



U.S. Department
of Transportation

**Federal Highway
Administration**

Rhode Island Division

October 9, 2015

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Providence, RI 02903
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www.fhwa.dot.gov/ridiv/index.htm

In Reply Refer To:
HDA-RI

Mr. Peter Alviti, Jr., P.E, Director
Rhode Island Department of Transportation
Two Capitol Hill
Providence, RI 02903-1124

Subject: *Response to Inquiry Regarding Use of Toll Revenues*

Dear Director Alviti:

This letter is in response to your email of October 9, 2015, which asked our verification that FHWA regulations allow the use of toll revenues for other purposes beyond maintenance of the toll facility.

We verify that under 23 U.S.C. 129(a)(3)(v) a public authority with jurisdiction over a toll facility can use toll revenues for other purposes than maintaining the tolled facility if the public authority certifies annually that the tolled facility is being adequately maintained. The full regulatory citation is below.

23 U.S.C. Code 129 – Toll roads, bridges, tunnels and ferries

(a) Basic Program. -

(3) Limitation on use of revenues. –

(A) In general.— A public authority with jurisdiction over a toll facility shall use all toll revenues received from operation of the toll facility only for—

- (i)** debt service with respect to the projects on or for which the tolls are authorized, including funding of reasonable reserves and debt service on refinancing;
- (ii)** a reasonable return on investment of any private person financing the project, as determined by the State or interstate compact of States concerned;
- (iii)** any costs necessary for the improvement and proper operation and maintenance of the toll facility, including reconstruction, resurfacing, restoration, and rehabilitation;
- (iv)** if the toll facility is subject to a public-private partnership agreement, payments that the party holding the right to toll revenues owes to the other party under the public-private partnership agreement; and
- (v)** if the public authority certifies annually that the tolled facility is being adequately maintained, any other purpose for which Federal funds may be obligated by a State under this title.

Please do not hesitate to call our office if you have any questions.

Sincerely,

For: Carlos C. Machado
Division Administrator