

Testimony Regarding Making an Appropriations to the Rhode Island Public Transit Authority

Public Hearings for RIPTA

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The Economic Progress Institute is deeply concerned about the turmoil and hardship that RIPTA's announced service cuts will cause Rhode Islanders who rely on RIPTA for their transportation needs.

Rhode Islanders deserve affordable, reliable public transportation. Yet despite ongoing advocacy, RIPTA has a projected budget deficit of \$10 million for the fiscal year 2026. This budget deficit will cause route closures, job loss, and make it more difficult to hire and retain good drivers. The deficit would also make it nearly impossible for thousands of Rhode Island workers, students, seniors, and people with disabilities to get where they need to go.

Importantly, this deficit is not due to inefficiency. RIPTA has undergone several studies that have consistently demonstrated its operational efficiency in comparison to other transit agencies.¹ In 2023, RIPTA gave a presentation to the Senate Committee on Rules, Government Ethics, and Oversight, which stated:

"RIPTA outperforms similar agencies across the country in almost every key performance indicator. Furthermore, despite having a smaller service population, RIPTA provides more trips per capita across a larger service area and at a more efficient cost per trip".²

Time and time again, it has been proven that a dependable transportation system boosts economic competitiveness, attracts investment, and ensures that the general population can meet their basic needs, all while contributing to more sustainable communities.³ Furthermore, maintaining and even expanding public transportation reduces congestion, improves the air quality in our streets, and in turn enhances the reliability of cars and trucks as congestion-related traffic decreases.⁴ To foster a thriving economy and sustainable environment, it is essential to invest in RIPTA to provide competitive wages, shield communities from fare increases, and preserve and expand services and operational hours. Funding RIPTA is especially important considering the cost of cars has significantly increased in recent years. According to the American Public Transportation Association, individuals who use public transit save more than \$13,000 a year, or \$1,100 a month, compared to those who drive. Additionally, since 2019

¹ <https://rhodeislandcurrent.com/2025/04/28/another-efficiency-study-for-ripta-is-a-waste-of-time/>

² <https://growsmartri.org/wp-content/uploads/2023/07/RIPTA-Senate-Oversight-Hearing-FINAL.pdf>

³ <https://data.bts.gov/stories/s/Transportation-as-an-Economic-Indicator/9czv-tjte/#:~:text=Transportation%20plays%20a%20vital%20role,activity%20in%20its%20own%20right.>

⁴ <https://t4america.org/portfolio/la-transit-strike/>



the cost of purchasing a new car has increased by 30% and the cost of purchasing a used car has increased by 40%.⁵

I also urge the members of the board to **consider public transit funding in the broader context of *all* transportation funding.**

As many are already aware, the car-tax phase-out was not a one-time event, and in the enacted FY2026 budget includes \$239.5 million to make local governments whole from the loss of revenue from the phase-out. This is an *annual* and *indefinite* appropriation, and the entirety of the appropriation subsidizes car owners, so they need not pay the tax.

The phase-out and the annual appropriation do not provide the benefit of tax relief to *all* Rhode Islanders. It provides no relief for the approximately 9% of Rhode Island households without any available vehicles.⁶ For rental-occupied households, this rate is 21.5%, according to United States Census Bureau data.⁷

If we are subsidizing car owners with \$239.5 million from General Revenue funds each year, we should think about doing more to subsidize non-car owners, as well as car owners who would prefer to use public transportation more often than they do. The amount provided for the trial period for free R-Line service was welcome but a small subsidy in comparison.

We strongly urge the Governor's Office and the General Assembly to prioritize and allocate additional funding to this vital service.

⁵ <https://www.apta.com/research-technical-resources/research-reports/transit-savings-report/>

⁶ [https://www.pewresearch.org/short-reads/2024/11/14/1-in-10-americans-rarely-or-never-drive-a-car/#:~:text=Most%20U.S.%20households%20\(92%25\),have%20three%20or%20more%20vehicles.](https://www.pewresearch.org/short-reads/2024/11/14/1-in-10-americans-rarely-or-never-drive-a-car/#:~:text=Most%20U.S.%20households%20(92%25),have%20three%20or%20more%20vehicles.)

⁷ <https://www.census.gov/acs/www/about/why-we-ask-each-question/vehicles/#:~:text=Occupied%20Housing%20Units%20with%20No,Data%20Profiles/Housing%20Characteristics>