BRIDGE INVESTMENT PROGRAM (BIP)

	FAST Act (extension)	Bipartisan Infrastructure Law (BIL)				
Fiscal year (FY)	2021	2022	2023	2024	2025	2026
Contract authority		\$600M	\$640M	\$650M	\$675M	\$700M
Advance appropriation (General Fund)		\$1.847B	\$1.847B	\$1.847B	\$1.847B	\$1.847B
Total BIL funding (FY22-26)		\$2.447B	\$2.487B	\$2.497B	\$2.522B	\$2.547B
Subject to future appropriation		\$600M	\$640M	\$650M	\$675M	\$700M

<u>Note</u>: Except as indicated, all references in this document are to the Bipartisan Infrastructure Law (BIL), enacted as the Infrastructure Investment and Jobs Act, Pub. L. 117-58 (Nov. 15, 2021).

Program Purpose

The BIL establishes the Bridge Investment Program (BIP) to provide grants, on a competitive basis, to improve bridge condition and the safety, efficiency, and reliability of the movement of people and freight over bridges.

Statutory Citations

• § 11118; 23 U.S.C. 124

Funding Features

Type of Budget Authority or Authorization of Appropriations

- Contract authority from the Highway Account of the Highway Trust Fund, subject to the overall Federal-aid obligation limitation. [§ 11101(b)(1)(A)]
- Advance appropriations from the General Fund, not subject to any limitation on obligations. [division J, title VIII, Highway Infrastructure Program (HIP) heading, paragraph (4)]
- Authorization, subject to appropriation, from the General Fund. [§ 11101(b)(2)(A)(i)]

Types of Awards

- Authorizes DOT to award grants under BIP for three types of projects:
 - "Large Projects" (now referred to as "Large Bridge Projects", total eligible project costs >\$100 million) [23 U.S.C. 124(a)(2)];
 - Other Than Large Projects" (now referred to as "Bridge Projects", total eligible project costs ≤ \$100 million); and
 - Planning Grants (for planning, feasibility analysis, and revenue forecasting of a project that would subsequently be eligible to apply for BIP funding) [division J, title VIII, Highway Infrastructure Program heading, paragraph 4, second proviso]

Minimum Grant Size

- Requires a grant awarded under BIP to be at least
 - o enough to fully fund the project (combined with other resources listed in the application); and
 - \$50 million (for "Large Bridge Projects") or \$2.5 million (for other "Bridge Projects"). [§11118(a);
 23 U.S.C. 124(c)]
- There is no minimum size for planning grants.

Minimum Amount for "Large Bridge Projects"

• Requires at least 50% of BIP funding from the Highway trust Fund to be used for "Large Bridge Projects". [§11118(a); 23 U.S.C. 124(p)]

Set-Asides for Tribal Bridges and Planning Grants

- Sets aside an average of \$40 million in BIP funding each fiscal year for Tribal transportation facility bridges, which shall be administered as if made available under the Tribal Transportation Program. [§11118(a); 23 U.S.C. 124(q) and 23 U.S.C. 202(d); division J, title VIII, HIP heading, paragraph 4, first proviso]
- Sets aside \$20 million in BIP funding each fiscal year for Grants for Planning, Feasibility Analysis, and Revenue Forecasting. [division J, title VIII, HIP heading, paragraph 4, second proviso]

Allowable Amount for Culverts

 Allows up to 5% of BIP funding per year to be used for eligible projects that consist solely of culvert replacement or rehabilitation of bridge-sized culverts (as defined by 23 CFR 650.305). [§11118(a); 23 U.S.C. 124(c)(6)]

Federal Share

Maximum Amount of the Grant

- Up to 50% for "Large Bridge Projects"; up to 80% for other BIP projects. [§11118(a); 23 U.S.C. 124(c)(3)]
- Up to 90% for off-system bridges [§11118(a); 23 U.S.C. 124(c)(4)(B)]

Other Considerations

- Federal assistance other than a grant under BIP may be used to satisfy the non-Federal share of the cost of a project for which a BIP grant is made, as long as total Federal assistance for the project does not exceed the Federal share under 23 U.S.C. 120 and the Federal share for off-system bridges under 23 U.S.C. 124. [§11118(a); 23 U.S.C. 124(c)(4)]
- For a Federal land management agency (FLMA), a Tribal government, or a consortium of Tribal governments only, Federal funds made available under a program other than BIP may be used to pay the remaining share of the cost of a BIP project. [§11118(a); 23 U.S.C. 124(c)(4)(C)]
 - This includes Tribal Transportation Program funds and Federal Lands Transportation Program funds. [23 U.S.C. 120(k)].

Eligible Activities

- Projects eligible for funding under BIP include—
 - a project (or bundle of projects) to replace, rehabilitate, preserve, or protect a bridge on the National Bridge Inventory (NBI); and
 - a project to replace or rehabilitate culverts on the NBI for the purpose of improving flood control and improved habitat connectivity for aquatic species. [§11118(a); 23 U.S.C. 124(a)(1)]
- On an applicant's request, BIP funding may be used to pay subsidy and administrative costs for TIFIA credit assistance for the awarded project. [§11118(a); 23 U.S.C. 124(i)]

Program Features

This is a new program established under BIL.

Eligible Applicants

- A State or a group of States.
- A metropolitan planning organization that serves an urbanized area (as designated by the Bureau of the Census) with a population of over 200,000.
- A unit of local government or a group of local governments.
- A political subdivision of a State or local government.
- A special purpose district or public authority with a transportation function.
- An FLMA.
- A Tribal government or a consortium of Tribal governments.
- A multistate or multijurisdictional group of entities described above. [§11118(a); 23 U.S.C. 124(d)]

Eligible Costs

- A grant received for an eligible project under BIP may be used for—
 - a wide range of development phase activities (specified in statute);
 - construction, reconstruction, rehabilitation, acquisition of real property, environmental mitigation, construction contingencies, acquisition of equipment, and operational improvements directly related to improving system performance; and
 - expenses related to the protection of a bridge, including seismic or scour protection.
 [§11118(a); 23 U.S.C. 124(h)]

Project Selection

General Considerations and Priority

- Requires DOT to consider, when selecting grants, numerous factors, including-
 - the Department's rating of the project during the selection process (see more below);
 - specified factors relating to bridge person and freight throughput, bridge condition in the State, and any associated cost savings related to bundling multiple bridge projects;
 - for an FLMA, the extent to which the grant would reduce a Federal liability or Federal infrastructure maintenance backlog;
 - o geographic diversity and balance between the needs of rural and urban communities; and
 - the extent to which a bridge seeking BIP funding is in, or within 3 years risks entering, poor condition, or does not meet current geometric design standards. [§11118(a); 23 U.S.C. 124(c)(5)(A)]
- Requires DOT to prioritize applications for projects in States that have in prior years applied multiple times for BIP funding and been awarded few BIP grants. [§11118(a); 23 U.S.C. 124(c)(5)(B)(i)]

 Requires DOT to award not fewer than 1 "Large Bridge Project" or 2 other "Bridge Projects" in each State between FY 2022 and FY 2026 in which justified projects were submitted [[§11118(a); 23 U.S.C. 124(c)(5)(B)(ii)]

Additional Requirements for "Large Bridge Projects"

- Allows DOT to recommend a "Large Bridge Project" for funding only if the DOT determines that the project
 - o addresses a need to improve the condition of the bridge;
 - will generate specified types of benefits (or avoid specified types of costs), and is costeffective based on an analysis of these benefits and costs;
 - is supported by other Federal or non-Federal financial commitments or revenues adequate to fund ongoing maintenance and preservation; and
 - is consistent with any applicable asset management plan of the project sponsor. [§11118(a); 23 USC 124(g)(4)]
- Requires DOT to rate various aspects of a "Large Bridge Project" as Low, Medium-Low, Medium, Medium-High, and High; prohibits DOT from recommending for funding a project rated lower than "medium" in any aspect. Ratings are to be based on a methodology developed by DOT (with an interim methodology for the first year). [§11118(a); 23 U.S.C. 124(g)(5)]
- Requires that DOT, in selecting "Large Bridge Projects", to ensure diversity among projects based on—
 - the amount of the grant requested; and
 - o grants for single bridges vs. bridge-bundling projects. [§11118(a); 23 U.S.C. 124(g)(6)(D)]

Additional Requirements for other "Bridge Projects"

- Requires DOT to evaluate the project, assign a quality rating, and consider that rating during the selection process. [§11118(a); 23 U.S.C. 124(c)(5)(A)(ii) and 23 U.S.C. 124(f)(3(A)]
- Requires DOT to, when evaluating and rating a project, consider whether the project—
 - will generate specified types of benefits (or avoid specified types of costs); and
 - is cost-effective based on an analysis of these benefits and costs.
 [§11118(a); 23 U.S.C. 124(f)(3)(B)]

Multi-year Grant Agreements

 Allows a "Large Bridge Project" receiving a BIP grant of at least \$100 million to be carried out through a multiyear grant agreement (establishing terms of participation by the Federal government and maximum Federal assistance for the project). [§11118(a); 23 U.S.C. 124(j)]

Letters of No Prejudice

 Subject to certain requirements, allows DOT to pay to an applicant all eligible project costs under the BIP, including costs for an activity for an eligible project incurred prior to the date on which the project receives BIP funding. [§11118(a); 23 U.S.C. 124(k)]

Potential Divestiture of Federally Owned Bridges

• Requires an FLMA applicant for BIP funding to consider options to divest the bridge to a state or local entity after completion of the project. [§11118(a); 23 U.S.C. 124(I)]

Treatment of Projects

• Treats every project funded under the program as if it were located on a Federal-aid highway. This ensures applicability of Davis-Bacon wage requirements that apply to other projects on Federal-aid highways. [§11118(a); 23 USC 124(m)]

Additional Information and Assistance

- "Other than Large Projects" referenced in BIL [§ 11118; 23 U.S.C. 124] will be referred to in this fact sheet, the Notice of Funding Opportunity (NOFO) and otherwise as "Bridge Projects". Likewise, "Large Projects" referenced in BIL will be referred to as "Large Bridge Projects".
- For more information about FHWA's BIP: <u>https://www.fhwa.dot.gov/bridge/bip/index.cfm</u>
- FHWA can connect you with your local FHWA office and support you with technical assistance for planning, design, construction, preserving, and improving public roads and in the stewardship of Federal funds. For assistance, visit: <u>https://www.fhwa.dot.gov/bipartisan-infrastructure-law/technical_support.cfm</u>