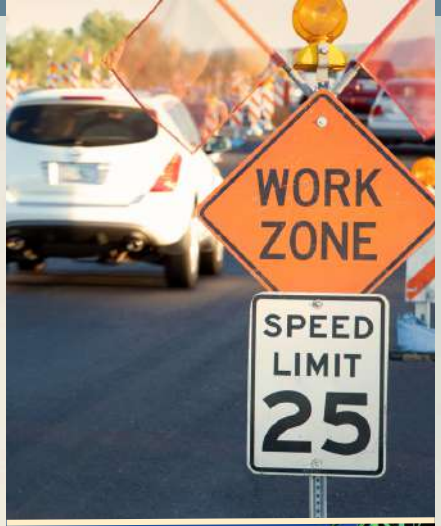

RIPEC

RESEARCH. ANALYSIS. ACTION.

RHODE ISLAND'S ROAD AND BRIDGE PROGRAM

High Spending, Heavy Debt, Uneven Results

SEPTEMBER 30, 2026

Executive Summary

Spending on bridges and roads represents one of Rhode Island's most substantial capital commitments, with over $1 billion expended annually in combined state and federal revenues. Launched in 2016, the RhodeWorks program reduced the number of structurally deficient bridges in the state by nearly half through targeted spending. However, this concentrated focus came with trade-offs: nation-leading debt levels, a chronic backlog in routine road maintenance, and non-interstate arterial routes ranked worst in the country.

Key Findings

- Rhode Island's **capital spending on roads and bridges averaged $461 per capita** between FY 2020 and FY 2024— 15th highest nationally and more than twice the U.S. average. Rhode Island ranked third highest in spending per lane-mile ($162,891).
- Rhode Island directed half of capital outlays to bridges between FY 2020 an FY 2024—ranking first nationally and over seven times the U.S. average (7%). **Roadway spending accounted for just 31% of capital spending**, lower than any other state.
- Rhode Island had the nation's highest capital-to-maintenance imbalance, **spending $8.40 on capital for every $1.00 on routine maintenance**—more than 2.5 times the U.S. average.
- Debt service accounted for 15% of spending between FY 2020 and FY 2024 and ranked first nationally in debt spending per capita. **Debt, administration, and soft costs combined made up 44% of state public surface transportation revenues**.
- **Bridge deck rated in Poor condition fell from 24% to 15% between 2016 and 2024** (49th nationally), while 66% was rated Fair (first) and 19% was rated Good (49th).
- Rhode Island's interstate highway pavement conditions held a middling rank nationally (27th), but **state-maintained non-interstate arterial routes ranked worst in the nation (50th).**
- Rhode Island faces a **$278.9 million projected shortfall in state matching funds** from FY 2027 through FY 2031.
- In its ten-year transportation plan, the state maintains the same investment priorities, projecting a **$7.56-to-$1.00 capital-to-maintenance imbalance** while allocating nearly double the capital funding to bridges as to roadways.

Recommendations

Rebalance capital and maintenance spending

Limit future debt issuance

Prioritize resurfacing on non-interstate state routes

Develop a dedicated state matching mechanism

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I. Introduction

Public surface transportation represents one of the most substantial capital commitments of state government in Rhode Island. Over the last decade, hundreds of millions of tax dollars have been expended annually to rehabilitate and modernize the state's network of roads and bridges, supported by dedicated state user fees, general revenues, and federal matching funds. More than a major expenditure, Rhode Island's highway and bridge infrastructure underpins the state's economic vitality, connecting regional labor markets, facilitating commercial freight, and ensuring the safety of traveling motorists. Given both the scale of this investment and its importance to the state's economic competitiveness, ensuring that these resources are deployed effectively is a matter of paramount public interest.

In 2016, Rhode Island launched the RhodeWorks program, a major capital-intensive plan to address the condition of the state's bridges, which then ranked the worst in the nation. Ten years into this initiative, that investment has yielded marked achievements alongside persistent system-wide trade-offs. The state has committed substantial capital resources to bridge reconstruction, resulting in one of the nation's largest improvements in structurally deficient bridges. However, that heavy reliance on capital, combined with court rulings invalidating commercial truck toll revenues, has resulted in high borrowing costs and a sharp reduction in routine maintenance, leaving Rhode Island's non-interstate state roads in the worst condition in the nation.

A Note on Scope and Data

Data on Rhode Island's transportation revenue and spending are drawn from Rhode Island House Fiscal Advisory Staff budget analyses, RhodeWorks progress reports, Rhode Island Department of Transportation (RIDOT) capital budget requests, and the state's Transportation Asset Management Plan. Throughout this report, state budgetary and financial figures reflect Rhode Island's state fiscal year (SFY, running July 1 through June 30). Federal authorizations, apportionments, and national comparisons correspond to the federal fiscal year (FFY), running October 1 through September 30 unless otherwise specified.

Comparative expenditure data are limited to public highway and bridge infrastructure under state responsibility. These figures reflect total disbursements reported by state transportation agencies to the Federal Highway Administration (FHWA), encompassing both federally-aided capital projects and fully state-funded operations, including routine

maintenance.[1] This data excludes municipal public works spending on locally owned residential streets maintained by cities and towns.

To evaluate Rhode Island's road and bridge quality against other states and the nation overall, this report draws comparative data from the FHWA.[2] Longitudinal bridge conditions and structural load-posting records for all public crossings are drawn from the National Bridge Inventory (NBI).[3] Pavement condition ratings and physical distress metrics are drawn from the FHWA Highway Performance Monitoring System (HPMS) and evaluated across general travel lanes (excluding ramps, turning lanes, and shoulders) on the National Highway System (NHS), which encompasses Interstates and state-maintained principal arterials under RIDOT jurisdiction and excludes city and town roads.[4]

Report Contents

Including this introduction, there are seven sections in this report:

- **Section II: Federal Road and Bridge Financing Framework** explains federal highway and bridge funding formulas, matching requirements, and eligibility rules.
- **Section III: Historical Road and Bridge Financing in Rhode Island** examines the evolution of state transportation revenues through user fees, debt financing, and budget transfers over the last decade.
- **Section IV: Rhode Island Road and Bridge Expenditures and Financing in Comparative Perspective** compares Rhode Island's spending on capital projects, routine maintenance, debt service, and overhead to national and regional benchmarks.
- **Section V: Road and Bridge Conditions in Comparative Perspective** evaluates trends in Rhode Island's bridge quality, deck condition distributions, and pavement cracking against other states.

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[1] Form FHWA-532 captures comprehensive cash disbursements for all state-administered highways, crossings, and bridge facilities, regardless of revenue source, including both state-funded and contracted routine maintenance under Item A.2 (Physical Maintenance and Highway Services). U.S. Federal Highway Administration, A Guide to Reporting Highway Statistics: Chapter 10 (State Highway Finance - Form FHWA-532), accessed September 2026.

[2] Comparative highway finance datasets are derived from the FHWA Highway Statistics Series, including Table SF-1 (Revenues Used by States for Highways), Table SF-4C (Disbursements by Function), and Table SF-12A (Capital Outlays by Functional Improvement Type), which compile state DOT disbursements reported on Form FHWA-532. U.S. Federal Highway Administration, Highway Statistics Series, accessed September 2026.

[3] Bridge condition classifications and load postings reflect inspections under National Bridge Inventory standards and Item 41 criteria. U.S. Federal Highway Administration, National Bridge Inventory Data, accessed September 2026.

[4] Roadway smoothness and physical distress measures—including fatigue cracking, rutting, and faulting—are tracked in Table HM-64 and the HPMS database pursuant to federal performance management regulations for the National Highway System under 23 CFR Part 490. U.S. Federal Highway Administration, Highway Performance Monitoring System (HPMS), accessed September 2026.

- **Section VI: Forward-Looking Allocations: The 10-Year Transportation Plan** analyzes programmed capital, bridge, pavement, and maintenance funding within the FY 2024–FY 2033 State Transportation Improvement Program (STIP).
- **Section VII: RIPEC Comments** summarizes RIPEC's findings and provides targeted policy recommendations for state leaders.

II. Federal Road and Bridge Financing Framework

Federal assistance for road and bridge infrastructure operates primarily through a decentralized partnership between the federal government and state departments of transportation (state DOTs). Administered by the Federal Highway Administration (FHWA), an operating agency within the U.S. Department of Transportation, the federal government does not directly construct, own, or maintain non-federal public roadways. Rather, state DOTs must first design, procure, and pay for approved capital projects using state funds, and subsequently submit documentation to the FHWA to receive reimbursement for the federal share of project costs. Multi-year surface transportation authorization acts passed by Congress establish the statutory and fiscal foundation for this system, setting program rules, formula apportionment factors, and overall funding ceilings.[5]

The Infrastructure Investment and Jobs Act (IIJA)

In November 2021, Congress enacted the Infrastructure Investment and Jobs Act (IIJA)—also known as the Bipartisan Infrastructure Law—which authorized approximately $356.5 billion for federal-aid highway and bridge programs across federal fiscal years (FFY) 2022 through 2026.[6] This authorization represented a historic expansion in federal capital assistance, expanding baseline formula apportionments, increasing funding for existing bridge repair programs, and establishing competitive grant pools designed to modernize aging infrastructure, improve freight corridors, and support climate-resilient construction.[7]

Federal Funding Mechanisms: Formula vs. Discretionary Grants

Federal highway aid reaches states through two main channels: statutory formula apportionments and discretionary grants. Formula programs account for roughly 90 percent of all federal highway assistance nationwide and are apportioned automatically to state DOTs under statutory formulas driven by factors including lane-miles, vehicle miles traveled, and historical funding baselines.[8] Discretionary grants, by contrast, are awarded

[5] 23 U.S.C. § 120; and U.S. Federal Highway Administration, Financing Federal-Aid Highways, Report No. FHWA-PL-20-011, 2020.
[6] Surface transportation authorizations reflect contract authority and general fund transfers under Division A of Public Law 117-58. U.S. Federal Highway Administration, Infrastructure Investment and Jobs Act (IIJA) Funding Overview, 2021.
[7] The IIJA combined traditional highway-user revenues credited to the Highway Trust Fund (HTF)—primarily federal excise taxes on motor fuels—with significant direct appropriations drawn from general federal revenues. General revenue transfers into the Highway Trust Fund totaled approximately $118 billion under the IIJA. Congressional Budget Office, The Highway Trust Fund and the Infrastructure Investment and Jobs Act, 2022; RIPEC calculations.
[8] Congressional Research Service, The Highway Funding Formula: History and Current Status Under the Infrastructure Investment and Jobs Act, February 2024.

on a competitive basis through open solicitations evaluated against statutory merit criteria.[9] These criteria are designed to support nationally and regionally significant freight corridors, critical multimodal facilities, and major bridge reconstructions with capital costs exceeding the annual capacity of regular state formula apportionments.[10]

Core Federal Highway and Bridge Programs

Federal law organizes highway and bridge aid into several core formula programs and targeted discretionary grant pools, which represent the primary federal funding streams available to state transportation agencies:

- **National Highway Performance Program (NHPP):** Directs formula funding to capital construction, reconstruction, and bridge rehabilitation exclusively on the National Highway System (NHS).[11]
- **Surface Transportation Block Grant Program (STBG):** Provides flexible funding for a wide range of surface projects—including state routes, local collector roads, bridges, transit, and pedestrian paths. States must suballocate 55 percent of these funds to regional and local planning bodies.[12]
- **Bridge Formula Program (BFP):** Dedicates formula dollars to highway bridge replacement and rehabilitation, allocating funds based on each state's relative cost of repairing structures rated in Poor and Fair condition.[13] States must reserve at least 15 percent of these apportionments for local, off-system bridges—structures located on locally maintained roads that sit outside the designated federal-aid highway network. Off-system bridges can receive up to 100 percent federal funding.[14]

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[9] These include, for instance, the Bridge Investment Program and the Multimodal Project Discretionary Grant program (encompassing MEGA, INFRA, and Rural grants). U.S. Federal Highway Administration, Competitive Grant Funding Matrix: Infrastructure Investment and Jobs Act, accessed September 2026. Discretionary grants represent targeted statutory programs where the Secretary of Transportation selects projects through merit-based criteria established under 23 U.S.C., including the Bridge Investment Program, National Infrastructure Project Assistance, and Nationally Significant Multimodal Freight and Highway Projects.

[10] Congressional Research Service, Surface Transportation Reauthorization: Federal Highway Programs, February 2026; and U.S. Government Accountability Office, Transportation Grants: Applicants Cited Benefits of Combined Application, but DOT Should Improve Transparency, May 2025.

[11] Projects funded under the NHPP align with the state's certified asset management plans and must focus on condition preservation and capacity needs identified on Interstate highways and principal arterials. 23 U.S.C. § 119; and U.S. Federal Highway Administration, National Highway Performance Program Implementation Guidance, 2022.

[12] Suballocated funds must be distributed relative to Census population distributions. 23 U.S.C. § 133; and U.S. Federal Highway Administration, Surface Transportation Block Grant Program Fact Sheet, 2022.

[13] Bridge Formula Program apportionments are calculated through statutory formulas weighted by the total square footage of bridge deck area classified in Poor and Fair condition within each state. Public Law 117-58, Division J, Title VIII; and U.S. Federal Highway Administration, Bridge Formula Program Implementation Guidance, 2022.

[14] 23 U.S.C. § 144(f); and U.S. Federal Highway Administration, Highway Statistics Series: Bridge Inventory and Off-System Classifications, 2022.

- **Bridge Investment Program (BIP):** Dedicates formula dollars specifically to highway bridge replacement and rehabilitation, allocating funds based on each state's relative cost of repairing Poor and Fair structures. Federal rules mandate that states reserve at least 15 percent of these apportionments for off-system bridges.[15]

Federal Cost Eligibility and Ineligible Expenditures

Federal law draws a clear distinction between major capital projects and routine day-to-day maintenance. For eligible capital projects, the federal government pays 90 percent of the cost on Interstate highways (requiring a 10 percent state match) and 80 percent on non-interstate roads and bridges (requiring a 20 percent state match). Certain local bridges can receive up to 100 percent federal funding.[16]

- **Eligible Capital Activities:** Federal aid covers major capital construction, including preliminary engineering, complete bridge rebuilding, deck replacement, full road reconstruction, and capital resurfacing (such as asphalt milling and structural overlays).[17] Preventive maintenance—such as bridge washing, joint sealing, and thin surface seals—is eligible for federal matching funds if it systematically extends the physical life of the facility.[18]
- **Ineligible Operational Activities:** Routine day-to-day operations and minor repairs must be financed entirely with state funds. Federal rules prohibit using federal highway aid for routine pothole patching, crack sealing, cleaning drainage basins, snow and ice removal, roadside mowing, general agency administrative operations, and interest on state-issued debt. States are obligated to maintain federally assisted roads and bridges using their own state revenues.[19]

Fiscal Trade-Offs and the Crowding-Out Effect

While federal highway programs provide substantial capital funding, they create budget trade-offs for states.[20] Congress caps the amount of federal formula funding a state can commit through an annual spending constraint known as an obligation limitation.[21] This

[15] To incentivize the preservation of municipally owned infrastructure, federal law allows off-system bridge projects to receive up to 100 percent federal funding. BIP discretionary awards are administered through statutory merit evaluations distinguishing between projects of more than $100 million and other bridge projects, including multi-bridge contracts. 23 U.S.C. § 124; and U.S. Federal Highway Administration, Bridge Investment Program Overview and Guidance, 2022.
[16] U.S. Federal Highway Administration, Funding Federal-Aid Highways, January 2017.
[17] U.S. Federal Highway Administration, Policy & Guidance Center: Federal Aid.
[18] U.S. Federal Highway Administration, Guidance on Highway Preservation and Maintenance, February 2016.
[19] Federal Highway Administration, Policy and Guidance Center: Federal-Aid Eligibility.
[20] Federal-aid surface transportation funding involves multi-step statutory procedures spanning congressional authorizations, apportionments, and annual contract obligation limits. Congressional Research Service, Funding and Financing Highways and Public Transportation, June 2019.
[21] Obligation limitations are annual statutory caps imposed by Congress through transportation appropriations acts to control federal budgetary outlays. U.S. Federal Highway Administration, Funding Federal-Aid Highways, January 2017.

caps the total federal funds a state DOT may obligate across its active projects each year.[22] Because that cap is finite, committing a large share of federal funds to high-cost bridge reconstructions leaves less capacity for roadway projects—such as major highway reconstruction, corridor safety upgrades, and system-wide pavement resurfacing.[23]

This dynamic is compounded by state revenue constraints and the mandatory state match: most federal dollars require a 10 to 20 percent state contribution. Because states operate with a finite pool of dedicated revenues, tying up these funds to match large capital projects or for debt service limits the funding available for transportation improvements that require 100 percent state funding, such as routine maintenance.[24]

Federal Performance Management Baselines

State capital allocations are subject to federal performance management rules requiring state DOTs to track and report asset conditions every two years across the National Highway System—a federally designated network of highways consisting of the Interstate System and principal state-administered arterial corridors.[25] Under these regulations, states must measure and report on three primary asset categories: Interstate pavement, Non-Interstate National Highway System pavement, and National Highway System bridge deck area. For each of these categories, federal regulations establish two specific statutory metrics: the percentage of inventory in Good condition and the percentage in Poor condition (with Fair condition tracked as the intermediate inventory). This framework yields six formal national performance measures in total: Interstate pavement (Good and Poor), Non-Interstate NHS pavement (Good and Poor), and NHS bridge deck area (Good and Poor). Federal law imposes financial penalties if a state fails to maintain minimum physical condition standards across two of the three asset categories as follows.[26]

- **NHS Bridge Condition Baseline**: If the percentage of NHS bridge deck area in Poor condition exceeds ten percent for three consecutive years, a state must dedicate a fixed portion of its National Highway Performance Program funds to NHS bridge rehabilitation and replacement, until Poor deck area falls below 10.0 percent.[27]

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[22] An obligation represents a binding federal commitment to reimburse a state for the federal share of an approved project's eligible incurred costs. R. Kirk, "Federal-Aid Highway Program (FAHP): In Brief", March 2021.
[23] Federal highway funding eligibility encompasses both bridge structural work and comprehensive highway preservation projects identified within state asset management plans. U.S. Federal Highway Administration, Asset Management.
[24] Federal statutory provisions establish non-federal matching ratios—typically ten percent on Interstate facilities and 20 percent on other federal-aid highways—and permit states to pledge future federal apportionments toward debt service on Grant Anticipation Revenue Vehicle (GARVEE) bonds. Federal Highway Administration, Funding Federal-Aid Highways; Grant Anticipation Revenue Vehicles (GARVEE). U.S. Federal Highway Administration, Grant Anticipation Revenue Vehicles (GARVEE), September 2018.
[25] U.S. Federal Highway Administration, National Highway System: Overview, accessed September 2026.
[26] U.S. Federal Highway Administration, Transportation Performance Management.
[27] Ibid.

- **Interstate Pavement Condition Baseline**: If more than five percent of a state's Interstate highway lane miles are classified as Poor under international roughness index standards, a state is required to transfer flexible Surface Transportation Block Grant funds into the National Highway Performance Program and restrict those dollars to Interstate pavement restoration.[28]

These penalty clauses create a powerful incentive for states with high structural deficiency rates to commit a substantial share of state matching funds toward capital reconstruction, which can crowd out investment in non-reimbursable routine maintenance.[29]

Sources of State Matching Funds

To generate the state matching share required to unlock federal aid, state governments rely on four primary financing mechanisms:

- **Dedicated Highway User Fees**: The traditional foundation of state transportation finance, user fees are primarily per-gallon motor fuel excise taxes, vehicle registration and licensing fees, and toll collections.[30] While historically the most predictable source of state transportation revenue, fuel taxes face long-term erosion due to improved vehicle fuel efficiency, the adoption of electric vehicles, and changes in driving habits.[31]
- **Dedicated Non-User Revenue Streams**: To offset sluggish growth in fuel taxes, several states have dedicated broad-based tax revenues directly to transportation. This includes allocating shares of state general sales taxes (such as Connecticut's commitment of 0.5 percent of its general sales tax) or taxes on wholesale petroleum distributors.[32]
- **General Fund Appropriations and Cash Transfers**: States also make direct statutory transfers or budget allocations from state general revenues or surplus capital reserves. General fund transfers offer short-term cash without raising fuel taxes, but they introduce year-to-year revenue volatility and place transportation in

[28] Ibid.
[29] U.S. Federal Highway Administration, Status of the Nation's Highways, Bridges and Transit: Infrastructure Conditions, October 2020.
[30] National Conference of State Legislatures, Transportation Funding and Finance Legislation Database, February 2026.
[31] A. Hoffer & J. Macumber-Rosin, "Gas Taxes by State, 2025," Tax Foundation, September 2025.
[32] Petroleum gross receipts taxes are wholesale levies imposed on the first sale or distribution of petroleum products within a state, calculated as a percentage of gross wholesale sales value rather than a per-gallon retail charge, which allows receipts to fluctuate with oil prices. Connecticut's Special Transportation Fund relies substantially on both dedicated retail sales tax portions and wholesale petroleum gross earnings taxes. G. DeBenedictis & K. Phaneuf, "What is CT's Special Transportation Fund?", Connecticut Mirror, August 2024.

direct competition with core government services like K-12 education and healthcare.[33]

- **Debt and Capital Borrowing Instruments**: States frequently borrow money through bond issues to pay for major construction upfront.[34] Under federal rules, states can issue Grant Anticipation Revenue Vehicle (GARVEE) bonds — a loan where a state borrows cash for construction and pledges its future federal highway grants to pay back the principal and interest over time.[35] This tool lets states complete high-cost bridge or highway projects faster, but it creates a long-term financial trade-off: debt service and principal payments reduce the amount of future federal grants, leaving less aid available for new projects in future years.[36]

[33] State general fund support for capital transportation programs typically relies on discretionary year-end budget surpluses or statutory transfers of general tax revenues. National Association of State Budget Officers, 2025 State Expenditure Report, 2025.

[34] National Conference of State Legislatures (NCSL), Transportation Finance and Bonding Approaches, 2022.

[35] Grant Anticipation Revenue Vehicles are authorized under federal law, allowing state departments of transportation to pledge future federal-aid apportionments to secure tax-exempt debt financing. 23 U.S.C. § 122; and U.S. Federal Highway Administration, Innovative Finance Support: GARVEE Guidelines, 2020. Under federal statutory guidelines, debt service on GARVEE bonds is reimbursed directly as an eligible federal-aid project cost. U.S. Federal Highway Administration, Financing Federal-Aid Highways, Report No. FHWA-PL-20-011, 2020.

[36] Because debt service obligations take legal priority, issuing GARVEE debt reduces future net obligation authority available for capital contracts throughout the maturity of the bonds. Congressional Research Service, Funding and Financing Highways and Public Transportation Under the Infrastructure Investment and Jobs Act (IIJA), April 2026.

III. Historical Road and Bridge Financing in Rhode Island

Operating within this federal framework, Rhode Island's approach to surface transportation financing has undergone significant change over the last two decades. Beginning in 2011, the state moved away from voter-approved general obligation bonds and toward pay-as-you-go revenues: gas taxes, motor vehicle fees, state budget transfers, and borrowing backed by future federal aid.[37] In 2014, Rhode Island established the Highway Maintenance Account and tied future gas tax increases to inflation. The 2016 RhodeWorks initiative combined a 10-year capital construction plan with commercial truck tolls and Grant Anticipation Revenue Vehicle (GARVEE) bonds.[38]

In recent years, three developments put new pressure on state transportation funding. First, in 2022 the commercial truck tolls were found to be an unconstitutional restraint on interstate commerce, resulting in a significant loss in expected state revenues. Second, increased federal funding from the 2021 federal infrastructure law required much greater state funding matching commitments. Third, the emergency rebuild of the westbound Washington Bridge required a major commitment of federal aid and state matching funds. To meet these obligations, the state drew heavily on federal pandemic relief funds—committing State Fiscal Recovery funds under the American Rescue Plan Act—alongside substantial transfers from the Rhode Island Capital Plan (RICAP) Fund and additional borrowing through a new GARVEE bond issuance.[39]

State Transportation Revenue and Appropriation Trends (2025–2027)

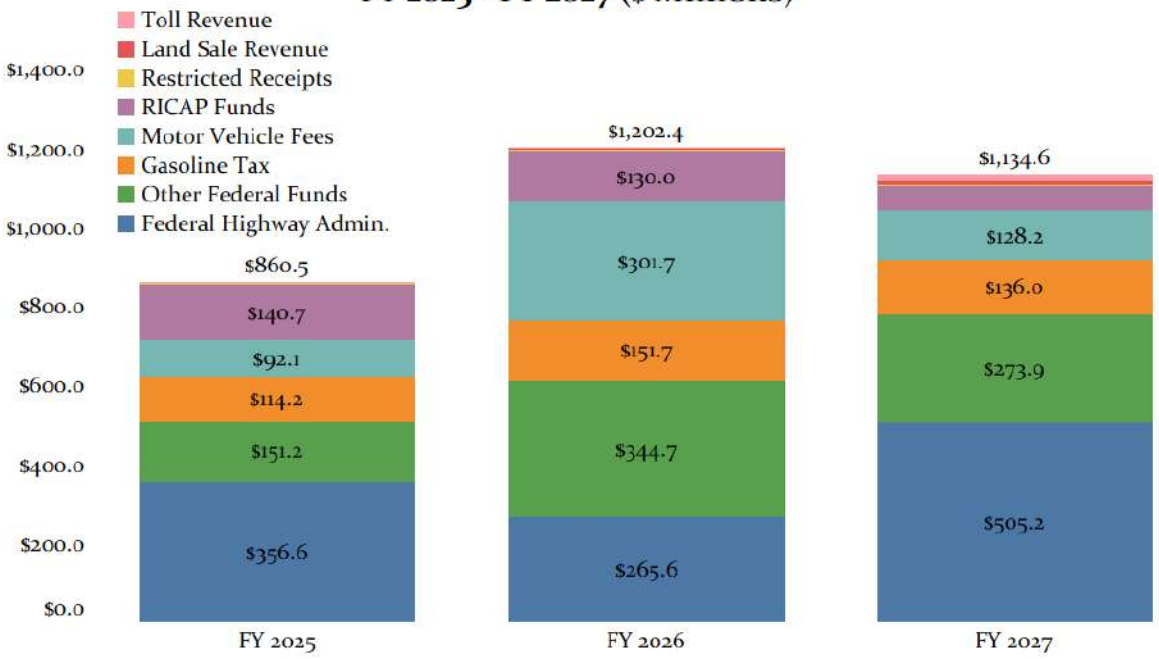
Transportation expenditures account for a relatively small proportion of Rhode Island's total operating budget across state and federal sources—7.5 percent in FY 2027. However, transportation is the largest investment in the state's capital budget; highway, bridge, transit, and rail projects comprise nearly half (48.2 percent) of all state capital spending planned for FY 2027 through FY 2031.[40]

Total transportation funding across all sources increased from $860.5 million in FY 2025 to $1.20 billion in FY 2026, before decreasing to $1.13 billion in the FY 2027 enacted budget. Federal grants represented the largest revenue category, accounting for 45.5 percent to 58.1 percent of total annual resources between FY 2025 and FY 2027, while remaining revenues

[37] RIPEC, Truck Tolling Proposal and the RhodeWorks Infrastructure Improvement Program, February 2016.
[38] R.I. Department of Transportation, RhodeWorks; R.I. Division of Statewide Planning, 2026 Freight & Goods Movement Plan, May 2026.
[39] R.I. House Fiscal Advisory Staff, FY 2027 Budget as Enacted: Transportation.
[40] The capital share reflects transportation projects as a percentage of total multi-year outlays in the five-year Capital Development Plan. Ibid.

came from state sources.[41] Figure 1 depicts Rhode Island's transportation funding by source over this period.

Figure 1
Rhode Island Transportation Funding by Source
FY 2025 - FY 2027 ($ Millions)



Note: Excludes dedicated gas tax debt service and centralized Department of Administration costs. Total actual DMV collections in FY 2026 were $121.9 million. The $304.4 million appropriation reflects the legislative authorization of $182.5 million in prior-year balances and debt proceeds through the Highway Maintenance Account for major capital projects. FHWA stands for Federal Highway Administration, DMV stands for Department of Motor Vehicles, and RICAP stands for Rhode Island Capital Plan.
Source: R.I. House Fiscal Advisory Staff

Gas Tax

The gasoline tax has long served as the primary source of dedicated state funding for transportation in Rhode Island, but its proceeds are divided among several public entities rather than dedicated entirely to highway infrastructure. Gross fuel tax receipts are deposited into the Intermodal Surface Transportation Fund and allocated by statute on a per-penny basis (cents per gallon).[42] Under the 41.0-cent rate enacted for FY 2027, the tax supports transit, turnpike bridge maintenance, and other purposes in addition to state roads: 24.25 cents are dedicated to RIDOT for highway operations and debt service, 11.75 cents to the Rhode Island Public Transit Authority (RIPTA) for mass transit, 3.5 cents to the Rhode Island Turnpike and Bridge Authority (RITBA) for bridge maintenance, 1.0 cent to the

[41] Federal grants included Federal Highway Administration (FHWA) formula programs, discretionary awards, FTA transit allocations, and emergency relief. Ibid.
[42] RI Gen. Laws, § 31-36-20.

Department of Human Services for paratransit services, and 0.5 cents to the Underground Storage Tank Review Board.[43]

Because the tax is assessed as a fixed, flat cents-per-gallon excise fee rather than a percentage of retail gasoline sales, revenue growth depends on legislated rate hikes or increases in total taxable gallons consumed.[44] Over the last 15 years, revenue expansion came almost exclusively from rate hikes rather than increased fuel demand.[45] Depicted in Figure 2, while gross gasoline tax collections rose from $141.6 million in FY 2010 to $165.5 million in FY 2025—reflecting statutory rate increases from 32.0 cents to 38.0 cents per gallon—the underlying revenue yield per penny remained essentially flat.[46] As shown in Figure 3, each penny of the motor fuel tax generated $4.4 million in FY 2025, only slightly greater than the $4.3 million per penny yield in FY 2010.[47]

This stagnation in penny yield illustrates a structural challenge in the state's user-fee model: long-term consumption erosion.[48] Steadily rising vehicle fuel efficiency standards, combined with the gradual adoption of hybrid and fully electric vehicles, mean that motorists burn fewer taxable gallons of fuel per mile traveled.[49] Consequently, the motor fuel tax has steadily lost purchasing power, requiring periodic statutory rate hikes to generate stable nominal receipts.[50]

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[43] Revenue per-penny yield measures the total dollars collected for every one cent of tax levied across all gallons sold, serving as a direct indicator of fuel consumption trends independent of statutory rate changes. House Fiscal Advisory Staff, FY 2027 Budget as Enacted: Transportation. The 41.0-cent per gallon assessment includes a 40.0-cent motor fuel tax and a 1.0-cent environmental protection regulatory fee under R.I. Gen. Laws, § 46-12.9-11. Of this environmental fee, 0.5 cents are directed to the Department of Environmental Management's Underground Storage Tank Financial Responsibility Fund to support the remediation of leaking petroleum storage sites, while the remaining 0.5 cents are deposited into the Intermodal Surface Transportation Fund and credited to RIPTA under R.I. Gen. Laws, § 31-36-20.

[44] R.I. Gen. Laws, § 31-36-7; National Conference of State Legislatures, Transportation Funding and Finance Legislation Database.

[45] Before the state began adjusting the tax for inflation every two years, the General Assembly periodically passed direct statutory increases, including raising the rate from 30 cents to 31 cents in 2002 and to 32 cents in 2009. Rhode Island Department of Revenue, Division of Taxation Motor Fuel Tax Guidance and Rate Schedules.

[46] Revenue per-penny yield measures the total dollars collected for every one cent of tax levied across all gallons sold, serving as a direct indicator of fuel consumption trends independent of statutory rate changes. House Fiscal Advisory Staff, House Fiscal Reports Repository (see also FY 2027 Budget as Enacted Reports).

[47] The motor fuel tax per penny yield peaked at $4.6 million in FY 2019 and dropped to $4.1 million during pandemic-era travel disruptions in FY 2021. U.S. Federal Highway Administration, Highway Performance Monitoring System (HPMS).

[48] Ongoing improvements in vehicle gas mileage mean that total fuel use can decline over time even when traffic volumes remain stable or increase. U.S. Federal Highway Administration, Status of the Nation's Highways, Bridges, and Transit: Conditions & Performance Report.

[49] General revenue transfers into the Highway Trust Fund totaled approximately $118 billion under the IIJA to offset long-term shortfalls in federal motor fuel excise tax collections. Congressional Budget Office, The Highway Trust Fund and the Infrastructure Investment and Jobs Act; RIPEC calculations.

[50] Multi-year disbursements are adjusted to 2024 dollars using quarterly updates from the National Highway Construction Cost Index (NHCCI 2.0) converted to an FY 2024 base to reflect inflation in highway materials, labor, and construction contracts. U.S. Federal Highway Administration, National Highway Construction Cost Index (NHCCI); RIPEC calculations.

Figure 2
Gas Tax Total Revenue
FY 2010 - FY 2025 ($ Millions)

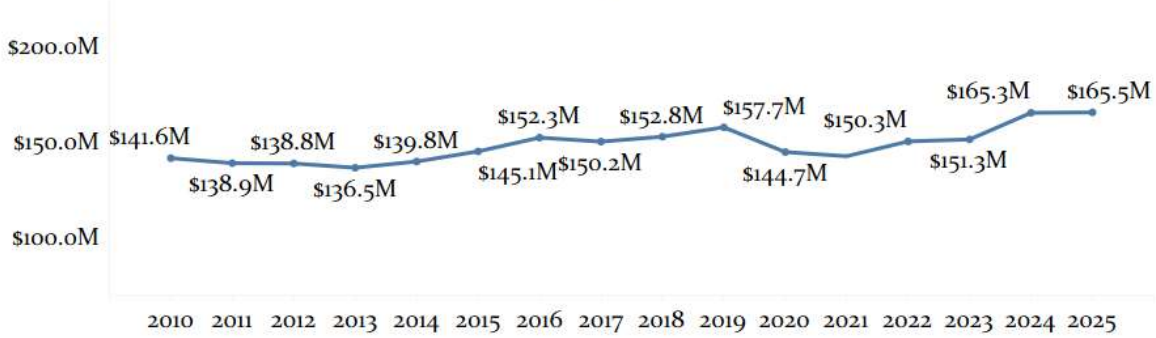
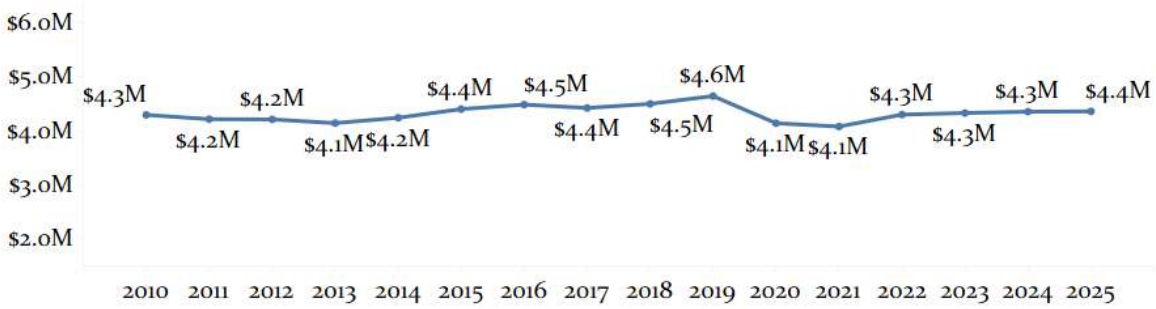


Figure 3
Gas Tax Per Penny Yield
FY 2010 - FY 2025 ($ Millions)



Source: R.I. House Fiscal Advisory Staff; RIPEC calculations

Effective July 1, 2025, the General Assembly increased the total motor fuel tax to 41.0 cents per gallon. As of July 2025, Rhode Island's 41.0-cent rate ranked tenth highest among states, substantially above the 50-state average (33.1 cents per gallon), and notably higher than every other New England state. Neighboring Massachusetts and Connecticut have rates of 24.0 cents and 25.0 cents per gallon, respectively.[51] However, regional gas tax comparisons do not present the full picture of user-fee burdens: peer states like Massachusetts, Maine, and New Hampshire generate substantial revenue through broad-based turnpike passenger tolls.[52]

[51] State tax comparisons reflect state fuel excise rates, inspection charges, and mandatory environmental fees as of July 1, 2025. Vermont's rate is 31.1 cents, Maine's is 30.0 cents, and New Hampshire's is 22.2 cents. A. Hoffer & J. Macumber-Rosin, Gas Taxes by State, Tax Foundation; RIPEC calculations. Connecticut's rate reflects levies authorized under Connecticut General Statutes § 12-458; Massachusetts rates are authorized under Massachusetts General Laws Chapter 64A, § 1; A. Hoffer & J. Macumber-Rosin, Gas Taxes by State, Tax Foundation.

[52] National Conference of State Legislatures, State Transportation Funding and Finance Database, accessed September 2026; Maine Turnpike Authority; and Massachusetts Department of Transportation, Annual Comprehensive Financial Reports, 2024.

In response to public concern over consumer fuel prices and regional rate disparities, lawmakers have repeatedly introduced legislative proposals to suspend, freeze, or cap the motor fuel tax.[53] During the 2022 and 2023 legislative sessions, lawmakers introduced bills to temporarily suspend collections or halt rate increases, though these measures were rejected. Similarly, in the 2025 legislative session, Governor McKee recommended repealing the statutory two-cent gas tax increase in his FY 2027 executive budget submission, but this recommendation was not approved by the Assembly in the enacted budget.[54]

DMV User Fees and the Highway Maintenance Account

To reduce reliance on borrowing and establish a dedicated pay-as-you-go mechanism to match federal highway grants, the General Assembly established incremental surcharges on motor vehicle registrations and operator licenses in 2011, phasing in the increases across three years.[55] In 2014, the state codified these dedicated revenue streams into the Highway Maintenance Account (HMA) and scheduled the transfer of additional Department of Motor Vehicles (DMV) fees that had previously been credited to the state General Fund.[56] Over the next decade, the General Assembly periodically restructured the account by transferring new fees and increasing rates to support pay-as-you-go capital investments.

Alternative-Fuel Vehicle Fees and Highway Maintenance Account Expansions

In 2025, the General Assembly significantly expanded the account's revenue base to counter long-term structural erosion in motor fuel tax revenues. Lawmakers enacted an additional $10 surcharge across motor vehicle registrations and dedicated duplicate driver's license fees to the account. The legislature additionally established annual registration fees for alternative-fuel vehicles—$200 for battery electric vehicles, $100 for plug-in hybrid electric vehicles, and $50 for traditional hybrid electric vehicles—establishing a mechanism to capture user-fee contributions from vehicle owners who pay little or no gas tax.[57]

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[53] National Conference of State Legislatures, Transportation Funding and Finance Legislation Database.

[54] Rhode Island House Fiscal Advisory Staff, FY 2027 Budget as Enacted; National Conference of State Legislatures, Transportation Funding and Finance Legislation Database; RIPEC calculations.

[55] Surcharges on registrations and operator licenses included a $10 fee on biennial registrations, a $5 fee on annual registrations, and a $10 fee on five-year operator licenses. R.I. Gen. Laws, § 39-18.1-4. Beginning in FY 2016, 5.0 percent of account funds were dedicated to RIPTA. Rhode Island House Fiscal Advisory Staff, FY 2027 Budget as Enacted: Transportation.

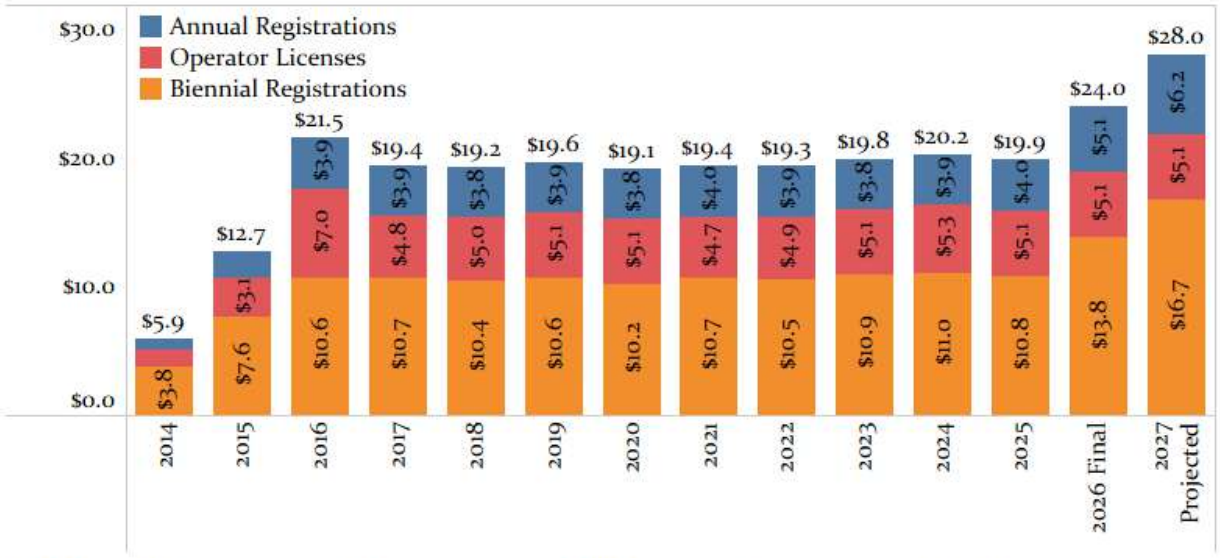
[56] In creating the Highway Maintenance Account within the Intermodal Surface Transportation Fund, the 2014 General Assembly redirected multiple fees away from state general revenues, including motor vehicle inspection fee increases ($16 increase), a $25 good driving dismissal surcharge under R.I. Gen. Laws, § 31-41.1-7, vehicle title fees, and rental vehicle surcharges. Rhode Island Department of Administration, Comprehensive Annual Financial Report: FY 2017, 2017.

[57] Surcharges were raised by an additional $10 effective January 2026 pursuant to R.I. Gen. Laws, § 39-18.1-4. The 2026 General Assembly also restructured the HMA distribution framework to allocate 25.0 percent of available account funds to RIPTA, directing $30.7 million in FY 2027 to public transit operations and leaving $92.0 million for RIDOT highway and bridge preservation. Rhode Island House Fiscal Advisory Staff, FY 2027 Budget as Enacted: Transportation.

Highway Maintenance Account Collections: FY 2014 – FY 2017

As a result of these statutory adjustments, collections credited to the HMA grew rapidly from FY 2014 to FY 2016, increasing from $5.9 million to $21.4 million. Collections stabilized over the following nine years, averaging approximately $19.6 million annually between FY 2017 and FY 2025. With the enactment of the 2025 registration increases and fee expansions, total user fee transfers into the account are projected to again expand significantly, rising to $24.0 million in FY 2026 and $28.0 million in FY 2027. Figure 4 depicts DMV user fee collections by source from FY 2014 through FY 2027 as projected.

Figure 4
DMV User Fees by Type
FY 2014 - FY 2027 as Projected ($ Millions)



Note: FY 2026 is a final number, FY 2027 is the enacted amount, the remaining FYs are actual. DMV stands for Department of Motor Vehicles.
Source: House Fiscal Advisory Staff

RhodeWorks and Commercial Truck Tolling

In 2015, 24.3 percent of Rhode Island's bridge deck area was classified in Poor condition under National Bridge Inventory standards. Because this far exceeded the federal penalty ceiling of ten percent, federal law restricted how Rhode Island could spend its core highway formula funds, requiring the state to dedicate an amount equal to 50 percent of its historical bridge apportionment exclusively to bridge repairs until the deficiency fell below the threshold. In February 2016, the General Assembly enacted the RhodeWorks legislation to

address these penalties and bring the share of Poor bridge deck area below ten percent within a decade.[58]

The RhodeWorks law established a ten-year capital plan, authorized $300 million in GARVEE bond borrowing, and instituted electronic tolls on large commercial trucks across six major highway corridors.[59] State law capped toll charges at $20 for a single crossing of the state and $40 per day per vehicle. Under a $68.9 million contract to design, build, and operate 13 toll gantries, RIDOT phased all but one gantry into operation between June 2018 and the federal court ruling invalidating the program in 2022. The commercial truck toll program collected $103.8 million while in operation. Collections were modest in the first two years, as the state phased in 12 electronic tolling gantries between 2018 and 2020.[60] Figure 5 depicts the amounts collected from FY 2018 through the first quarter of FY 2023.

Figure 5
Annual and Cumulative RhodeWorks Tolling Receipts
FY 2018 - FY 2023 ($ Millions)

Fiscal Year	Annual Receipts	Cumulative Total
2018	$ 0.4	$ 0.4
2019	$ 8.1	$ 8.6
2020	$ 16.7	$ 25.3
2021	$ 34.8	$ 60.0
2022	$ 38.4	$ 98.4
2023 (Q1)	$ 5.3	$ 103.8

Source: R.I. House Fiscal Advisory Staff

Fiscal Impact of Toll Litigation

In 2022, the U.S. District Court for Rhode Island ruled that the truck tolling system was unconstitutional, halting toll collections. To offset the estimated $40.0 million annual revenue loss, the governor and General Assembly enacted several budget adjustments, including appropriating $70.0 million from state general revenues across FY 2023 and FY 2024, allocating $24.6 million in gas tax revenues in FY 2024 to support capital projects, and transferring duplicate license fees to the Highway Maintenance Account.[61]

In December 2024, the U.S. Court of Appeals for the First Circuit partially overturned the U.S. District Court for Rhode Island's decision, affirming the state's legal authority to toll large commercial trucks while striking down the statutory daily payment caps as an unconstitutional burden on interstate commerce. Because the court deemed the daily caps

[58] RhodeWorks authorized comprehensive financing mechanisms—including Grant Anticipation Revenue Vehicle bonds and tolling—to remediate structural deficiencies and lift Rhode Island out of federal penalty status. Rhode Island Division of Statewide Planning, 2026 Freight & Goods Movement Plan, May 2026.
[59] The major corridors include I-95, I-195, I-295, Route 6, Route 146, and Route 2/78. Rhode Island House Fiscal Advisory Staff, FY 2027 Budget as Enacted: Transportation.
[60] Ibid.
[61] Ibid.

severable from the rest of the statute, the ruling cleared the way for the state to reactivate the program—provided that truckers, including local operators previously favored by the caps, pay the full uncapped toll rates.[62]

However, reactivating the tolling network proved to carry substantial financial and logistical hurdles. In March 2024, RIDOT agreed to pay the toll operator $5.2 million to settle outstanding contract and operational claims following the 2022 shutdown. By March 2026, RIDOT estimated that replacing damaged or obsolete overhead gantry equipment would cost approximately $19.0 million, exclusive of back-office toll collection software and operational systems. Despite these ongoing operational assessments and implementation delays, the enacted FY 2027 state budget assumes that the toll program will restart in January 2027 and generate $20.0 million in net toll revenue. The toll program is projected to yield $40.0 million annually beginning in FY 2028.[63]

State Matching Allocations and RICAP Transfers

Under the 2021 federal infrastructure law, Rhode Island's federal formula aid grew substantially, from $239.4 million in FY 2021 to an average of $354.0 million each year thereafter through FY 2026.[64] To qualify for these increased federal funds, the state was required to provide additional matching funds ranging from $20.6 million to $25.4 million each year during this period.[65] The General Assembly transferred $163.1 million in state capital funds from the Rhode Island Capital Plan (RICAP) Fund between FY 2023 and FY 2025 to cover this gap.[66]

Looking ahead, RIDOT's five-year capital budget request identified a cumulative state matching shortfall of $278.9 million across the planning period encompassing FY 2028 through FY 2031.[67] The projected annual deficit begins at $37.1 million in FY 2028, growing year over year, to reach $93.6 million in FY 2031.[68] This shortfall corresponds to the state share required to leverage projected federal aid, which averages approximately $350 million to $360 million annually over this timeframe.[69]

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[62] Ibid.
[63] Ibid.
[64] U.S. Federal Highway Administration, Infrastructure Investment and Jobs Act: Funding, accessed September 2026.
[65] Rhode Island House Fiscal Advisory Staff, FY 2023 Budget as Enacted: Transportation.
[66] Legislative transfers from the Rhode Island Capital Plan Fund provided state match resources across three consecutive fiscal years. Rhode Island House Fiscal Advisory Staff, FY 2025 Budget as Enacted: Transportation.
[67] Rhode Island Office of Management and Budget, Capital Budget: FY 2027; Rhode Island House Fiscal Advisory Staff, FY 2027 Budget as Enacted: Transportation.
[68] Annual projected non-federal matching shortfalls by fiscal year. Rhode Island Office of Management and Budget, Capital Budget: FY 2027.
[69] Federal-aid highway apportionments under Title 23 of the United States Code typically require a 20 percent non-federal cash contribution for National Highway Performance Program and Surface Transportation Block Grant capital projects pursuant to Title 23 of the United States Code, Section 120, accessed September 2026.

State matching funds have historically been provided through dedicated user revenues, debt proceeds, or general capital cash transfers. However, the $163.1 million in temporary RICAP allocations authorized by the General Assembly are scheduled to lapse, and commercial truck toll collections have not been restarted. At the same time, existing dedicated state revenues deposited into the Intermodal Surface Transportation Fund—principally the gas tax and motor vehicle surcharges—are largely committed to fixed obligations, including annual transportation debt service and statutory transfers to the Rhode Island Public Transit Authority (25.0 percent of Highway Maintenance Account proceeds in FY 2027).[70]

Debt Service Obligations and the Washington Bridge Project

Annual debt service on transportation debt has receded from recent peak levels but is scheduled to escalate again as the state issues new GARVEE debt to finance the replacement of the Washington Bridge.[71] Annual debt service reached an apex of $103.9 million in FY 2024, driven by overlapping repayment obligations on motor fuel tax revenue bonds issued in the early 2000s, general obligation bonds, and the debt issued under the 2016 RhodeWorks program.[72] Debt service declined to $89.0 million by FY 2027 and, under existing payment schedules, is projected to fall to $50.4 million by FY 2030.[73] However, this downward trajectory will be reversed by the planned issuance of hundreds of millions of dollars in new GARVEE bonds to fund the replacement of the westbound Interstate 195 Washington Bridge structure.[74]

While debt service is scheduled to decline over the next decade, the emergency capital financing for the Washington Bridge on Interstate 195 altered the state's long-term debt profile. On December 11, 2023, RIDOT closed the westbound span following the discovery of tie rod failures during rehabilitation work, ultimately expanding the project from a routine repair into a full structural replacement.[75] By the time the construction contract was awarded in June 2025, total project costs had escalated to $572.1 million, including demolition.[76] To

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[70] Fixed commitments against transportation dedicated receipts include debt service on general obligation bonds and Grant Anticipation Revenue Vehicle (GARVEE) bonds, as well as statutory transit distributions under RI Gen. Laws, § 39-18.1-4 and R.I. Gen. Laws, § 31-36-20. Rhode Island House Fiscal Advisory Staff, FY 2027 Budget as Enacted: Transportation.

[71] R.I. House Fiscal Advisory Staff, FY 2027 Budget as Enacted: Transportation.

[72] Fiscal year 2024 represented the peak annual expenditure for transportation-related debt service across all pledged funding streams, including federal reimbursements and dedicated gas tax proceeds. Rhode Island Department of Administration, Annual Comprehensive Financial Report: FY 2025, 2025.

[73] This represents repayment schedules for outstanding transportation obligations through final retirement. U.S. Federal Highway Administration, Current GARVEE Activity, accessed September 2026; and Rhode Island Office of Management and Budget, Capital Budget: FY 2027.

[74] Rhode Island House Fiscal Advisory Staff, FY 2027 Budget as Enacted: Capital Budget.

[75] Initial engineering assessments identified severed cantilever tie rods during active substructure repairs, prompting an immediate emergency closure of the westbound crossing over the Seekonk River to prevent catastrophic structural failure. Rhode Island Department of Transportation, Washington Bridge Documents & Reports, accessed September 2026.

[76] The project scope originally began as an anticipated $70.0 million rehabilitation contract before independent forensic reviews recommended complete structural replacement, with estimated total costs escalating to $455.2 million in March

finance the $572.1 million Washington Bridge replacement, the state combined competitive federal discretionary awards, new debt issuance, and one-time state cash transfers.[77] The financing plan utilizes $221.0 million in competitive federal grants and authorizes up to $334.6 million in new GARVEE bond borrowing, of which $140.0 million was formally obligated in September 2024.[78] To satisfy the remaining match requirements, the state drew from capital reserves and redirected funding from other transportation accounts: $67.0 million from the Rhode Island Capital Plan Fund, $35.0 million from unspent federal pandemic relief allocations, and $37.0 million reprogrammed from other planned highway projects in the state's federally approved capital program.[79] In addition, the state absorbed $23.6 million in direct project costs through RIDOT's operating budget.[80]

2024 and reaching $572.1 million upon final design-build contract execution in June 2025, an amount that included $84.2 million in separate demolition contracts. Rhode Island House Fiscal Advisory Staff, FY 2027 Budget as Enacted: Transportation.

[77] Emergency capital replacement and financing plans for the Interstate 195 Seekonk River crossing were consolidated across multi-year legislative budget analyses. Ibid.

[78] Grant Anticipation Revenue Vehicle bonds pledge future federal Title 23 highway apportionments to service annual principal and interest payments under borrowing authorizations approved by the General Assembly. Rhode Island House Fiscal Advisory Staff, FY 2027 Budget as Enacted: Capital Budget

[79] The reprogramming of $37.0 million in federal formula aid required revisions to the State Transportation Improvement Program (STIP), delaying lower-priority pavement resurfacing and bridge preservation projects outside the Interstate corridor. Rhode Island Division of Statewide Planning, State Transportation Improvement Program: Administrative Amendments.

[80] Operating contributions of $23.6 million reflected non-capital expenditures for emergency traffic detour operations, temporary transit shuttle coordination, and preliminary technical reviews, which were funded by reallocating unexpended prior-year personnel and operating surpluses within the Intermodal Surface Transportation Fund. Rhode Island House Fiscal Advisory Staff, FY 2027 Budget as Enacted: Transportation.

IV. Rhode Island Road and Bridge Expenditures and Financing in Comparative Perspective

Rhode Island's road and bridge spending program differs sharply from national and regional benchmarks. This section compares state expenditures on highways, bridges, and agency operations in relation to physical system size, debt costs, and the allocation between routine upkeep and major construction. Because Rhode Island maintains a very small highway network, spending looks high when measured strictly on a per-mile or per-bridge basis, as fixed costs are concentrated across relatively few miles of road. At the same time, direct funding for roads receives a far smaller share of the state's overall capital budget than in most other states, as the vast majority of available resources has been dedicated to bridge reconstruction and debt payments. This emphasis on bridges and borrowing has crowded out roadway investments, leaving routine road maintenance and resurfacing funded far below national and regional norms.

Infrastructure Network Size

Since Rhode Island has a small geographic footprint, measuring road and bridge spending by total dollars or per capita alone can be misleading; spending also should be evaluated relative to the size of the network.

Road Miles

Rhode Island maintains one of the smallest and most geographically dense state highway networks in the country. The state administers 3,105 highway lane-miles for roughly 1.10 million residents, or 2.83 lane-miles per 1,000 residents, ranking 41st nationally as illustrated in Figure 6. This aligns closely with Connecticut (2.69) and exceeds Massachusetts (1.37) but is less than a third of the national average (8.89) and far below rural Northern New England states. This physical density means that fixed capital construction costs and administrative overhead are concentrated across fewer total miles. As a result, capital spending appears substantially more intensive per linear mile of pavement than in states that distribute spending over more extensive, low-volume highway networks.[81]

Bridge Deck Area

Rhode Island maintains 10.42 million square feet of bridge deck area, or 9.51 square feet per resident. This ranks 37th nationally (14th lowest) and sits well below the national benchmark of 12.95 square feet per capita. The state's deck inventory per resident mirrors Southern New England peers like Connecticut (9.71 sq. ft.) and Massachusetts (9.38 sq. ft.) but is roughly

[81] Federal Highway Administration, Highway Statistics Series: Functional System Length-Lane Miles, 2024; U.S. Census Bureau, Annual Estimates of the Resident Population, 2024; RIPEC calculations.

30 percent smaller than Northern New England states like Vermont (13.78 sq. ft.) and Maine (12.77 sq. ft.). Largely driven by major rehabilitations required to reduce Poor bridge deck area under federal penalty thresholds, Rhode Island has concentrated substantial capital dollars on a comparatively small inventory of bridge structures, resulting in relatively high unit costs per square foot, as outlined in Figure 6.[82]

Figure 6
State Highway System Physical Inventory Per Capita and 50-State Rank
FY 2024

Area	Population	Lane Miles	Lane Miles Per Capita	Lane Miles Per Capita Rank	Bridge Deck Area (Sq Ft)	Bridge Deck Area Per Capita	Bridge Deck Area Per Capita Rank
Connecticut	3,617,176	9,713	2.69	43	35,140,800	9.71	35
Massachusetts	7,001,399	9,608	1.37	49	48,920,100	6.99	47
Maine	1,395,722	22,105	15.84	8	17,820,400	12.77	20
New Hampshire	1,402,054	9,102	6.49	24	14,210,800	10.14	32
Rhode Island	**1,095,962**	**3,105**	**2.83**	**41**	**10,420,900**	**9.51**	**37**
Vermont	647,464	6,210	9.59	18	8,920,100	13.78	17
United States	334,914,895	2,976,500	8.89	—	4,025,000,000	12.95	—

Note: PSq Ft stands for square feet. State lane-miles reflect state-administered highway systems. Bridge deck square footage includes all state-owned and state-maintained highway bridges recorded in the National Bridge Inventory.
Source: Federal Highway Administration; U.S. Census Bureau; RIPEC calculations

Methodological Framework and Comparative Metrics

Due to factors such as multi-year contract obligations and federal reimbursement lags, transportation capital spending is inherently uneven from year to year.[83] To control for this, this report evaluates state spending using five-year annual averages for the FY 2020–FY 2024 period, benchmarked against a pre-pandemic baseline (FY 2015–FY 2019), using Federal Highway Administration (FHWA) data.[84] To isolate real investment trends from historic market volatility, all multi-year disbursements are adjusted to constant 2024 dollars.[85]

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[82] Unit spending per square foot reflects total state-administered bridge capital expenditures divided by National Bridge Inventory deck area. The elevated unit cost in Rhode Island is driven by intensive capital outlays on complex urban structures carrying high traffic volumes—such as the Interstate 95 Viaduct and the Route 6/10 interchange—concentrated across a relatively small total asset base. U.S. Federal Highway Administration, National Bridge Inventory: Bridges by Owner and Condition, 2024; RIPEC calculations.

[83] Other factors include large Design-Build procurements, and multi-season permitting cycles.

[84] Multi-year averages represent five-year arithmetic means of inflation-adjusted annual disbursements. Form FHWA-532 (State Highway Finance Report) submissions compiled in U.S. Federal Highway Administration, Highway Statistics Series: State Highway Agency Receipts and Disbursements (Table SF-2); Capital Outlay and Maintenance (Table SF-4C), 2015–2024.

[85] Multi-year disbursements are adjusted to constant 2024 dollars using quarterly updates from the National Highway Construction Cost Index (NHCCI 2.0) converted to an FY 2024 base to reflect inflation in highway materials, labor, and

In accordance with established transportation economics and national infrastructure benchmarking literature, this report examines state-by-state disbursements across three standard analytical dimensions:

- **Budget Share (Policy Prioritization):** Evaluates how each state agency divides its available resources among capital roadwork, bridge structures, routine maintenance, and administrative overhead. Budget share analysis is the standard methodology used to assess state policy priorities, independent of total revenues.[86]
- **Per-Capita Expenditures (Demographic Burden):** Measures spending relative to resident population, thereby controlling for population differences across states. This benchmark reflects the per-resident fiscal burden and aligns with methodologies used by the Urban Institute, the Tax Foundation, and the FHWA in national reporting.[87]
- **Unit Cost per Physical Asset (System Scale):** Evaluates expenditures per lane-mile for roadways and per square foot of deck area for bridges. This approach is used by the Transportation Research Board, the Reason Foundation's *Annual Highway Report*, and the FHWA's *Conditions and Performance Report to Congress* to compare small, dense networks with expansive, rural systems.[88]

Scope of the Data: State vs. Local Roads

Comparative financial metrics are derived from mandatory state reporting compiled annually in the FHWA Highway Statistics Series.[89] Under federal reporting instructions, states are required to report comprehensive cash disbursements for all state-administered highways, crossings, and bridge facilities, regardless of revenue source.[90] These figures

construction contracts. U.S. Federal Highway Administration, National Highway Construction Cost Index (NHCCI), 2015–2024; RIPEC calculations.

[86] Functional budget share evaluations isolate programmatic prioritization from sovereign revenue size by measuring the internal distribution of dedicated agency funds across functional categories. National Association of State Budget Officers, State Expenditure Report: Fiscal Years 2022–2024, Transportation Capital and Operating Outlays; Pew Charitable Trusts, Funding and Financing State Transportation Infrastructure, Fiscal and Policy Program Studies.

[87] Urban Institute, State and Local Finance Initiative, Highway and Road Expenditures, 2023; Tax Foundation, Road Funding by State and Road Spending Covered by User Taxes and Fees, 2024; U.S. Census Bureau, Annual Estimates of the Resident Population for the United States.

[88] National Cooperative Highway Research Program (NCHRP), Performance-Based Highway Benchmarking, Transportation Research Board, Report 866; Reason Foundation, Annual Highway Report: Performance and Cost-Effectiveness of State Highway Systems, 2023; U.S. Federal Highway Administration, Status of the Nation's Highways, Bridges, and Transit: Conditions & Performance, Report to Congress.

[89] Form FHWA-532 serves as the official instrument for annual state DOT fiscal submissions to the Highway Performance Monitoring System and the Office of Highway Policy Information. U.S. Federal Highway Administration, A Guide to Reporting Highway Statistics: Chapter 10 (State Highway Finance - Form FHWA-532), U.S. Department of Transportation.

[90] Reporting rules require comprehensive accounting of all disbursements made by or on behalf of the state highway agency, including toll authorities and state-chartered infrastructure corporations, across federal-aid and non-federal-aid state inventory. U.S. Federal Highway Administration, A Guide to Reporting Highway Statistics: State Highway Finance (Form FHWA-532).

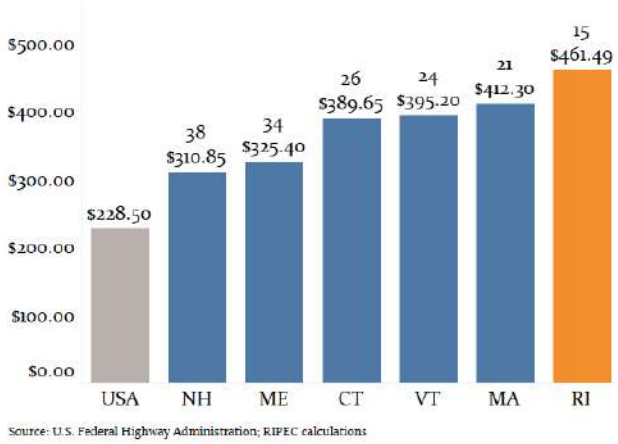
capture both federally-aided capital construction and fully state-funded day-to-day operations—encompassing internal agency operations, contracted physical maintenance, pothole patching, crack sealing, and winter snow removal funded through state motor fuel taxes, other user fees, borrowing, and general revenue transfers. Conversely, federal rules direct states to exclude municipal public works expenditures on locally-owned streets funded strictly through local property taxes. These data therefore provide a standardized comparison of how state transportation agencies allocate capital and maintenance resources across roads and bridges that are under direct state responsibility.[91]

Expenditure Allocations in Comparative Perspective: FY 2020 – FY 2024

Total Capital Expenditures

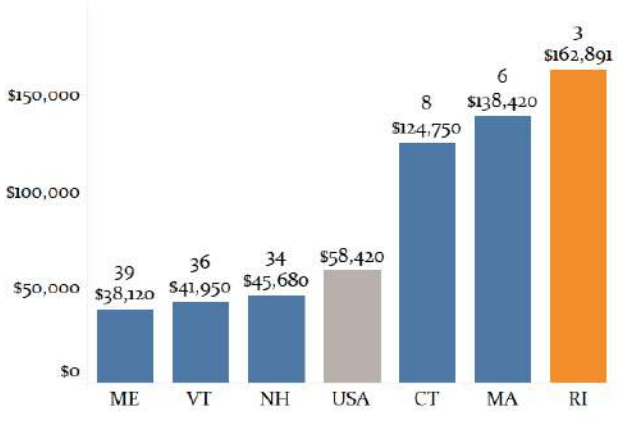
As depicted in Figure 7, Rhode Island's annual average per capita spending of $461.49 ($505.8 million) on all capital projects from 2020 to 2024 ranked 15th nationally and first in New England—more than double the U.S. average of $228.50 per capita. On a physical network basis, the state's annual average capital spending of $162,891 per lane-mile ranked third highest nationally, as shown in Figure 8. This stood well above Connecticut ($124,750) and Massachusetts ($138,420) and was nearly triple the U.S. average ($38,120).

Figure 7
Transportation Capital Spending Per Capita and 50-State Rank
FY 2020 - FY 2024



Source: U.S. Federal Highway Administration; RIPEC calculations

Figure 8
Transportation Capital Spending Per Lane Mile and 50-State Rank
FY 2020 - FY 2024



[91] State-administered network mileages are defined and verified via state HPMS submittals. U.S. Federal Highway Administration, Highway Statistics Series: State-Administered Highway Lane-Miles (Table HM-81), 2020–2024; RIPEC calculations.

Bridge Spending

Rhode Island directed 49.7 percent of its total capital budget to bridges ($251.6 million annually) between FY 2020 and FY 2024, ranking first in the nation in terms of budget share and more than three times the national benchmark of 14.6 percent. As depicted in Figure 9, on a per capita basis, Rhode Island's average annual birdge capital outlays of $229.54 ranked first among U.S. states, was more than seven times the U.S. average, and was over six times Massachusetts. Measured against physical inventory, the state spent $24.14 per square foot of bridge deck area annually, which ranked first nationally and exceeded the U.S. ($4.69) by more than five times, as displayed in Figure 10.

Figure 9
Bridge Spending Per Capita and 50-State Rank
FY 2020 - FY 2024

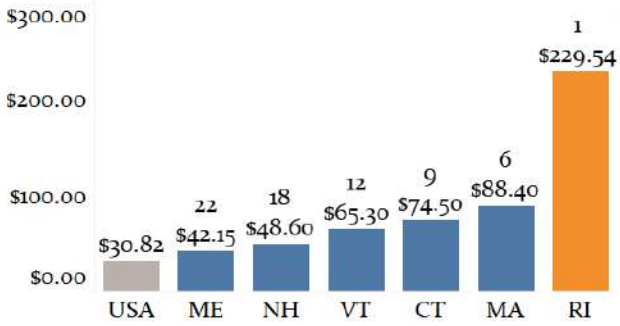
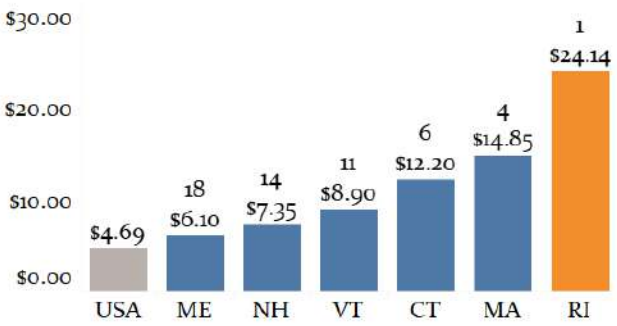


Figure 10
Bridge Spending Per Deck Square Foot and 50-State Rank
FY 2020 - FY 2024



Source: U.S. Federal Highway Administration; RIPEC calculations

Road Capital Spending

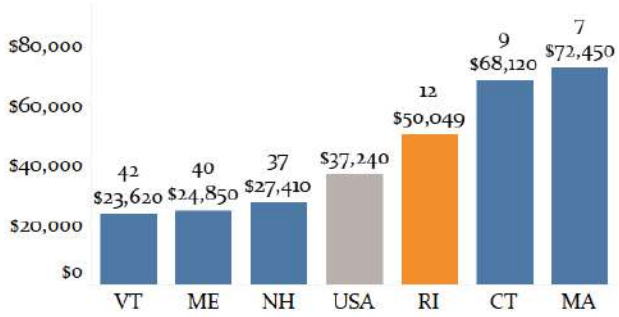
Road capital expenditures accounted for an average of 30.7 percent of the state's total capital budget between FY 2020 and FY 2024 ($155.4 million annually), ranking 50th (lowest in the nation) in terms of budget share and roughly half the national average of 61.1 percent. As depicted in Figure 11, on a per capita basis, Rhode Island's average annual spending of $141.80 on roadway capital ranked 33rd nationally. However, as depicted in Figure 12, Rhode Island had a high unit cost of $50,049 per lane-mile, ranking 12th and more than three times the U.S. average.

Rhode Island's high unit cost per lane-mile reflects three compounding factors: fewer highway miles over which to spread fixed capital outlays; high travel density and heavy commercial freight traffic accelerating pavement deterioration; and a large share of roadway

capital directed toward capacity widening and environmental compliance projects rather than less expensive basic repaving.[92]

Figure 11
Road Spending Per Capita and 50-State Rank
FY 2020 - FY 2024

Figure 12
Road Spending Per Lane Mile and 50-State Rank
FY 2020 - FY 2024



Source: U.S. Federal Highway Administration; RIPEC calculations

Widening, Environmental, and Support Costs

The majority of Rhode Island's roadway funding is attributed to capacity additions and federal compliance mandates. Highway widening accounted for 36.3 percent ($56.5 million) of the state's $155.4 million roadway capital program between FY 2020 and FY 2024. Environmental compliance accounted for 24.4 percent ($37.9 million), the second highest share in the nation and more than four times the U.S. average of 5.4 percent. Rhode Island directed less than 40 percent to basic pavement restoration, a far lower share than regional neighbors (including Connecticut and Massachusetts), which dedicated 64 and 87 percent respectively to basic pavement restoration.[93]

Between FY 2020 and FY 2024, soft costs and systemwide enhancements accounted for a substantial share of Rhode Island's $505.8 million total highway capital budget. Project engineering, preliminary design, and agency administration totaled $71.6 million annually, or 14.1 percent of total capital spending. This share ranked 33rd nationally and third in New

[92] Capacity widening and environmental compliance projects include corridor reconstruction, stormwater management, wetlands mitigation, and noise barriers, which carry substantially higher per-mile costs than standard system preservation or pavement resurfacing. U.S. Federal Highway Administration, Highway Statistics (Table SF-12a), accessed September 2026; and Rhode Island Department of Transportation, Highway Pavement Management Program and Capital Obligation Reports; U.S. Federal Highway Administration, Highway Statistics Series, State Highway Agency Capital Outlay and Maintenance (Table SF-12a); RIPEC calculations.

[93] Environmental capital projects include highway stormwater management, runoff drainage basins, roadside noise barriers, wetland mitigation, and environmental remediation required by federal permits. U.S. Federal Highway Administration, Highway Statistics Reporting Instructions, Improvement Type Codes 19 and 20; U.S. Federal Highway Administration, Highway Statistics Series, State Highway Agency Capital Outlay and Maintenance (Table SF-12a), 2020–2024; RIPEC calculations.

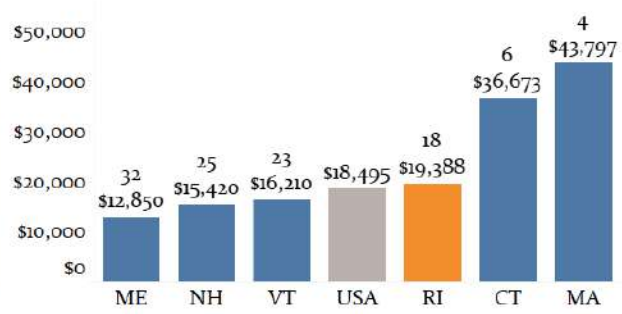
England, after Connecticut (16.3 percent) and Massachusetts (14.9 percent).[94] In addition, highway safety initiatives—such as high-friction surface treatments, median cable barriers, and intersection reconfigurations—amounted to $27.2 million annually, representing 5.4 percent of capital spending and ranking 30th nationally and fourth in New England.[95]

Road Maintenance Spending

Rhode Island commits a smaller share of resources to routine physical maintenance than nearly any other state. Routine highway maintenance—encompassing pavement patching, pothole repairs, crack sealing, drainage clearing, guardrail repairs, and roadside upkeep—accounted for just 10.6 percent of the state's total physical highway program between FY 2020 and FY 2024 ($60.2 million annually). This budget share ranked 47th nationally (fourth lowest) and was less than half the U.S. average (23.2 percent). As depicted in Figure 13, on a per capita basis, the state spent an average of $54.94 per resident on routine maintenance, ranking 36th nationally and compared to a U.S. average of $88.60.[96]

Figure 13
Road Maintenance Spending Per Capita and 50-State Rank
FY 2020 - FY 2024

Figure 14
Road Maintenance Spending Per Lane Mile and 50-State Rank
FY 2020 - FY 2024



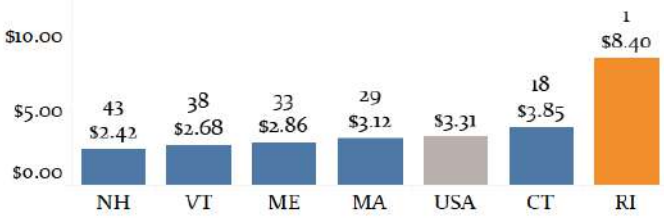
Source: U.S. Federal Highway Administration; RIPEC calculations

When measured on a unit-cost basis, Rhode Island spent an average of $19,388 per lane-mile annually on routine maintenance, ranking 18th nationally and slightly above the national

[94] U.S. Federal Highway Administration, Highway Statistics Series, Engineering and Administration (Table SF-4C), 2020–2024; U.S. Federal Highway Administration, Highway Statistics Series, Disbursements for State-Administered Highways (Table SF-2), 2020–2024; RIPEC calculations.
[95] U.S. Federal Highway Administration, Highway Statistics Series, State Highway Agency Capital Outlay and Maintenance Safety Improvements (Table SF-12A), 2020–2024; RIPEC calculations.
[96] U.S. Federal Highway Administration, Highway Statistics Series, State Highway Agency Capital Outlay and Maintenance (Disbursements for State-Administered Highways (Table SF-4c), 2020–2024; U.S. Federal Highway Administration, Highway Statistics Series, State Highway Agency Capital Outlay and Maintenance, Capital Outlay by Improvement Type – (Table SF-12a), 2020–2024; RIPEC calculations. Total physical program includes capital outlay plus routine maintenance (excluding debt service and state highway patrol).

average of $18,495. However, as depicted in Figure 14, Rhode Island trailed its Southern New England neighbors substantially. Massachusetts spent more than double Rhode Island's rate and ranked fourth nationally ($43,797), while Connecticut spent nearly double, ranking sixth ($36,673).[97]

Figure 15
Transportation Capital-to-Maintenance Spending Ratio and 50-State Rank
FY 2020 - FY 2024



Note: Ratio is calculated as total annual capital outlays divided by annual routine physical maintenance disbursements
Source: Federal Highway Administration; RIPEC calculations.

Capital vs. Maintenance

Rhode Island's capital-to-maintenance spending imbalance is the widest in the nation. Between FY 2020 and FY 2024, the state spent $8.40 on capital construction for every $1.00 spent on routine maintenance—more than 2.5 times the U.S. average and more than double Massachusetts' ratio, as shown in Figure 15.[98]

Capital and Maintenance Trajectory: FY 2015–FY 2019 vs. FY 2020– FY 2024

Compared to FY 2015–FY 2019, Rhode Island's transportation spending shifted toward major capital reconstruction and away from day-to-day asset preservation in the FY 2020–FY 2024 period. Adjusted for inflation to constant 2024 dollars using the National Highway Construction Cost Index (NHCCI):

- **Capital Outlays:** Annual capital spending rose from $456.1 million to $505.8 million, representing real growth of 10.9 percent. On a per capita basis, this ranked 11th nationally and second in New England, trailing only Massachusetts, which saw real growth of 93.1 percent.[99] In contrast, the U.S. median contracted by 16.6 percent and the remaining four New England states reduced real capital commitments.[100]
- **Routine Maintenance:** Over the same period, annual disbursements in Rhode Island for routine maintenance fell from $75.5 million to $60.2 million—a real decline

[97] In contrast, northern New England states with larger, more rural lane-mile networks spend less per mile.
[98] Federal Highway Administration, Highway Statistics Series, Disbursements for State-Administered Highways, Capital Outlays vs. Maintenance, (Table SF-4c), 2020–2024; RIPEC calculations.
[99] Massachusetts' increase is an outlier (ranking third nationally), reflecting both a depressed capital expenditure baseline in the FY 2015–FY 2019 period and substantial bond-financed disbursements under MassDOT's accelerated capital improvement programs between FY 2021 and FY 2023. Figures are derived from Federal Highway Administration (FHWA), *Highway Statistics Series*, Table SF-4 ("Disbursements for State-Administered Highways"), FY 2015–FY 2024; population figures from U.S. Census Bureau, Annual Estimates of the Resident Population; adjusted to constant 2024 dollars using FHWA, National Highway Construction Cost Index (NHCCI); RIPEC calculations.
[100] Including Connecticut (-10.1 percent), Vermont (-10.6 percent), New Hampshire (-9.3 percent), and Maine (-35.7 percent).

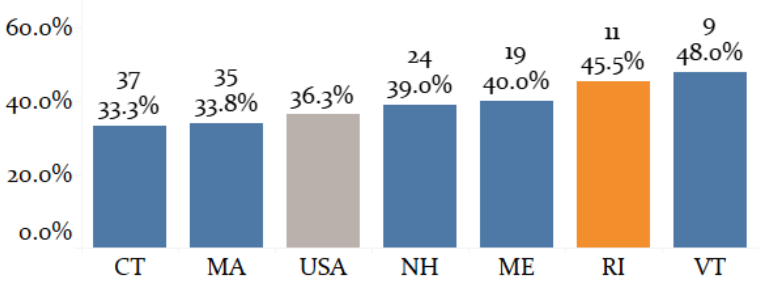
of 20.3 percent. This reduction was the fifth steepest in the country. Regionally, only Massachusetts experienced a steeper reduction (-42.2 percent).[101]

Road and Bridge Financing Comparisons

Federal Aid

Rhode Island relies heavily on federal aid to finance its capital program. Federal aid accounted for 45.5 percent of Rhode Island's total state highway and bridge receipts between FY 2020 and FY 2024 ($355.0 million annually) and ranked 11th highest nationally in its federal aid share, as highlighted in Figure 16.[102] This share of federal funding sits well above the U.S. average of 36.3 percent and neighboring Connecticut and Massachusetts (both roughly 33 percent). On a per capita basis, Rhode Island's average annual federal aid of $323.92. This ranked tenth nationally, was more than 1.5 times the U.S. average of $211.78 and was nearly triple Massachusetts' per capita federal aid ($111.41).[103]

Figure 16
Federal Aid Share of Transportation Receipts and 50-State Rank
FY 2020 - FY 2024



Note: Reflects federal highway grant apportionments and reimbursements as a share of all state transportation agency revenues.
Source: Federal Highway Administration; RIPEC calculations

User Fees

Conversely, dedicated state user fees (motor fuel taxes, DMV fees, and tolls) represent a relatively smaller share of transportation revenue in Rhode Island compared to other states. User fees generated an average of $232.0 million annually between FY 2020 and FY 2024, or $211.69 per capita—ranking 28th nationally. Rhode Island ranked much lower—45th nationally (sixth lowest) and lowest in New England—in terms of the ratio of its user fees to

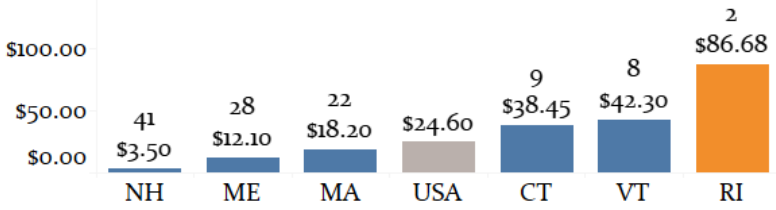
[101] Connecticut, Vermont, and Maine experienced a smaller reduction in real routine maintenance spending (-11.4 percent, -24.9 percent, -28.8 percent respectively).
[102] U.S. Federal Highway Administration, Highway Statistics Series, State Highway Agency Receipts and Disbursements (Receipts for State-Administered Highways - Table SF-1), 2020–2024; U.S. Federal Highway Administration, Highway Statistics Series, State Highway Agency Capital Outlay and Maintenance (Total Disbursements for State-Administered Highways - Table SF-2), 2020–2024; RIPEC calculations.
[103] U.S. Federal Highway Administration, Highway Statistics Series, State Highway Agency Receipts and Disbursements (Receipts for State-Administered Highways - Table SF-1), 2020–2024; U.S. Census Bureau; RIPEC calculations.

total expenditures. User fees made up 29.7 percent of total revenues, compared to 43.2 percent nationally and 49.1 percent in Massachusetts.[104]

General Fund Transfers

Rhode Island's relatively heavy reliance on federal capital aid and low reliance on user fees has resulted in a relatively large level of general revenue spending and borrowing to supply the state match required to access federal funding.[105] On an average annual basis, the state transferred $86.68 per capita in general fund and RICAP allocations to fund roads and bridges between FY 2020 and FY 2024, ranking second highest in the nation behind only Alaska and more than triple the national benchmark of $24.60, as detailed in Figure 17. Bond proceeds accounted for an average of 8.3 percent of Rhode Island's annual highway receipts, or $59.31 per capita, ranking seventh highest in the nation on a per capita basis.[106]

Figure 17
Transportation Related General Fund Transfers Per Capita and 50-State Rank FY 2020 - FY 2024



Note: Includes direct state general revenue appropriations and Rhode Island Capital Plan (RICAP) cash transfers
Source: Federal Highway Administration

Debt Service

Borrowing accounts for a substantial share of Rhode Island's transportation revenue. Between FY 2020 and FY 2024, debt service cost Rhode Island an average of $116.0 million annually, making up 15.2 percent of spending—the highest ratio of debt service to total spending of U.S. states and double the U.S. average of 7.6 percent. Rhode Island's debt service spending also ranked first on a per capita basis, (as shown in Figure 18. Rhode Island's average annual per capita debt spending of $105.86 was 2.5 times the national benchmark ($42.15) and substantially higher than every other New England state.[107]

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[104] Highway-user revenues include state collections from motor fuel taxes, vehicle registration and license fees, and toll collections allocated to state-administered highways. In Massachusetts, dedicated user fees totaled $1.32 billion annually, representing 49.1 percent of its total state-administered transportation receipts. U.S. Federal Highway Administration, Highway Statistics Series: State Highway Agency Receipts and Disbursements, Receipts for State-Administered Highways (Table SF-1), 2020–2024; RIPEC calculations.

[105] R.I. House Fiscal Advisory Staff, FY 2027 Budget as Enacted: Transportation.

[106] Federal Highway Administration, Highway Statistics Series, State Highway Agency Receipts and Disbursements, Bond Proceeds (Table SF-1), 2020–2024; RIPEC calculations.

[107] Federal Highway Administration, Highway Statistics Series, Disbursements for State-Administered Highways, Retirement of Bonds and Debt Service (Table SF-4), 2020–2024; RIPEC calculations.

With the exception of federally backed Grant Anticipation Revenue Vehicle (GARVEE) bonds—which are repaid directly through anticipated future federal apportionments—federal highway grants cannot be used to pay debt service on state-issued transportation debt, leaving this obligation to be funded exclusively from state revenue sources. Out of Rhode Island's $425.0 million in average annual state revenues for roads and bridges, an average of 27.3 percent went to service state-backed transportation debt between FY 2020 and FY 2024.[108]

Figure 18
State Transportation Agency Debt Service Burden
FY 2020 - FY 2024 ($ Millions)

Location	Total Spending	Debt Service	Debt Share	Debt Share Rank	Debt Service Per Capita	Debt Per Capita Rank
Connecticut	$ 1,938.8	$ 245.9	12.7%	5	67.98	5
Massachusetts	$ 2,239.8	$ 298.5	13.3%	4	42.63	20
Maine	$ 1,114.7	$ 68.5	6.1%	38	49.04	15
New Hampshire	$ 481.5	$ 48.9	10.2%	9	34.89	28
Rhode Island	$ 761.4	$ 116.0	15.2%	1	105.86	1
Vermont	$ 488.9	$ 42.2	8.6%	13	65.1	7
United States	185,850.0	$ 14,120.0	7.6%	—	42.15	—

Note: Debt service covers bond principal retirement and interest payments for state highway obligations. PC stands for per capita.
Source: Federal Highway Administration; U.S. Census Bureau; RIPEC calculations.

Agency Administration

Rhode Island commits a substantial portion of its transportation budget to administrative overhead. Between FY 2020 and FY 2024, the state spent an annual average of $71.6 million on project planning and agency operations—covering preliminary design, environmental review, construction inspection, and central department administration.[109] While this

[108] Debt service obligations reflect state general obligation bonds and motor fuel- and fee-backed revenue bonds supported exclusively by state own-source revenues. In accordance with FHWA reporting guidelines, figures exclude debt service on Grant Anticipation Revenue Vehicle (GARVEE) bonds, which are repaid directly through future federal Title 23 apportionments and are accounted for separately from state receipts and state-backed obligations. U.S. Federal Highway Administration, Highway Statistics Series, Disbursements for State-Administered Highways, Debt Service (Table SF-4C), 2020–2024; Highway Statistics Series, State Highway Agency Receipts and Disbursements, State Own-Source Receipts (Table SF-1), 2020–2024; RIPEC calculations.

[109] U.S. Federal Highway Administration, Highway Statistics Series, State Highway Agency Capital Outlay and Maintenance, Engineering and Administration (Table SF-4C), 2020–2024; U.S. Federal Highway Administration, Highway Statistics Series, State Highway Agency Capital Outlay and Maintenance, Capital Outlay by Improvement Type (Table SF-

represents 14.1 percent of Rhode Island's capital budget—ranking 33rd nationally and closely tracking the U.S. average of 14.6 percent—these overhead costs are more concentrated due to the state's compact highway system. As depicted in Figure 19, administrative and engineering expenses totaled $65.30 per capita—ranking 21st nationally, and first in New England—and represented $23,049 per lane-mile, ranking fourth highest in the nation, as presented in Figure 20.[110]

Figure 19
Administrative and Engineering Spending Per Capita and 50-State Rank
FY 2020 - FY 2024

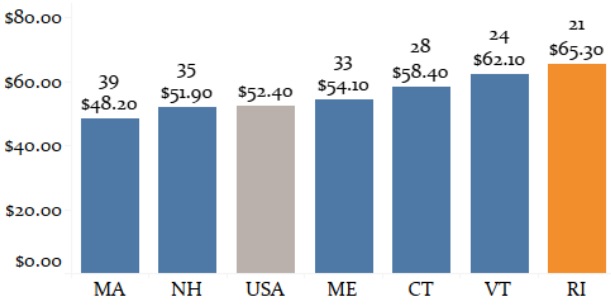
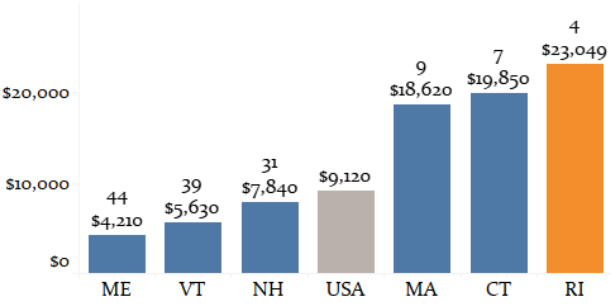


Figure 20
Administrative and Engineering Spending Per Lane Mile and 50-State Rank
FY 2020 - FY 2024



Note: administrative and engineering expenditures encompass central agency management, executive operations, planning and research, legal, fiscal, IT, and overhead engineering that are not billed directly to individual capital construction contracts.
Source: U.S. Federal Highway Administration; RIPEC calculations

As highlighted in Figure 21, combined, average annual debt service and department overhead spending comprised 24.6 percent of all agency spending between FY 2020 and FY 2024, the highest combined share in the country and well above the national average of 18.7 percent. On a per capita basis, Rhode Island spent $171.16 on debt payments and administrative costs—1.7 times higher than the national benchmark ($103.66) and more than double Massachusetts ($70.64).[111]

These high overhead costs represented a substantial share of state revenues. The $187.6 million required for debt service and administration accounted for 44.1 percent of Rhode

12A), 2020–2024; RIPEC calculations. Engineering and administration includes preliminary engineering, environmental studies, contract management, construction inspection, and executive administrative expenses.

[110] U.S. Federal Highway Administration, Highway Statistics Series, Disbursements for State-Administered Highways, (Table SF-2), 2020–2024; U.S. Federal Highway Administration, Highway Statistics Series, State Highway Agency Capital Outlay and Maintenance, State-Administered Highway Lane-Miles (Table HM-81), 2020–2024; U.S. Census Bureau; RIPEC calculations.

[111] U.S. Federal Highway Administration, Highway Statistics Series, Disbursements for State-Administered Highways, Retirement of Bonds and Other Long-Term Obligations (Table SF-4C), 2020–2024; U.S. Federal Highway Administration, Highway Statistics Series, Disbursements for State-Administered Highways, Total Disbursements for State-Administered Highways (Table SF-2), 2020–2024; U.S. Census Bureau; RIPEC calculations.

Island's $425.0 million in average annual state-generated transportation revenues. In other words, approximately 44 cents of every state dollar collected for transportation was committed to borrowing costs and agency overhead.[112]

Figure 21
Fixed Carrying Costs and Administrative Overhead
FY 2020 - FY 2024 ($ Millions)

Location	Soft Costs	Soft Share	Soft Rank	Debt & Soft Costs	Non-Physical Share	State Own-Source Revenue	Carrying Cost Share	Carrying Cost Rank
Connecticut	$ 209.9	16.3%	24	$ 455.8	23.5%	$ 1,360.0	33.5%	6
Massachusetts	$ 196.1	14.9%	28	$ 494.6	22.1%	$ 1,530.0	32.3%	8
Maine	$ 71.0	9.3%	41	$ 139.4	12.5%	$ 690.0	20.2%	39
New Hampshire	$ 36.1	11.9%	39	$ 85.0	17.7%	$ 305.0	27.9%	18
Rhode Island	**$ 71.6**	**14.1%**	**33**	**$ 187.6**	**24.6%**	**$ 425.0**	**44.1%**	**1**
Vermont	$ 23.2	6.3%	49	$ 65.3	13.4%	$ 260.0	25.1%	27
United States	$ 20,600.0	14.6%	—	$ 34,720.0	18.7%	$ 124,500.0	27.9%	

Note: Soft Costs include preliminary engineering, construction engineering, and general department administration. State Revenue reflects own-source receipts (Total Receipts minus Federal Aid). Carrying Cost Share represents combined annual debt service and soft costs divided by state own-source receipts.
Source: Federal Highway Administration; RIPEC calculations

[112] The Federal Highway Administration combines all highway debt, including state bonds and Grant Anticipation Revenue Vehicles (GARVEEs). U.S. Federal Highway Administration, Highway Statistics Series, State Highway Agency Receipts and Disbursements, State Own-Source Receipts (Table SF-1), 2020–2024; Highway Statistics Series, Disbursements for State-Administered Highways, Disbursements for State-Administered Highways (Table SF-2), 2020–2024; RIPEC calculations.

V. Road and Bridge Conditions in Comparative Perspective

Between 2015 and 2024, Rhode Island's transportation spending improved bridge conditions while allowing state roadways—which were not in favorable condition to begin with—to deteriorate to the worst in the nation. Concentrated spending on major bridge projects cut the number of structurally deficient bridges—those rated in Poor condition—nearly in half, although the state's bridge inventory remains overwhelmingly in Fair, rather than Good, condition. At the same time, lower levels of funding dedicated to roads and routine maintenance accelerated the decline of secondary routes that were already deficient, leaving Rhode Island's non-interstate roads in the worst shape in the country.

Bridge Inventory Trends

Federal inspectors grade bridges on a zero-to-nine scale by evaluating three main components: the driving deck, the supporting beams, and the foundation piers. A bridge is rated Good if all three parts score seven or higher. A bridge is rated Fair if any part scores a five or six, meaning it shows wear but is structurally safe. A bridge is rated Poor—historically called structurally deficient—if any part scores four or lower, indicating advanced decay that requires major repair, weight limits, or closure.[113]

Rhode Island has made major progress fixing its worst bridges between 2015 and 2024, as shown in Figure 22. Over this decade, the share of bridge deck area rated Poor dropped from 24.3 percent (ranking 50th, worst in the nation) to 15.1 percent (ranking 49th). This 9.2-percentage-point drop was the second largest reduction in Poor bridges in the country, trailing only Pennsylvania, and far outpaced the national average (1.7 percentage points).[114]

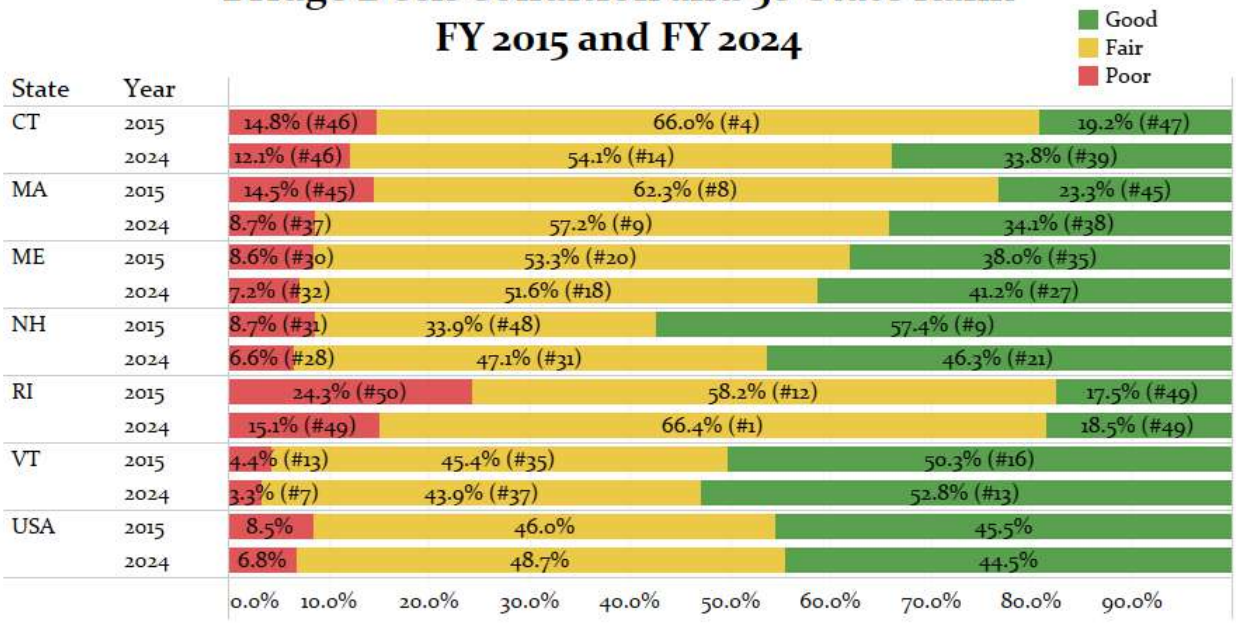
However, significant reductions in Poor bridges did not translate into a growing share of Good bridges. While neighbors like Connecticut improved from 47th to 39th nationally in Good-rated bridge deck area and Massachusetts rose from 45th to 38th, Rhode Island remained near the bottom of U.S. states at 49th, increasing just 1.0 percentage point (from 17.5 percent to 18.5 percent). Instead, net gains in bridge conditions were concentrated almost entirely in bridges rated in Fair condition, where Rhode Island lead the country in

[113] Technical bridge inspection classifications evaluate three primary components under the National Bridge Inventory: deck condition (Item 58), superstructure condition (Item 59), and substructure condition (Item 60). Condition ratings correspond to numerical component ratings on a zero-to-nine scale: Good indicates all primary components are rated seven or higher; Fair indicates the lowest-rated component is a five or six (minor to moderate section loss or deterioration); Poor indicates at least one component is rated four or lower, satisfying federal criteria for structural deficiency. Federal Highway Administration, Recording and Coding Guide for the Structure Inventory and Appraisal of the Nation's Bridges; Long Term Bridge Performance (LTBP) Program Overview; Bridge Condition Ratings Fact Sheet.

[114] Poor deck area reflects bridges historically classified as structurally deficient. Federal Highway Administration, National Bridge Inventory, Bridges by Owner and Condition (Deck Area), 2015–2024; RIPEC calculations.

2024. Between 2015 and 2024, Rhode Island's share of Fair bridge deck rose from 58.2 percent (12th highest) to 66.4 percent—first in the nation and far above the U.S. (48.7 percent), as well as neighboring Connecticut (54.1 percent) and Massachusetts (57.2 percent).[115]

Figure 22
Bridge Deck Condition and 50-State Rank
FY 2015 and FY 2024



Note: Values reflect the share of total bridge deck area in Good, Fair, and Poor condition under National Bridge Inventory standards. Poor deck share represents structurally deficient bridges. Ranks reflect 50-state standing, where 1 represents the best condition share and 50 represents the worst condition share (for Good deck share, 1 is highest and 50 is lowest; for Poor deck share, 1 is lowest and 50 is highest).
Source: Federal Highway Administration; RIPEC calculations.

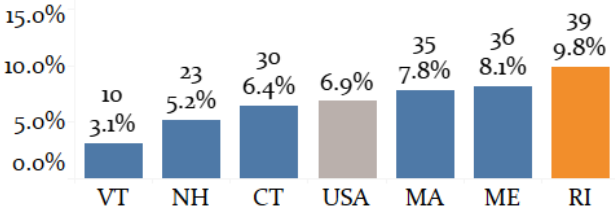
Because overall bridge ratings are determined by the lowest-rated component, replacing decks and superstructures while preserving older foundation piers often lifts a structure from Poor to Fair rather than to Good. In bridge asset management, rehabilitating a structure to Fair condition is standard engineering practice to eliminate structural deficiency cost without incurring the cost of full bridge replacement. Preserving structurally sound foundation piers while replacing superstructures extends a bridge's lifespan but leaves it dependent on ongoing maintenance to prevent it from deteriorating back into Poor condition.

Weight restrictions are triggered when localized component decay compromises a bridge's structural load-bearing capacity, meaning these corridors cannot carry legal truck loads. Despite major capital investments, 9.8 percent of all bridge crossings in Rhode Island (78

[115] Fair condition represents bridges with structural elements displaying minor deterioration or section loss but maintaining structural integrity. Ibid.

structures) remain weight-restricted—ranking 12th highest among states in the share of restricted bridges and highest among New England states, as shown in Figure 23.[116]

Figure 23
Share of Bridge Crossings Load-Posted or Weight-Restricted and 50-State Rank, FY 2024



Note: Includes all open bridges with posted weight limits requiring trucks or heavy vehicles to reduce loads below standard legal limits under National Bridge Inventory Item 41. National rank reflects 50-state standing, where 1 represents the lowest share of restricted crossings (best) and 50 represents the highest share of restricted crossings (worst)
Source: U.S. Federal Highway Administration; RIPEC calculations

Pavement Condition Trends

The federal government evaluates pavement quality using four measures: ride smoothness, surface cracking, wheel rutting (grooves worn into asphalt by tires), and concrete joint faults. Roads are rated Good if the surface is smooth and intact, Fair if they show minor wear, and Poor if they suffer from severe cracking or roughness that requires repaving or rebuilding.[117]

Pavement quality in Rhode Island shows a sharp divide between federal interstates and state secondary routes. Rhode Island's interstate highway roads were in favorable condition in FY 2024: 77.1 percent of lane-miles were rated Good (ranking 14th nationally) and just 2.1 percent were rated Poor (ranking 21st), outperforming national benchmarks.[118]

In contrast, state routes outside the interstate highway system have experienced severe deterioration, as illustrated in Figure 24. For non-interstate roads, 19.4 percent of lane-miles were in Poor condition in FY 2024—ranking 50th (worst in the nation) and nearly triple the national average of 7.2 percent. This deterioration represents a sustained decline; the share of state-administered non-interstate lane-miles rated Poor rose from 14.8 percent in 2015 to 19.4 percent in 2024, and Rhode Island's fifty-state rank dropped from 46th to 50th. Regional peers have a far smaller share of Poor roads, including Connecticut (8.4 percent, 38th),

[116] Weight-restricted structures correspond to National Bridge Inventory Item 41 (Structure Open, Posted, or Closed to Traffic), specifically tracking bridges coded as open with posting or temporary restrictions below standard legal hauling loads due to structural component deterioration. The condition migration ratio represents the net square footage increase in Fair condition bridge deck area divided by the net square footage decrease in Poor condition bridge deck area between 2015 and 2024. U.S. Federal Highway Administration, National Bridge Inventory: Bridges by Structure Status and Load Posting (Item 41), 2024; RIPEC calculations.

[117] Technical pavement distress metrics include International Roughness Index (IRI), percent fatigue (alligator) cracking on asphalt surfaces, wheel-path rutting depth (permanent depressions formed along the path of vehicle tires), and concrete slab joint faulting (vertical elevation differences across transverse joints between concrete slabs). Under federal performance management standards, pavement sections are classified Good if all three applicable distress metrics (IRI, cracking, and rutting or faulting) meet good preservation thresholds, Fair if only one metric is classified as poor, and Poor if two or more metrics exceed poor condition thresholds. Federal Highway Administration, Highway Performance Monitoring System Field Manual; Transportation Performance Management (TPM) Pavement Measures.

[118] U.S. Federal Highway Administration, Highway Statistics Series, Pavement Condition on the Interstate System (Table HM-64), 2024; RIPEC calculations.

Massachusetts (6.1 percent, 27th), and Vermont (3.8 percent, fifth). Furthermore, just 31.9 percent of Rhode Island's non-interstate roads are in Good condition, ranking 50th (last in the nation) against a national average of 48.2 percent.[119]

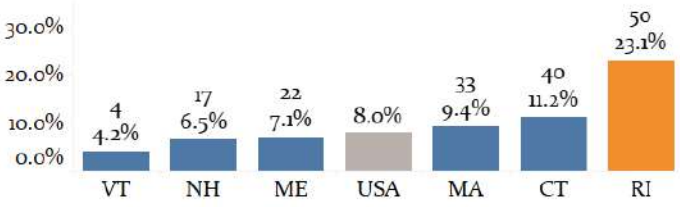
Figure 24
Non-Interstate Highway Pavement Condition by State
FY 2024

State	Good Lane-Miles %	Rank Good	Fair Lane-Miles %	Rank Fair	Poor Lane-Miles %	Rank Poor
Connecticut	42.1%	38	49.5%	15	8.4%	38
Massachusetts	51.2%	27	42.7%	33	6.1%	27
Maine	44.8%	33	48.9%	17	6.3%	29
New Hampshire	46.5%	30	47.2%	23	6.3%	28
Rhode Island	**31.9%**	**50**	**48.7%**	**18**	**19.4%**	**50**
Vermont	56.1%	12	40.1%	42	3.8%	5
United States	48.2%		44.6%		7.2%	

Note: Reflects pavement condition ratings on non-interstate state-administered highways based on ride smoothness, surface cracking, wheel rutting, and joint faulting. Ranks reflect 50-state standing, where 1 represents the best condition share and 50 represents the worst condition share (for Good deck share, 1 is highest and 50 is lowest; for Poor deck share, 1 is lowest and 50 is highest).
Source: Federal Highway Administration; RIPEC calculations.

The decline in roadway conditions in Rhode Island results in large part from severe surface cracking. In total, 23.1 percent of Rhode Island's road area was rated Poor due to severe cracking, ranking 50th (worst in the nation) with respect to this feature, as shown in Figure 25. Rhode Island's severe cracking rate was nearly three times the national benchmark of 8.0 percent and far higher than Massachusetts (9.4 percent, ranked 33rd) and Connecticut (11.2 percent, 40th).[120]

Figure 25
Share of Pavement Area in Poor Condition Due to Severe Cracking and 50-State Rank, FY 2024



Note: Reflects pavement distress data where road surface area is classified in Poor condition due to interconnected structural fatigue (alligator) cracking. National rank reflects 50-state standing, where 1 represents the lowest share of cracking (best) and 50 represents the highest share of cracking (worst)
Source: Federal Highway Administration; RIPEC calculations

[119] Non-interstate state highway data includes state-administered other principal arterials, minor arterials, and major collectors reported through the Highway Performance Monitoring System (HPMS). Federal Highway Administration, Highway Statistics Series, Pavement Condition on Non-Interstate State-Administered Highways (Table HM-64), 2024; RIPEC calculations.

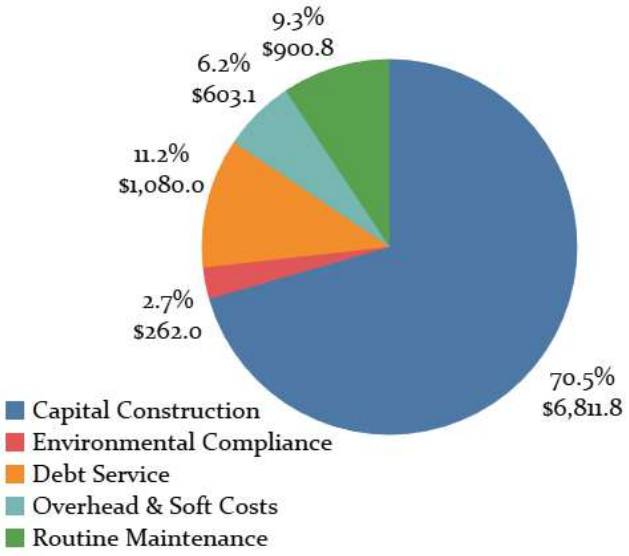
[120] Fatigue cracking, commonly designated as alligator cracking, measures load-associated structural surface distress where interconnected cracking patterns indicate base failure. Federal Highway Administration, Highway Performance Monitoring System Pavement Distress Data; FHWA Pavement Distress Identification Study, 2024; RIPEC calculations.

VI. Forward-Looking Allocations: The 10-Year Transportation Plan

Rhode Island's long-term capital plan—the State Transportation Improvement Program (STIP) covering FY 2024 through FY 2033—continues the spending priorities established under the 2016 RhodeWorks initiative.[121] The RhodeWorks Act statutorily requires the state to achieve a 90 percent sufficiency standard across its bridge network. The plan highlights the progress achieved in reducing Poor-rated bridge deck area and states that continued capital spending is needed to prevent Fair bridges from slipping into Poor condition.[122]

The STIP's $9.66 billion in planned allocations continues the spending patterns of the previous decade. As illustrated in Figure 26, capital construction accounts for 70.5 percent of all planned disbursements through FY 2033, while routine maintenance represents just 9.3 percent.[123] The STIP projects $7.56 in capital contracts for every $1.00 in routine maintenance, continuing a trend that gave Rhode Island the nation's highest ratio from FY 2020 to FY 2024.

Figure 26
Rhode Island 10-Year STIP Allocations by Functional Category, FY 2024 - FY 2033



Source: Rhode Island Department of Transportation; RIPEC calculations

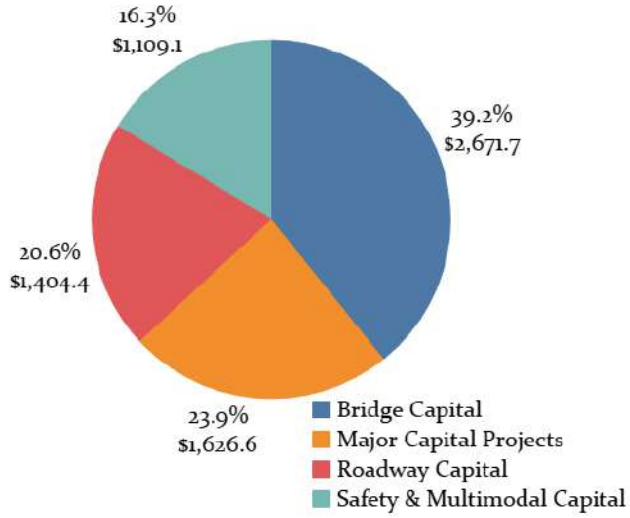
Fixed carrying costs and agency operations are also projected to comprise a substantial share of resources under the STIP. Dedicated debt service represents the third largest line item in the plan at $1.08 billion (11.2 percent of total spending).[124] When combined with Headquarters Operations ($484.8 million) and preliminary

[121] Rhode Island State Planning Council, State Transportation Improvement Program (STIP) FY 2024–FY 2033 (Transportation Improvement Program), adopted August 2023; Rhode Island Department of Transportation, Ten-Year State Transportation Improvement Program (STIP) FY 2024–FY 2033 (Ten-Year Transportation Plan), 2023.
[122] R.I. Gen Laws, The RhodeWorks Act - R.I. Gen. Laws § 42-13.1.
[123] Ibid.
[124] U.S. Federal Highway Administration, Highway Statistics Series, Disbursements for State-Administered Highways (Retirement of Bonds and Other Long-Term Obligations - Table SF-4C), 2020–2024; Rhode Island Department of Transportation, Ten-Year State Transportation Improvement Program (STIP) FY 2024–FY 2033 (STIP Program Allocations); RIPEC calculations.

Study and Development ($118.3 million), estimated non-construction overhead totals $1.68 billion, or 17.4 percent of the ten-year program.[125] Stormwater environmental compliance accounts for an additional $262.0 million (2.7 percent), reflecting continuing outlays to meet federal water-quality mandates.[126]

The STIP's $6.81 billion capital program recontinues a pattern of directing significantly more funds toward bridge infrastructure than roadway pavement. As shown in Figure 27, the dedicated Bridge Program represents the single largest capital allocation at $2.67 billion, accounting for 39.2 percent of all capital construction (and 27.7 percent of the entire STIP). An additional $1.63 billion (23.9 percent of capital) is committed to Major Capital Projects under the STIP, a category historically dominated by complex viaduct replacements and bridge-heavy interchange reconstructions like Route 6/10 and the Washington Bridge.[127] By contrast, total roadway capital—including Pavement Preservation ($930.7 million) and Corridor Projects ($473.7 million)—total $1.40 billion, or 20.6 percent of total capital spending.[128] Dedicated bridge capital outpaces all planned roadway capital by nearly double (a ratio of 1.9 to 1) and exceeds pavement resurfacing ($930.7 million) by nearly three to one. The remaining 16.3 percent of capital ($1.11 billion) is allocated across multimodal investments, including traffic safety infrastructure ($368.9 million), active transportation paths ($355.0 million), transit facilities and rolling stock ($294.4 million), and behavioral safety initiatives ($90.8 million).[129]

Figure 27
Rhode Island Transportation Capital Breakout, FY 2024 - FY 2033



Source: Rhode Island Department of Transportation; RIPEC calculations

[125] Non-construction overhead combines Debt Service ($1,080.0 million), Headquarters Operations ($484.8 million), and Study and Development ($118.3 million). Ibid.
[126] Rhode Island Department of Transportation, Ten-Year State Transportation Improvement Program (STIP) FY 2024–FY 2033 (Stormwater Compliance); RIPEC calculations.
[127] Rhode Island State Planning Council, State Transportation Improvement Program (STIP) FY 2024–FY 2033 (Project Descriptions); RIPEC calculations.
[128] Ibid.
[129] Multimodal and safety capital combines Traffic Safety ($368.9 million), Active Transportation ($355.0 million), Transit Operations and Capital ($294.4 million), and NHTSA Safety ($90.8 million). Ibid.

VII. RIPEC Comments

Rhode Island commits substantial resources to its surface transportation program, spending more than double the national average per capita on capital construction and ranking third highest in the country on a per-lane-mile basis. Under the RhodeWorks framework enacted in 2016, state leaders concentrated these capital resources on rehabilitating aging bridges. Rhode Island directed roughly half of its capital spending to bridges between FY 2020 and FY 2024—more than three times the national average. As a result, the state reduced its Poor-rated bridges by nearly half between FY 2015 and FY 2024—the second-largest reduction in Poor bridge deck area in the country.

However, this capital-intensive focus on repairing structurally deficient bridges has produced three acute systemic trade-offs: an aging inventory of bridges lingering in Fair condition, steep deterioration in non-interstate road quality, and a severe constraint on state transportation revenues driven by high borrowing costs.

First, the reduction in structurally deficient bridges has not produced a corresponding increase in bridges rated Good. Because federal condition ratings are determined by a structure's lowest-rated component, addressing deficiencies frequently results in an overall classification of Fair. Consequently, Rhode Island had the largest concentration of bridge deck rated in Fair condition in the country in FY 2024, while continuing to have the second-lowest share of bridge deck rated Good and the second-highest share of bridge deck rated Poor. At the same time, the state ranked 12th highest in its share of weight-restricted bridges.

Second, the concentration of capital investment on major bridge projects has left fewer resources for capital investments in roads and spending on routine maintenance and road preservation. Based on average spending between FY 2020 and FY 2024, Rhode Island ranked lowest in the nation in the share of capital dedicated to roadways. Basic repaving received less than a third of funds dedicated to roadways, while the majority of spending went towards corridor widening and environmental compliance. Average annual spending on routine maintenance, adjusted for inflation, fell by one-fifth from 2015–2019 to 2020–2024, and Rhode Island had the nation's widest capital-to-maintenance imbalance between FY 2020 and FY 2024: the state spent more than two-and-a-half times the national average on capital construction for every dollar spent on routine upkeep. This spending pattern contributed to the continued deterioration on non-interstate state routes; the share of lane-miles rated Poor rose from 14.8 percent in FY 2015 to FY 19.4 percent in 2024. Rhode Island ranked 50th in the nation in both non-interstate pavement quality and pavement fatigue cracking in FY 2024.

Third, the state's capital strategy has generated structural financing pressures. Following the 2022 court ruling invalidating truck tolls, Rhode Island turned to general fund and RICAP transfers to meet federal matching requirements. On average, between FY 2020 and FY 2024, the state transferred general revenue funding at more than three times the national per capita rate, ranking second highest in the country on this metric. At the same time, borrowing left the state with the highest per-capita debt service burden in the nation. Combined debt payments and agency administrative overhead comprised over 40 percent of state-generated transportation revenues between FY 2020 and FY 2024, constraining available resources for physical construction and improvements. This reliance on mostly one-time state funding has left the state with an identified shortfall of state matching funds of nearly $280 million from FY 2027 through FY 2031.

Rhode Island's ten-year capital plan indicates that these historical imbalances are projected to continue. The plan continues to direct the large majority of funding toward capital construction while routine maintenance remains under 10 percent of total spending. Within the capital program, planned bridge investments are nearly double all roadway funding combined, while debt service and agency overhead continue to account for a substantial share of spending. Without changes, the ten-year plan will continue to leave non-interstate roads underfunded and overhead costs elevated.

Given these findings, RIPEC makes the following recommendations to state policymakers:

Establish a more balanced funding framework between major capital projects and ongoing system maintenance. State policymakers should adjust operating appropriations to bring Rhode Island's ratio of capital spending to routine maintenance closer to regional and national norms. Increasing resources for routine preservation protects road surfaces, helps to keep pavement in good condition, and prevents minor wear from turning into expensive rebuilds.

Prioritize non-interstate resurfacing within the state's roadway capital program. RIDOT should recalibrate its roadway capital allocations to prioritize the repaving and maintenance of secondary and arterial highways. Rather than concentrating large shares of roadway funds on corridor widening and environmental projects, the state should direct a dedicated portion of annual capital to systematic milling and resurfacing on non-interstate routes to address the state's nation-leading poor conditions and fatigue cracking rates.

Develop a predictable, dedicated state matching mechanism. State leaders should establish a sustainable transportation revenue framework to reduce reliance on volatile general fund and RICAP cash transfers. Because user fees generate a relatively small share of transportation receipts and motor fuel taxes face long-term headwinds, policymakers

should evaluate options to expand dedicated user revenues, such as tolling and increased motor vehicle fees, including for alternative-fuel vehicles.

Limit additional debt issuance to reduce borrowing costs. The state should exercise fiscal caution before committing to new debt. Carrying the highest per capita transportation debt service in the country constrains funding available for capital projects and routine maintenance, while federal GARVEE borrowing places a direct claim on future federal grants. As older bond issues mature over the next several years, the freed-up revenue should be dedicated to pay-as-you-go preservation rather than committed to new borrowing obligations.

RIPEC

About the Rhode Island Public Expenditure Council

The Rhode Island Public Expenditure Council (RIPEC) is a nonpartisan and nonprofit public policy research organization dedicated to advancing fiscally responsible government, competitive tax policies, and economic opportunities for all in Rhode Island.

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