	Currently Dept. of Commerce, reorganization to DOT is anticipated	http://www.ncdot.gov/download/about/structure/NCDOTOrgChart.pdf
NORTH DAKOTA	None at this time	X	N/A	http://www.dot.nd.gov/public/div-distr.htm
OHIO	Ohio Turnpike Commission	X	N/A	http://www.dot.state.oh.us/policy/Pages/ODOTTableofOrganization.aspx
OKLAHOMA	Oklahoma Turnpike Authority	X	N/A	http://www.okladot.state.ok.us/civil-rights/title7/cr_t7-eeo-aa_plan-2010.pdf
OREGON	Municipal	X	Oregon Public Ports Association	http://www.oregon.gov/ODOT/docs/orgchart.gif

State	Turnpike / Tolling	Aviation	Port	Organizational Chart
PENNSYLVANIA	Shared between Pennsylvania Turnpike Commission (expected to soon be merged with PennDOT) and Delaware Joint Toll Commission	X	N/A	ftp://ftp.dot.state.pa.us/public/Bureaus/bop/orgchart.pdf
RHODE ISLAND	Rhode Island Turnpike & Bridge Authority	Airport Corporation (EDC)	Quonset Development Corporation (EDC); ProvPort (Providence)	http://www.dot.state.ri.us/divisions/chart/index.asp
SOUTH CAROLINA	X (with one municipally-operated toll road)	X	South Carolina Port Authority, SCDOT assists with planning	http://www.okladot.state.ok.us/civil-rights/title7/cr_t7-eeo-aa_plan-2010.pdf
SOUTH DAKOTA	None at this time	X	N/A	http://www.sddot.com/dot/chart/Default.aspx
TENNESSEE	X (No active tolls or turnpikes at this time)	X	N/A	http://www.tdot.state.tn.us/orgchart.pdf
TEXAS	X (Both DOT-operated and municipally-operated)	X	X	http://www.txdot.gov/about_us/org_chart.htm
UTAH	X (with one privately-operated toll road)	X	N/A	http://www.udot.utah.gov/main/uconowner.gf?n=7760808943034812
VERMONT	None at this time	Dept. of Aviation	N/A	http://www.aot.state.vt.us/ops/documents/aot-ops_OrangeBook.pdf
VIRGINIA	X (Has DOT, private, and municipally-operated tolls)	Dept. of Aviation	Virginia Port Authority	http://www.virginiadot.org/about/resources/vdotchartwnames.pdf
WASHINGTON	X	X	Planning	http://www.wsdot.wa.gov/about/ExecOrgChart.htm
WEST VIRGINIA	X	X	N/A	http://www.transportation.wv.gov/Pages/Agencies.aspx
WISCONSIN	None at this time	X	Planning	http://www.dot.state.wi.us/about/docs/orgchart.pdf
WYOMING	None at this time	X	N/A	http://www.dot.state.wy.us/wydot/administration/org_chart

APPENDIX B: COMMON ACRONYMS USED IN THIS REPORT

AASHTO	American Association of State Highway and Transportation Officials
DelDOT	Delaware Department of Transportation
DMV	Division of Motor Vehicles (Rhode Island)
DOA	Department of Administration (Rhode Island)
DPUC	Division of Public Utilities and Carriers (Rhode Island)
DRBA	Delaware River and Bay Authority
DTC	Delaware Transit Corporation
EDC	Economic Development Corporation
EOT	Executive Office of Transportation (Massachusetts)
FAA	Federal Aviation Administration
FFY	Federal Fiscal Year
FTE	Full-time equivalent (position)
FY	Fiscal Year
GARVEE	Grant Anticipation Revenue Vehicle (bond)
GIS	Geographic Information Systems
HTF	Highway Trust Fund
ISTF	Intermodal Surface Transportation Fund
MAP-21	Moving Ahead for Progress in the 21st century (Federal transportation authorization act)
MassDOT	Massachusetts Department of Transportation
Massport	Massachusetts Port Authority
MBTA	Massachusetts Bay Transportation Authority
NCSL	National Conference of State Legislatures
NJDOT	New Jersey Department of Transportation
OMB	Office of Management and Budget (Rhode Island)
PFC	Passenger Facility Charges
QDC	Quonset Development Corporation
RIAC	Rhode Island Airport Corporation
RICAP	Rhode Island Capital Plan
RIde	RIPTA's paratransit service
RIDOT	Rhode Island Department of Transportation
RIGL	Rhode Island General Laws
RIPEC	Rhode Island Public Expenditure Council
RIPTA	Rhode Island Public Transit Authority
RITBA	Rhode Island Turnpike and Bridge Authority
RTA	Regional Transit Authority
SAFETEA-LU	Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (Federal transportation authorization act)
SEPTA	Southeast Pennsylvania Transportation Authority
TIP	Transportation Improvement Program

ENDNOTES

[1] The FY 2013 Budget was passed by the Rhode Island General Assembly under 12-H-7323, Substitute A, as amended. The budget became law on June 15, 2012. It is filed under Rhode Island Public Laws 2012, Chapter 241. OMB Transportation reporting language is included in Article 4, Section 5 (see § 35-1.1-10).

[2] RI General Laws (RIGL) §42-13-1 and §42-13-2

[3] RIGL §42-13-2 (5)

[4] RIGL §42-64-7.12 and RIGL §42-64-1.1

[5] Personnel information provided by RI Department of Transportation. Actual employment figures vary on a weekly basis; 725.6 FTE positions represents RIDOT's approximate average employment for FY 2012.

[6] RIGL §39-18-3

[7] Rhode Island Public Laws 2012, Chapter 241, Article 20

[8] "Organizational Chart." Chart. RI Turnpike and Bridge Authority. Web. 22 Oct. 2012. <http://www.ritba.org/authority.html>.

[9] RIGL §42-64-7.1

[10] RIGL §31-13-1

[11] RIGL §42-11-10

[12] Leonetti, Marc A. "Increase in Mileage Reimbursement Rate CFO 12-06." Memo. 14 June 2012. State of Rhode Island. Web. 22 Oct. 2012. <http://controller.admin.ri.gov/documents/Communications/CFO%20Communications/2012/CFO%2012-06%20Increased%20Mileage%20Rate_07-1-12.pdf>.

[13] RIGL §37-2-22

[14] RIGL §37-2-12

[15] ProvPort's operations were included in a review conducted by the Special Legislative Commission to Study Potential Economic Opportunities in the Development of Port Facilities in the State of Rhode Island. The Commission's final report, with recommendations about coordination with QDC, is available at http://www.rilin.state.ri.us/Reports/Joint%20Port%20Commission%20Final%20Report%202-14-12.pdf.

[16] Lane-mile figures were provided by RIDOT on October 12, 2012. However, those numbers differ slightly from RIDOT's January 2012 fact sheet, available at http://www.dot.ri.gov/documents/ridot_fact_sheet_2012.pdf.

[17] Rhode Island General Assembly. Senate Commission on Shared Municipal Services. State of Rhode Island Senate Report. Web. 26 Oct. 2012. <http://www.rilin.state.ri.us/Reports/Senate_Commission_on_Municipal_Shared_Services_Analysis_052410.pdf>.

[18] How Rhode Island Compares – State and Local Expenditures, 2012 Edition. Rept. Rhode Island Public Expenditure Council. Web. 17 Oct. 2012. <http://www.ripec.org/pdfs/2012-HRIC-Exp.pdf>.

[19] Debt savings estimates were calculated by RIDOT and the Budget Office; total debt service savings assume an average 5.0% interest on general obligation bonds through FY 2035.

[20] Moving Ahead for Progress in the 21st Century Act (MAP-21): A Summary of Highway Provisions. Federal Highway Administration. 17 Jul 2012. Web. 26 Oct. 2012. < http://www.fhwa.dot.gov/map21/summaryinfo.cfm>

[21] Note that these numbers are projections and are subject to change, as Congress has the ultimate authority to appropriate and allocate Federal funding to the states on an annual basis.

[22] Every Day Counts (EDC) 2012 Initiatives: Design-Build. Federal Highway Administration. Web. 28 Oct. 2012. <http://www.fhwa.dot.gov/everydaycounts/edctwo/2012/designbuild.cfm>.

[23] Hartgen, David T., et al. 19th Annual Report on the Performance of State Highway Systems (1984-2008). Sept. 2010. Reason Foundation. Web. 12 Oct. 2012. < http://reason.org/news/show/19th-annual-highway-report>.

[24] State of Rhode Island. Department of Administration. Technical Paper 155. Technical rept., 2005. Rhode Island Statewide Planning Program. Web. 2 Nov. 2012. <http://www.planning.ri.gov/transportation/155/text/report.pdf>.

[25] Data sets used to determine Reason Foundation's 2008 rankings are available at http://reason.org/files/19th_annual_highway_report_tables.xls

[26] State of Delaware. Department of Transportation. Delaware Transportation Facts. 2010. Web. 2 Nov. 2012. <http://www.deldot.gov/information/pubs_forms/fact_book/pdf/2010/2010_fact_book.pdf>.

[27] Transportation Governance and Finance: A 50-State Review of State Legislatures and Departments of Transportation. Rept. National Conference of State Legislatures (NCSL) and American Association of State Highway Transportation Officials (AASHTO). 1 June 2011. Web. 3 Sept. 2012 http://www.ncsl.org/documents/transportation/FULL-REPORT.pdf.

[28] In the 18 states and District of Columbia that organize transportation functions under one individual, the term "Commissioner" is used in eight jurisdictions, "Secretary" in six and "Director" in five. For that reason, this report uses the term "Commissioner" to describe this model since it is the most common, though all three terms can be used interchangeably.

[29] State of Delaware. Department of Transportation. Delaware Department of Transportation (DelDOT). Web. 2 Oct. 2012. <http://www.deldot.gov/home/about/org_chart/org_chart_rev110512.pdf>

[30] Barnhart, Natalie. Chief DelDOT Engineer. Telephone interview. 12 Oct. 2012.

[31] State-specific authorities were determined from review of "State Profiles" section of the NCSL/AASHTO report.

[32] Massachusetts Department of Transportation. "90 Day Integration Report, September 2009." Retrieved 3 October 2012 from http://www.massdot.state.ma.us/InformationCenter/90DayLegislativeReports.aspx.

[33] The authorizing statute of MassDOT [Massachusetts General Laws Chapter 6C § 2(e)] provides the Governor sole discretion to appoint the Secretary of Transportation; advice and consent of the Senate is not required.

[34] Massachusetts General Laws Chapter 6C § 2(e)

[35] State of Massachusetts. MassDOT. Primary Delegation of Authority. 2009. Massachusetts Department of Transportation. Web. 14 Oct. 2012.

<http://www.massdot.state.ma.us/portals/0/docs/infoCenter/boards_committees/boardDirectors/delegation.pdf>.

[36] State of Massachusetts. MassDOT. Quarterly Integration Report, May 1, 2011. Massachusetts Department of Transportation. Web. 14 Oct. 2012. <http://www.massdot.state.ma.us/portals/0/docs/infoCenter/leg_reports/IntegrationReport_050111.pdf>.

[37] Retooled KDOT program focuses on economic opportunities. Kansas Department of Transportation. 19 May 2011. Web. 15 Oct. 2012. <http://www.ksdot.org/PDF_Files/E-D-release.pdf>.

[38] Far-Reaching Plan to be Implemented in Coming Year. Office of California Governor. 3 July 2012. Web. 10 Oct. 2012. < http://www.gov.ca.gov/news.php?id=17617>.

[39] See footnote 4 at AASHTO/NCSL, 5. Document referenced: Fazzalaro, James. Transportation Agency Organization in Other States. 2007. Connecticut Office of Legislative Research. Web. 10 Oct. 2012. <http://www.cga.ct.gov/2007/rpt/2007-R-0028.htm>.

[40] Overview of Facilities and Services. Port Authority of New York and New Jersey. Web. 15 Oct. 2012. <http://www.panynj.gov/about/facilities-services.html>.

[41] "Department of Transportation Organizational Chart." Chart. State of New Jersey. Web. 15 Oct. 2012. <http://www.state.nj.us/transportation/about/pdf/orgchart.pdf>.

[42] Mobility Compact Annual Report, Appendix 10.3. 2008. Massachusetts Department of Transportation. Web. 17 Oct. 2012. <http://www.massdot.state.ma.us/portals/0/docs/InfoCenter/leg_reports/Appendix10_3.PDF>.

[43] Mobility Compact Annual Report. Appendices A and B.

[44] 90 Day Integration Report: September 2009. Appendix 10.4: Mobility Compact Current Structure. 2009. Massachusetts Department of Transportation. Web. 3 Oct. 2012. <http://www.massdot.state.ma.us/portals/0/docs/InfoCenter/leg_reports/IntegrationRepoort_0909.pdf>.

[45] Rhode Island Turnpike and Bridge Authority Study. Rept. 2011. Rhode Island Public Expenditure Council. Web. 11 Oct. 2012. <http://www.ritba.org/documents/RIPEC_2011.pdf>.

[46] FAA's Revenue Diversion policy is established in 49 U.S.C. § 47107(b) and 64 Fed. Reg. 7696, with some exceptions granted to grandfathered airports with financing systems in place before September 2, 1982.

[47] Connecticut Airport Authority Hires Experienced Executive Director. Bradley International Airport. 20 Jun. 2012. Web. 11 Nov. 2012. <http://www.bradleyairport.com/News/press.aspx?id=156>.

[48] Rhode Island. Special Legislative Commission to Study Potential Economic Opportunities in the Development of Port Facilities in the State of Rhode Island – Final Report. State of Rhode Island. Web. 2 Nov. 2012. <http://www.rilin.state.ri.us/Reports/Joint%20Port%20Commission%20Final%20Report%202-14-12.pdf>..

[49] Capital Budget FY 2013. State of Rhode Island. Department of Administration. State Budget Office. Page 5.

[50] Office of the Rhode Island General Treasurer. Fiscal Year 2011 Report on Debt Management to the Public Finance Management Board. Rept. Sept. 2012.