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ANNUAL SURFACE TRANSPORTATION INFRASTRUCTURE REPORT: 2025

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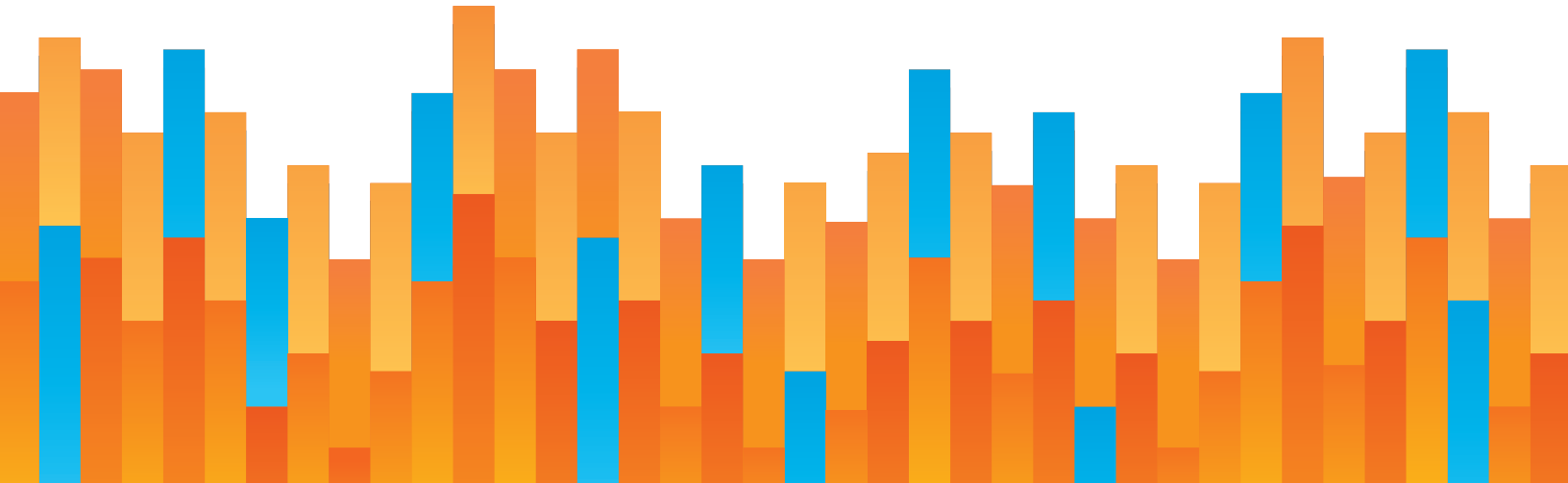

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TABLE OF CONTENTS

PART 1

INTRODUCTION

Governments have used long-term public-private partnerships (P3s) for surface transportation projects for the past 60 years. As documented by José A. Gómez-Ibáñez and John Meyer, the phenomenon began in the 1950s and 1960s, as France and Spain emulated the model pioneered by Italy prior to World War II.[1] Italy's national motorway systems were developed largely by investor-owned or state-owned companies operating under long-term franchises (called concessions in Europe). In exchange for the right to build, operate, and maintain the highway for a period ranging from 30 to 70 years, the company could raise the capital needed to build it (typically a mix of debt and equity). The model spread to Australia and parts of Asia in the 1980s and 1990s, and to Latin America in the 1990s and 2000s.

Nearly all the projects in those regions from the 1950s to 1980s were financed based on the projected toll revenues to be generated once the highway was in operation. Some projects went bankrupt as a consequence of reduced traffic and revenues during severe economic downturns (e.g., the oil price shock of 1974), leading to the nationalization of some companies. In the late 1990s and early 2000s, however, the governments of France, Italy, Portugal, and Spain all privatized their state-owned toll road companies and formalized the toll concession P3 model. Australia has allowed several concession company entities to go through liquidation, with the assets (in each case major highway tunnels) being acquired by new operators at a large discount from the initial construction cost.

[1] José A Gómez-Ibáñez and John R. Meyer, "Going Private: The International Experience with Transport Privatization," Brookings Institution, 1993. https://trid.trb.org/view/405691 (6 June 2019).

> *In exchange for the right to build, operate, and maintain the highway for a period ranging from 30 to 70 years, the company could raise the capital needed to build it (typically a mix of debt and equity).*

Other governments in Europe adopted a different form of highway concession. Generally, not favoring the use of tolls, they created the concept of availability payments as a means of financing long-term concession projects. In this structure, the company or consortium selected via a competitive process negotiates a stream of annual payments from the government sufficient (the company expects) to cover the capital and operating costs of the project and make a reasonable profit. The capital markets generally find such a concession agreement compatible with financing the project, via a mix of debt and equity. Since no toll revenues are involved, this model applies to a much broader array of transport and facility projects, including rail transit. In the highway sector, nearly all long-term concession P3 projects in Canada, Germany, the U.K., and a number of Central and Eastern Europe countries have been procured and financed as availability payment (AP) concessions.[2]

In a small but growing number of cases—major bridges, as well as highway reconstruction that includes added express toll lanes, for example—governments collect the toll revenues and use the money to help meet their availability payment obligations.[3] These cases are called "hybrid concessions" in this report.

Of the top 10 worldwide surface transportation P3s that reached financial close in 2024, four used availability payments, bucking what had been a growing trend over the last seven years.[4] In 2023, seven of the top 10 P3s used availability payments. The growing use of AP concessions has enabled P3s for projects that do not generate their own revenues, as well

2 "PPPs on German Federal Trunk Roads," Joint Workshop on Financing Transport Infrastructure, Geneva, 10 Sep. 2013. Lecture. (6 June 2019).

3 "Public-Private Partnership (P3) Procurement: A Guide for Public Owners," Build America Bureau, U.S. Department of Transportation, Transportation.gov, 2019. https://www.fhwa.dot.gov/ipd/pdfs/PPP/toolkit/PPP_procurement_guide_0319.pdf (27 June 2019).

4 For the past seven years almost three-quarters of the largest P3 projects, by financial value, have used AP P3s.

as hybrid concessions in which toll revenues help the government cover the costs of its AP obligations.

Many P3 project components, steps, or procedures are abbreviated using acronyms. The following abbreviations are used throughout this paper to refer to the different P3 contracts, P3 procedures, and relevant policies:

- AP: Availability Payment
- BOO: Build-Operate-Own
- BOT: Build-Operate-Transfer
- DBF: Design-Build-Finance
- DBFOM: Design-Build-Finance-Operate-Maintain
- DBFM: Design-Build-Finance-Maintain
- DBOM: Design-Build-Operate-Maintain
- IIJA: Infrastructure Investment and Jobs Act
- P3: Public-Private Partnership
- PAB: Private Activity Bond
- RFI: Request for Information
- RFP: Request for Proposals
- RFQ: Request for Qualifications
- RR: Revenue Risk
- TIFIA: Transportation Infrastructure Finance and Innovation Act
- TOT: Toll-Operate-Transfer

PART 2

U.S. PRIVATE HIGHWAY PROJECTS

In surface transportation policy, P3s are far more common than privatized roads. However, there are 22 privately owned common use (not for tourist attractions or private residential communities) highways and bridges in the United States. Table 1 displays these facilities and includes the type of project, ownership, cost (when constructed), and year constructed.

TABLE 1: PRIVATE ROADWAYS AND BRIDGES, U.S.

Roadway/Bridge Name	State	Project Type	Owner	Cost $ (M)	Year Constructed
Adams Avenue Parkway	UT	Bypass	Adams Avenue Parkway Inc.	$8.9	2001
Ambassador Bridge	MI to Canada	Bridge	Detroit International Bridge Company & Canadian Transit Co.	$23.5	1929
Avery Island	LA	Bridge	Avery Island, Inc.	N/A	N/A
Black Warrior Parkway Bridge	AL	Bridge	American Roads, LLC	$25.0	1998
Brownsville & Matamoros Express Bridge	TX to Mexico	Bridge	Brownsville & Matamoros Bridge Co.	$0.2	1910
Burke Mountain Toll	VT	Roadway	Burke Mtn Recreation, Inc	N/A	1935
Cline Avenue Bridge	IL	Bridge	Figg/American Infrastructure	$150.0	2020
Dingman's Ferry Bridge	NJ to PA	Bridge	Dingman's Choice & DE Bridge Company	N/A	1900
Downbeach Express	NJ	Bridge	Margate Bridge Company	N/A	1929
Emerald Mountain Expressway	AL	Bridge	American Roads, LLC	$4.0	1994
Fort Frances-International Falls International Bridge	MN to Canada	Bridge	Boise Inc./ Resolute Forest Products	N/A	1908
Fort Madison	IL to Indiana	Bridge	A.T. & S.F. Rdway Co; Topeka, KS	$5.5	1927

Roadway/Bridge Name	State	Project Type	Owner	Cost $ (M)	Year Constructed
Grosse Ile Toll Bridge	MI	Bridge	Grosse Ile Bridge Company	$3.9	1913
Margate Bridge	NJ	Bridge	Margate Bridge Company, Margate, New Jersey	N/A	1938
Montgomery Expressway	AL	Bridge	American Roads, LLC	$12.0	1998
Newell-East Liverpool Toll Bridge	WV to Ohio	Bridge	Newell Brdg & Rdwy Co, Newell, WV	$0.2	1905
Orchard Pond Parkway	FL	Highway	Orchard Pond Parkway, LLC	$17.0	2016
Plattsmouth Bridge	NE to IA	Bridge	Plattsmouth, Nebraska Bridge Commission	N/A	1929
Progreso International Bridge	TX to Mexico	Bridge	Progreso International Bridge Co.	N/A	1952
Rio Grande City–Camargo International Bridge	TX to Mexico	Bridge	Starr Camargo Bridge Company	N/A	1966
Seventeen Mile Drive	CA	Roadway	Pebble Beach Company	N/A	1892
South Norfolk Jordan Bridge	VA	Bridge	United Bridge Partners	$142.0	2011

Note: Table 1 does not include toll roads or bridges that provide access to private communities, resorts, or tourist destinations only.
Source: "Toll Facilities in the United States," May 2022, FHWA.DOT.gov

The **Adams Avenue Parkway** is a one-mile private toll road in Washington Terrace, Utah that provides direct access from local communities to I-84.[5] The route provides an alternative to the traffic lights, low speed limits, and congestion of US 89 and local streets.

Drivers pay a toll to access the **Montgomery Expressway**, also known as the Alabama River Parkway, northeast of Montgomery near SR 152.[6] The 12.5-mile Montgomery Expressway carries SR 143 from Montgomery to the northern residential suburbs of Coosada, Millbrook, and Prattville. Drivers cross the Alabama River Parkway Bridge to access the Expressway.

The **Ambassador Bridge** provides a direct connection between Detroit, Michigan and Windsor, Ontario.[7] The bridge connects Highway 3 in Canada with I-96 in Michigan and is the only route between Detroit and Windsor that allows large trucks. The lanes on the Detroit-Windsor Tunnel, the only other road crossing between the cities, are too narrow for tractor-trailers.

5 "Welcome," adamsavenueparkway.com, Adams Avenue Parkway, INC., 2022. http://www.adamsavenueparkway.com/index.htm (19 Jan. 2022).

6 "About Us." montgomeryexpressway.com, Montgomery Expressway, 2022. https://www.montgomeryexpressway.com/About.aspx (19 Jan. 2022).

7 "About Us." ambassadorbridge.com, Ambassador Bridge, 2022. https://www.ambassadorbridge.com (7 Feb. 2022).

The **Avery Island Bridge** connects Avery Island to the rest of Louisiana over the bayous that surround it.[8] The bridge, about 140 miles west of New Orleans, charges a flat $1 toll and is frequently traveled by tourists coming to see the pepper fields.

The **Black Warrior Parkway Bridge**, also known as the Tuscaloosa Bypass, is a private toll bridge over the Black Warrior River west of downtown Tuscaloosa, Alabama.[9] The bridge, located near the Tuscaloosa National Airport, connects downtown with the city's northern and western suburbs. The contract may be bought out by the state following the approval of a proposal urging Governor Kay Ivey to facilitate the purchase of the toll bridge.[10]

The **Brownsville & Matamoros Express Bridge** is a private toll bridge that connects the cities of Brownsville, Texas and Matamoros, Mexico across the U.S.-Mexico border. The bridge connects the larger Matamoros-Brownsville Metropolitan area.[11] The original bridge serves rail primarily while a parallel bridge constructed in 1997 handles automobile traffic.

The **Burke Mountain Toll** runs alongside Burke Mountain in Vermont. Opened in 1935, the toll road is maintained by Burke Mountain Recreation, Inc.[12] The company offers all-day passes for vehicles, as well as individual passes and vehicle shuttling with bikes for summit trail riding.[13]

The **Cline Avenue Bridge** is a 1.7-mile bridge that creates a connection to the employment center of East Chicago across the Indiana Harbor to Lake Michigan. The new bridge, which was constructed in 2017, connects I-90 and I-80 to industrial employment, particularly mills and Gary/Chicago International Airport.[14]

8 "Welcome to Avery Island: Home of Tabasco," tabasco.com, Tabasco. https://web.archive.org/web/20120117113012/ http://www.tabasco.com/tabasco_history/avery_island.cfm. (7 Feb. 2023).

9 "The Fastest Route Between Tuscaloosa and Northport," Tuscaloosabypass.com, Tuscaloosa By-Pass, 2022. www.tuscaloosabypass.com/Home.aspx. (19 Jan. 2022).

10 "Northport council approves resolution on Tuscaloosa toll bridge," Wvua23.com. WVUA 23, 2025.https://www.wvua23.com/news/alabama/northport-council-approves-resolution-on-tuscaloosa-toll-bridge/article_7ff58861-6465-5838-b41d-3257c7e00024.html (17 Dec. 2024).

11 George C. Werner, "TSHA | St. Louis, Brownsville and Mexico Railway," Texas State Historical Association, 2020. www.tshaonline.org/handbook/entries/st-louis-brownsville-and-mexico-railway.

12 "Scenic Toll Road & Summit Bike Trail Access," Burke Mountain, skiburke.com. https://www.skiburke.com/visit-burke/on-the-mountain/scenic-toll-road/. (10 Feb. 2023).

13 Ibid.

14 "Cline Avenue Bridge: BACKGROUND," Cline Avenue Bridge, n.d. www.clineave.com/background. (27 Feb. 2023).

The **Dingman's Ferry Bridge** was constructed in 1900, providing an alternative to ferry service to cross the Upper Delaware River.[15] The two-lane bridge connects Pike County, Pennsylvania to Sussex County in New Jersey.

The **Downbeach Express Toll Bridge** in Margate, New Jersey provides a connection between Margate City on Absecon Island and the New Jersey mainland via Margate Boulevard, which is also maintained by toll revenue.[16] The bridge allows drivers in Margate to avoid a route north through Atlantic City or south through Longport to access the mainland and the Garden State Parkway.

The 1.75-mile **Emerald Mountain Expressway** consists of a toll bridge over the Tallapoosa River and a road that connects Rifle Range Road and Wares Ferry Road in the northeast suburbs of Montgomery, Alabama.[17] The expressway bypasses a much lengthier 45- to 60-minute drive via US 231 by providing a direct 15-minute route between the communities of Emerald Mountain and eastern Montgomery.

The **Fort Frances-International Falls International Bridge** is a privately owned toll bridge that connects Fort Francis in Ontario with International Falls, Minnesota.[18] The bridge connects US 53 and US 71 with Trans-Canada Highway 71.

The **Fort Madison Bridge**, also known as the Mississippi River Bridge, was the first bridge to span the Mississippi at Fort Madison in 1927.[19] It provides a connection between Fort Madison, Iowa and Niota, Illinois for rail traffic on the lower part of the bridge and automobile traffic on the upper portion.

The private **Grosse Ile Toll Bridge** connects Grosse Ile, the largest island on the Detroit River, with mainland Michigan.[20] The island, located south of Detroit and home to over

15 "History," dcdbc.com, Dingmans Choice and Delaware Bridge Company, 2022. www.dcdbc.com/history.php (23 Jan. 2022).

16 "Welcome," downbeachexpress.com, Downbeach Express. 2021. https://downbeachexpress.com/Home_Page.html (19 Jan. 2022). www.downtownbeachexpress.com/

17 "Travel Fast Travel Smart," Emeraldmountainexpressway.com, Emerald Mountain Expressway, 2022, https://www.emeraldmountainexpressway.com/Home.aspx (19 Jan. 2022).

18 Ibid.

19 "Historic Bridges in Iowa, Fort Madison Bridge," iowadot.gov, Iowa Department of Transportation, 2022. https://iowadot.gov/historicbridges/historic-bridges/fort-madison-bridge (23 Jan. 2022).

20 "History of the Grosse Ile Toll Bridge," grosseillbridge.com, Grosse Ill Bridge Company, 19 Jan. 2022. www.grosseilebridge.com/history/ (19 Jan. 2022).

10,000 residents, is also connected to the mainland by the non-tolled Wayne County Bridge.

The **Margate Bridge** is privately owned in New Jersey, crossing the bays between Absecon Island and the mainland.[21] It was originally constructed in 1938 by the Margate-Northfield Highway Bridge Company.

The **Newell-East Liverpool Toll Bridge** over the Ohio River, connects Newell, West Virginia to East Liverpool, Ohio.[22] The bridge was constructed in 1905, and today provides interurban transportation for automobiles and pedestrians.

The **Orchard Pond Parkway** in northern Leon County acts as a bypass of Tallahassee, Florida, connecting the communities to the northwest and northeast of the city.[23] The eastern end of the parkway is at CR 155, while the western end terminates at CR 157.

The **Plattsmouth Bridge** between Nebraska and Iowa crosses the Missouri River and was built by Omaha Structural Steel Works in 1929.[24] The bridge is directly east of Plattsmouth, Nebraska.

The **Progreso International Bridge** connects Nuevo Progreso, Mexico and Progreso, Texas providing a transportation link for trucks, motorists, and pedestrians.[25] Since its construction in 1952, the bridge has served commercial purposes and made border crossings more efficient.

The **Rio Grande City—Camargo International Bridge** is a privately owned and operated bridge that spans the Rio Grande and connects Rio Grande City, Texas to Camargo in Mexico.[26] On the United States side, the bridge provides access via local streets to US 83.

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21 "History Of The Margate Bridge, Linking Downbeach To The Mainland," Downbeach Buzz, downbeachbuzz.com, 2019. https://downbeachbuzz.com/history-of-the-margate-bridge-linking-downbeach-to-the-mainland/. (5 Feb. 2023).

22 "Newell Bridge," historicbridges.org, Historic Bridges. 2022. www.bridgestunnels.com/location/newell-toll-bridge/ (23 Jan. 2022).

23 "About," Orchardponparkway.com, Orchard Pond Parkway, 2022, www.orchardpondparkway.com (19 Jan. 2022).

24 "Historic American Engineering Record, Plattsmouth Bridge," National Park Service, Library of Congress, tile.loc.gov, 1995. https://tile.loc.gov/storage-services/master/pnp/habshaer/ia/ia0400/ia0443/data/ia0443data.pdf. (25 Jan. 2023).

25 "About Us," texasmexicobridges.com, Progreso International Bridge, 2022 https://texasmexicobridges.com/who-we-are/(23 Jan. 2022).

26 "Non-Interstate System Toll Bridges and Tunnels," FHWA.DOT.gov.

The **Seventeen Mile Drive** is a toll road that links Carmel, California to Pebble Beach, an unincorporated community on the Monterey Peninsula.[27]

The **South Norfolk Jordan Bridge** carries State Route 337 between the Virginia cities of Portsmouth and Chesapeake over the Southern Branch Elizabeth River.[28] The cities are also connected by the Midtown and Downtown tunnels north of the bridge and a vehicular bridge farther south.

[27] "Scenic 17-Mile Drive in Picturesque Pebble Beach," Pebble Beach Resorts, n.d. 2023. www.pebblebeach.com/17-mile-drive/ (27 Feb. 2023).

[28] "About Us," snjb.net, South Norfolk Jordan Bridge, 2021. https://snjb.net/jordan-bridge-history/ (23 Jan. 2022).

PART 3

INTERNATIONAL SURFACE TRANSPORTATION INFRASTRUCTURE 2024

3.1 LARGEST INTERNATIONAL SURFACE TRANSPORTATION P3S

Part 3 provides an overview of worldwide surface transportation P3 activity in 2024. It was a strong year for global P3 activity with 43 project closings worth $11.9 billion.[29] These projects were mainly dispersed throughout Asia and Europe, followed by South America. In 2024, four project closings were valued over $1 billion. This is a decrease from 2023 when seven financial closings exceeded $1 billion. Table 2 displays the 10 largest agreements, which were compiled using the news source *Infralogic*—the leading news publication for P3 data.

[29] "Global Surface Transportation PPP Deals, January 1, 2024–December 31, 2024," InframationNews.com Infralogic News, 2023. https://www.InframationNews.com/deals/ (29 Jan. 2025).

TABLE 2: LARGEST GLOBAL SURFACE TRANSPORTATION P3 PROJECTS

Project	Location	Country	Cost $ (B)	Type	Duration (In Years)	Concessionaire
I-10 Calcasieu River Bridge Replacement P3	Louisiana	United States	$2.3	RR/Toll DBFOM	50	Acciona, Plenary Americas, Sacyr, Arcadis, Huval & Associates, Janssen & Spaans Engineering, Modjeski and Masters, Inc
Nakkas – Basaksehir Junctions Road P3	Sazlidere	Türkiye	$1.6	AP/Toll DBFOM	15	KIAMCO, Korea Expressway Corporation, Korea Overseas Infrastructure & Urban Development Corp (GP), Rönesans Holding, Samsung C&T
R4 Highway (Ghent) West and East P3	Ghent	Belgium	$1.4	AP DBFM	30	ABRDN, BESIX Group, European Projects Investment Company, I4B, Rebel Valley, Stadsbader Flamand
Melbourne Metro Tunnels and Stations P3 Additional Financing	Melbourne	Australia	$1.3	Refinancing of Existing P3	25	Bouygues, John Holland, John Laing, Lend Lease
Troncal del Magdalena (Section 1: Puerto Salgar – Barrancabermeja) P3	Puerto Salgar and Barrancabermeja	Colombia	$0.6	AP/Toll DBFOM	25	Grupo Ortiz, KMA Construcciones
Troncal del Magdalena (Section 2: Sabana de Torres-Curumaní) P3	Barrancabermeja and San Roque	Colombia	$0.5	AP/Toll DBFOM	25	Grupo Ortiz, KMA Construcciones
Sarıyer-Kilyos Tunnel Motorway P3	Sarıyer and Kilyos	Türkiye	$0.4	BOT	N/A	IC Holding
R0 X A201 Road P3	Brussels	Belgium	$0.4	AP DBFM	30	BBGI, Jan De Nul Group, TINC, Willemen
Toowoomba Second Range Crossing P3 Refinancing	Toowoomba	Australia	$0.2	Refinancing of Existing P3	25	King & Wood Mallesons (KWM)
Deutschlandnetz EV Charging Tender P3	Countrywide	Germany	$0.2	RR DBFOM	12	Vinci Concessions

Source: 2024 Transaction list from Infralogic Infrastructure News

The following are brief explanations of each project.

The **I-10 Calcasieu River Bridge Replacement P3** 50-year long-term lease DBFOM P3 project seeks to design, build, finance, operate, and maintain a replacement bridge for I-10 in Lake Charles, Louisiana.[30] A consortium made of Acciona, Plenary Americas, Sacyr, Arcadis, Huval & Associates, Janssen & Spaans engineering, and Modjeski and Masters, Inc. was selected as the concessionaire by the Louisiana Department of Transportation and Development. The project reached financial close in August 2024 and will cost $2.3 billion.

The **Nakkas–Basaksehir Junctions Road P3** 15-year DBFOM P3 project seeks to design, build, finance, operate, and maintain a 31km toll road, a 1.6km cable-stayed bridge, and a 1,619m-long cable-stayed bridge in western Türkiye.[31] A consortium made of KDB Infrastructure Investment Asset Management Ltd, Korea Expressway Corporation, Korea Overseas Infrastructure & Urban Development Corp, Rönesans Holding, and Samsung C&T was selected by the Turkish General Directorate of Highways for the project. The project reached financial close in October 2024 and will cost $1.6 billion.

The **R4 Highway (Ghent) West and East P3** 30-year long-term DBFOM availability contract P3 seeks to upgrade the R4 West and East in Ghent, Belgium in addition to adding new bicycle infrastructure, rail infrastructure, bus lanes, greenery, and noise barriers.[32] The consortium BRAVO4 made of Abrdn, BESIX Group, European Projects Investment Company, I4B, Rebel Valley, and Stadsbader Flamand was selected by The Working Company for the project. The project reached financial close in May 2024.

The **Melbourne Metro Tunnels and Stations P3 Additional Financing** is an additional financing package for an existing P3 in Australia.[33] The additional loan was secured through Stella MMTS Finance Pty Limited. The financing package reached financial close in September 2024.

30 "I-10 Calcasieu River Bridge Replacement P3," InframationNews.com, Infralogic, 2025. https://www.inframationnews.com/deals/3390626/i-10-calcasieu-river-bridge-replacement-p3.thtml (18 Feb. 2025).

31 "Nakkas – Basaksehir Junctions Road PPP," InframationNews.com, Infralogic, 2025. https://www.inframationnews.com/deals/14585904/nakkas---basaksehir-junctions-road-ppp.thtml (18 Feb. 2025).

32 "R4 Highway (Ghent) West and East PPP," InframationNews.com, Infralogic, 2025. https://www.inframationnews.com/deals/2242676/r4-highway-ghent-west-and-east-ppp.thtml (18 Feb. 2025).

33 "Melbourne Metro Tunnels and Stations PPP Additional Financing (2024)," InframationNews.com, Infralogic, 2025. https://www.inframationnews.com/deals/15277009/melbourne-metro-tunnels-and-stations-ppp-additional-financing-2024.thtml (18 Feb. 2025).

The **Troncal del Magdalena (Section 1: Puerto Salgar–Barrancabermeja) P3** is a mixed-payment mechanism project that seeks to design, build, finance, operate, and maintain a 161-mile road linking Puerto Salgar to Barrancabermeja in Colombia.[34] Grupo Ortiz and KMA Construcciones were selected by the Colombian National Infrastructure Agency for the project. The project reached financial close in April 2024.

The **Troncal del Magdalena (Section 2: Sabana de Torres-Curumaní) P3** is a 25-year AP DBFOM project looking to design, build, finance, operate, and maintain a 167-mile road linking Sabana de Torres to Curumaní in Colombia.[35] The Río Grande Highway Concession group made of Grupo Ortiz and KMA Construcciones were selected for the project by the Colombian National Infrastructure Agency. The project reached financial close in April 2024.

The **Sarıyer-Kilyos Tunnel Motorway P3** is a BOT P3 project looking to build, operate, and transfer an expansion of the existing third Bosphorus Bridge BOT project between Sarıyer and Kilyos in Türkiye.[36] IC Holding was selected by Türkiye's Ministry of Treasury and Finance for the project. The project reached financial close in October 2024.

The **R0 X A201 Road P3** is a 30-year AP DBFM P3 looking to reconstruct a section of Brussels' existing ring road in Belgium.[37] A consortium made of BBGI, Jan De Nul Group, TINC, and Willeman was selected by The Working Company for the project. The project reached financial close in October 2024.

The **Toowoomba Second Range Crossing P3 Refinancing** is a refinancing of debt on an existing AP DBFOM P3 that looked to provide a 25.4-mile bypass route north of

[34] "Troncal del Magdalena (Section 1: Puerto Salgar – Barrancabermeja) PPP," InframationNews.com, Infralogic, 2025. https://www.inframationnews.com/deals/2063511/troncal-del-magdalena-section-1--puerto-salgar---barrancabermeja-ppp.thtml (20 Feb. 2025).

[35] "Troncal del Magdalena (Section 2: Sabana de Torres-Curumaní) PPP," InframationNews.com, Infralogic, 2025. https://www.inframationnews.com/deals/8916301/troncal-del-magdalena-section-2--sabana-de-torres-curuman--ppp.thtml (20 Feb. 2025).

[36] "Sarıyer-Kilyos Tunnel Motorway PPP," InframationNews.com, Infralogic, 2025. https://www.inframationnews.com/deals/15296997/sariyer-kilyos-tunnel-motorway-ppp.thtml (20 Feb. 2025).

[37] "R0 X A201 Road PPP," InframationNews.com, Infralogic, 2025. https://www.inframationnews.com/deals/6386901/r0-x-a201-road-ppp.thtml (20 Feb. 2025).

Toowoomba, Australia.[38] The refinancing was funded by King & Wood Mallesons (KWM). The refinancing reached financial close in December 2024.

The **Deutschlandnetz EV Charging Tender P3** is a DBFOM P3 project looking to develop, build, finance, operate, and maintain 828 charging points across 12 of 16 German states.[39] The EV charging stations will be operated by Eliso, Vinci Concession's subsidiary specializing in EV charging. The deal reached financial close in March 2024.

3.2 COUNTRIES REACHING FINANCIAL CLOSE ON FIRST P3

In 2024, zero new countries reached financial close on their first surface transportation P3. There are several reasons for this development. First, P3s have become widespread across the world. Both developed and developing countries are adopting them at a steady clip. Second, we have had a wave of countries enact P3s over the last 10 years; the fact that none did so in 2024 does not reverse that trend. Finally, there are some countries that remain hesitant to adopt P3s for political or market reasons (they do not believe in contracting with the private sector).

3.3 INTERNATIONAL P3 ACTIVITY BY REGION

The first transportation P3s were located in Australia and Europe, but today there is surface transportation P3 activity on every inhabited continent. In 2024, eight different countries reached financial close on a surface transportation P3. Table 4 details the number of closes and value per region.

In **2024,** eight countries reached financial close on a surface transportation P3.[40] Of the 44 closes, 23 were in India. Spain was second, with nine financial closes. However, the deal with the highest value was in the United States.

In **Europe,** four countries reached financial close on a surface transportation P3.

38 "Toowoomba Second Range Crossing PPP Refinancing (2024)," InframationNews.com, Infralogic, 2025. https://www.inframationnews.com/deals/15331636/toowoomba-second-range-crossing-ppp-refinancing-2024.thtml (20 Feb. 2025).

39 "Deutschlandnetz EV Charging Tender (Vinci Concession) PPP," InframationNews.com, Infralogic, 2025. https://www.inframationnews.com/deals/14976722/deutschlandnetz-ev-charging-tender-vinci-concession-ppp.thtml (15 Mar. 2025).

40 "Transactions," InframationNews.com, Infralogic, 2025. https://www.InframationNews.com/deals/ (8 Feb. 2025).

In **North America,** only the United States reached financial close on a surface transportation P3.

In **the Middle East,** zero projects reached financial close.

In **Oceania,** two projects reached financial close. Both were in Australia.

In **Africa**, zero P3 projects reached financial close.

In **Asia**, 23 P3 projects reached financial close. All were in India.

In **Latin America**, three surface transportation P3 projects reached financial close—all of them in Colombia.

TABLE 4: GLOBAL SURFACE TRANSPORTATION P3S IN 2024

Region	Number of Financial Closes	Value $(B)
Africa	0	$0
Asia	23	$1.9
Europe	14	$4.5
Latin America	3	$1.3
Middle East	0	$0
North America	1	$2.3
Oceania	2	$1.5

Source: 2024 Transaction list from Infralogic Infrastructure News

PART 4

U.S. SURFACE TRANSPORTATION CONCESSIONS, 2023

4.1 LARGEST U.S. SURFACE TRANSPORTATION P3S

Over the past 35 years, 40 U.S. highway P3s and three U.S. transit P3s have reached financial close. While not impressive by international standards, the pace of P3 projects in the U.S. has accelerated over the past 10 years. Table 5 provides an overview of the FY 2024 U.S. surface transportation concession market, listed in order of the cost of each project. (Sometimes costs can decrease based on different financing terms). The length of each lease is provided for existing toll roads now leased to private concessionaires.

Most new P3 projects use a DBFOM contract with terms ranging from 30 to 70 years. Since 2012, the major trend in highway concessions has migrated away from toll-revenue-based financing toward AP-based financing. (Transit projects need to use AP-based financing because they do not generate sufficient revenue.) However, of the 40 highway projects in Table 5, 27 are financed based on toll revenues alone. Of the others, only five are financed on a pure AP basis, with six larger hybrid AP concessions all involving new toll revenues that will supplement the state's revenue sources. The total dollar value of the 42 concessions is $58.5 billion, of which 66% is generated based on toll revenue financing,

with the other 34% financed based on the states' (and in the case of Goethals Bridge, the Port Authority of New York and New Jersey's) AP commitments.

TABLE 5: LARGEST U.S. LONG-TERM SURFACE TRANSPORTATION CONCESSIONS AS OF 12/31/24

Project	Location	Cost ($) B	Type	Most Recent Closing	Concessionaire
Indiana Toll Road	Indiana	$5.7	75-Year Lease Toll	03/22	IFM Global Infrastructure Fund/California Public Employees' Retirement System/Allstate
PR-52/PR-20/PR-53/PR-66	Puerto Rico	$3.0	40-Year Lease Toll	12/23	Abertis
I-4 Ultimate Managed Lanes	Orlando, FL	$2.9	DBFOM AP/Toll	09/14	Skanska/Granite/Lane
Purple Line Transit	Montgomery/ Prince Georges County, MD	$2.7	DBFOM AP	04/22	Purple Line Transit Partners LLC
I-635 LBJ Managed Lanes	Dallas, TX	$2.6	DBFOM AP/Toll	09/20	Cintra/Meridiam
Transform 66 P3 (Outside the Beltway I-66)	Fairfax County/ Prince William County, VA	$2.4	DBFOM RR/Toll	17/21	APG/Cintra/Ferrovial/ John Laing/Meridiam Infrastructure North America II
Midtown Tunnel	Norfolk, VA	$2.4	DBFOM RR/Toll	01/22	Abertis/ Manulife Investment Management
I-10 Calcasieu River Bridge Replacement P3	Lake Charles, LA	$2.3	DBFOM RR/Toll	8/24	Acciona/Plenary Americas/Sacyr/Arcadis/ Huval & Associates/Janssen & Spaans Engineering/ Modjeski and Masters, Inc
North Tarrant Express (Phase I and 2W)	Fort Worth, TX	$2.1	DBFOM RR/Toll	11/23	Cintra/APG/Meridiam
I-495 Express Lanes	Fairfax County, VA	$2.1	DBFOM RR/ Toll	03/22	Transurban/Fluor
Denver Eagle P3 Rail	Denver, CO	$2.0	DBFOM AP	06/21	Fluor/Lang/Uberior
Moynihan Train Hall	New York City, NY	$1.9	DBFOM AP	11/21	Empire State Development Corporation
I-595 Managed Lanes	Fort Lauderdale, FL	$1.8	DBFOM AP/Toll	12/19	ACS Infrastructure, Teachers Insurance and Annuity Association
Chicago Skyway	Chicago, IL	$1.8	89-year lease Toll	10/23	Ontario Teachers' Pension Plan/Atlas Arteria
Goethals Bridge	New York City, NY	$1.4	DBFM AP/Toll	11/13	Macquarie/Kiewit
PR-22/PR-5	Puerto Rico	$1.4	40-Year Lease Toll	08/21	Abertis/Goldman Sachs
North Tarrant Express Phase 3A	Fort Worth, TX	$1.4	DBFOM/RR Toll	11/23	Cintra/Meridiam/APG
I-75 Modernization Segment 3 P3	Michigan	$1.4	DBFM AP	11/18	AECOM/Ajax/Dan's Excavating Inc/Jay Dee/John Laing
SH 130 Segments 5-6	Texas	$1.3	DBFOM RR/Toll	10/23	SH 130 Concession Co.
ORB East End Crossing	Louisville, KY	$1.3	DBFOM AP/Toll	9/21	Walsh/Vinci/Bilfinger Berger

Project	Location	Cost ($) B	Type	Most Recent Closing	Concessionaire
Central 70 P3	Denver, CO	$1.3	DBFOM AP/Toll	9/21	Kiewit/Meridiam/Jacobs Engineering Group/WSP
Rapid Bridge Replacement	Pennsylvania	$1.1	DBFM AP	03/15	Plenary/Walsh
Port of Miami Tunnel	Miami, FL	$1.1	DBFOM AP	12/15	Meridiam
SH 288 Toll Lanes	Harris County, TX	$1.1	DBFOM RR/Toll	12/23	ACS/Infrared/Abertis/ Shikin & Binui, Northleaf/Clal Insurance/Star America
I-95 Express Lanes	Virginia	$0.9	DBFOM RR/Toll	02/22	Transurban, Australian Super Investments/ CPPIB Roads America/ UniSuper Infrastructure
Presidio Parkway	San Francisco, CA	$0.9	DBFOM AP	08/21	Meridiam/ Aberdeen
I-95 Express Lanes Fredericksburg Extension	Virginia	$0.8	DBFOMRR/ Toll	07/19	Transurban Group
SR 125, South Bay Expressway	San Diego, CA	$0.7	DBFOM RR/Toll	07/11	SANDAG
Portsmouth Bypass	Portsmouth, OH	$0.7	DBFOM AP	06/21	ACS/ Aberdeen Infrastructure/ Star
I-495 NEXT	Fairfax County, VA	$0.7	DBFOM RR/Toll	03/22	Transurban
I-77 Managed Lanes	Charlotte, NC	$0.6	DBFOM RR/Toll	11/22	Cintra/ Aberdeen/ John Laing
Pocahontas Parkway	Henrico County, VA	$0.6	99-Year Lease Toll	12/16	Globalvia
Northwest Parkway	Denver, CO	$0.6	DBFOM RR/Toll	04/24	Vinci
I-395 P3	Arlington County and Fairfax County VA	$0.6	DBFOM RR/Toll	06/17	Transurban/Fluor
Dulles Greenway Toll Road	Loudoun County, VA	$0.4	DBFOM/RR Toll	02/17	Macquarie
Southern Connector, SC	Greenville, SC	$0.2	DBFOM (63-20)*, Toll	08/12	SCDOT
91 Express Lanes	Orange County, CA	$0.2	DBFOM RR/Toll	11/03	OCTA
US 36 HOT Lanes, Phase 2	Colorado	$0.2	DBFOM RR/Toll	02/14	Plenary/Ames/Granite
Belle Chasse Bridge and Tunnel Replacement	Belle Chasse, LA	$0.2	DBFOM RR/Toll	12/19	Plenary
Teodoro Moscoso Bridge	San José, Puerto Rico	$0.1	DBFOM RR/Toll	01/92	Abertis
Camino Columbia Bypass	Laredo, TX	$0.1	DBFOM RR/Toll	06/99	TXDOT

*** Before qualified private activity bonds (PABs) were authorized, non-profit "63-20" corporations allowed a project to be financed with tax-exempt bonds. Since PABs are preferable, 63-20 corporations are no longer used.**
Source: "US Highway PPP Deals," Infralogic Infrastructure News, Acuris.

The continued expansion and redevelopment of U.S. highways with P3s provides cause for optimism in three different ways. First, it suggests that the more aggressive developers of

new toll projects have an exit option after the project is operational and demonstrating traffic and revenue results. These purveyors may want to shift their capital to new projects.

Second, it shows that P3s can be successful in attracting much-needed investment in replacing the U.S.' first-generation, largely non-tolled Interstate highways (which are nearing the end of their useful life). Such projects should be particularly attractive to pension fund investments, since they are lower risk than greenfield projects. Pension funds may also be seen as more politically acceptable to legislators and the public than global investment firms seeking higher rates of return.

Third, it reveals P3 actors' sustained commitment to roadway quality due to the long-term nature of P3 contracts and their hand back provisions calling for infrastructure assets to be returned to agencies in good condition.

4.2 2024 SURFACE TRANSPORTATION P3S

During the 2024 calendar year, one surface transportation P3 project worth $2.3 billion reached financial close in the United States.[41] This is a decrease from the five projects totaling $8.6 billion that closed in 2023.

TABLE 6: 2024 U.S. P3 FINANCIAL CLOSINGS AND REFINANCINGS

Project	Location	State	Cost ($) B	Type	Duration (in years)	Concessionaire
I-10 Calcasieu River Bridge Replacement P3	Lake Charles	Louisiana	$2.3	DBFOM RR/Toll	50	Acciona/Plenary Americas/Sacyr/ Arcadis/Huval & Associates/Janssen & Spaans Engineering/ Modjeski and Masters, Inc.

The **I-10 Calcasieu River Bridge Replacement P3** 50-year long-term lease DBFOM P3 project seeks to design, build, finance, operate, and maintain a replacement bridge for I-10 in Lake Charles, Louisiana.[42] A consortium made of Acciona, Plenary Americas, Sacyr, Arcadis, Huval & Associates, Janssen & Spaans engineering, and Modjeski and Masters, Inc. was selected as the concessionaire by the Louisiana Department of Transportation and Development. The project reached financial close in August 2024 and will cost $2.3 billion.

41 "Global Surface Transportation PPP Deals, January 1, 2022–December 31, 2022," InframationNews.com Infralogic, 2022. https://www.InframationNews.com/deals/ (27 Feb. 2023).

42 "I-10 Calcasieu River Bridge Replacement P3," InframationNews.com, Infralogic, 2025. https://www.inframationnews.com/deals/3390626/i-10-calcasieu-river-bridge-replacement-p3.thtml (18 Feb. 2025).

PART 5

FEDERAL POLICY ON P3 CONCESSIONS

5.1 SURFACE TRANSPORTATION REAUTHORIZATION

In late 2021, Congress passed the Infrastructure Investment and Jobs Act (IIJA), which included a five-year reauthorization of federal surface transportation policy.[43] The law made significant changes to policies governing public-private partnerships as well as two financing tools used by many P3 projects: Transportation Infrastructure Finance and Innovation Act (TIFIA) loans and private activity bonds (PABs). It also regulates how tolling, the largest P3 funding source, can be used. The law expires on September 30, 2026.

5.1.1 IIJA AND P3 PROVISIONS

IIJA made several changes relating to P3 projects that use federal funding or financing. The law requires P3 projects costing more than $750 million and using either a TIFIA or Railroad Rehabilitation and Improvement Financing (RRIF) loan to conduct a value-for-money (VfM) analysis.[44] A VfM analysis is used to compare the financial impacts of a P3

[43] "Infrastructure Investment and Jobs Act, H.R. 3684," Congress.gov, Nov. 2021. https://www.congress.gov/bill/117th-congress/house-bill/3684 (15, Feb. 2022).

[44] "AASHTO Comprehensive Analysis of the Bipartisan Infrastructure Bill," policy.transportation.org, American Association of State Highway and Transportation Officials, 15 Sep. 2021. www.policy.transportation.org/wp-content/uploads/sites/59/2021/09/2021-09-15-AASHTO-Comprehensive-Analysis-of-IIJA-FINAL.pdf (15 Feb. 2022).

project against those for a publicly procured project.[45] A VfM analysis creates a public sector comparator to estimate the life-cycle cost of a project using a traditional approach, estimates the cost, and conducts an apples-to-apples comparison of the two approaches.

Often a P3 will appear more expensive when, over the long term, the opposite is true. For example, let's compare a traditional bid with a P3 bid to extend variably priced toll lanes on an Interstate highway for two miles. The conventional delivery bid is $60 million and the P3 bid is $71 million.[46] Yet the P3 includes a $21 million reduction due to risk-transfer and competitive neutrality as well as a net savings to the government of $9 million. (A competitive neutrality adjustment calculates such factors as the tax revenue lost in a traditional procurement compared with a P3.) As a result, the government has a 7% value for money. Table 6 breaks down the different funding options for both delivery methods.

TABLE 6: VALUE FOR MONEY ANALYSIS OF PUBLIC SECTOR AND P3 PROJECTS

Option	Public Sector	P3
Base Cost	$60M	$65M
Financing	$15M	$17M
Ancillary Costs	$11M	$15M
Retained Risk	$20M	$7M
Competitive Neutrality	$8M	$0M
Total	**$114M**	**$104M**

Source: Calculated by the authors based on industry average values.

IIJA also added a new requirement for public sponsors, which includes reviewing private sector compliance, certifying that the private party is adhering to the P3 terms, and notifying the public that a review has been conducted.[47] These steps are required for all projects worth more than $100 million that receive federal funding. While having a process to monitor P3 projects is important, P3s have not been a risky endeavor. Not a single P3 has been bailed out by federal or state taxpayers.[48] While it is unclear exactly what the U.S. Department of Transportation (DOT) will require, the provision seems unnecessary.

45 "Value for Money Analysis for Public-Private Partnerships," Federal Highway Administration, Center for Innovative Finance Support, fhwa.dot.gov, 2022. www.fhwa.dot.gov/ipd/fact_sheets/p3_toolkit_03_vfm.aspx (31 Jan. 2022).

46 Ibid.

47 Fernando Marin, Nicolai J. Sarad, and Liam P. Donovan, "Infrastructure Investment and Jobs Act: Selected Changes Impacting Public-Private Partnerships." *The National Law Review*, 24 Nov 2021, National Law Review Online. www.natlawreview.com/article/infrastructure-investment-and-jobs-act-selected-changes-impacting-public-private (15 Feb. 2021).

48 "Public Private Partnerships (P3s)," Federal Highway Administration Center for Innovative Finance Support, fhwa.dot.gov, 2022. https://www.fhwa.dot.gov/ipd/p3/ (28 Feb. 2022).

The law also authorizes grants to help increase the number of P3s.[49] Section 71001 of IIJA establishes the asset concessions and innovative finance assistance program, and authorizes technical assistance grants that can be used for the following:

- Feasibility Studies
- Revenue Forecasting
- Cost-Benefit Analysis
- Other Economic Assessments
- Public Benefit Studies
- Value-for-Money Analysis
- Business Case Development
- Life-Cycle Cost Analysis
- Risk Assessment
- Financing and Funding Options Analysis
- Procurement Alternative Analysis
- Statutory and Regulatory Framework Analysis
- Financial and Legal Planning
- Early Assessment of Environmental Review
- Assistance Entering into an Asset Concession

… the costs of the project cannot be shifted to any taxpayer with an annual household income of $400,000 per year or less. It is unclear how USDOT will interpret that provision.

Additionally, USDOT is required to ensure that using an asset concession to rebuild a highway does not make it more challenging to build that project. And the costs of the project cannot be shifted to any taxpayer with an annual household income of $400,000 per year or less. It is unclear how USDOT will interpret that provision.

[49] Marin, et al., "Infrastructure Investment and Jobs Act."

Many public agencies use these grants to fund consultants and advisors. In terms of public information, the usefulness of the asset concession grants may be limited, as the Build America Bureau already provides a wealth of information on P3s. However, any process that educates public and private entities on P3s is a positive.

5.1.2 IIJA AND TIFIA

Congress created the TIFIA program to provide low-interest credit support for projects with dedicated revenue sources that can qualify for investment-grade ratings.[50] Although the law has long allowed a TIFIA loan to cover up to 49% of a project's total cost, the TIFIA office within USDOT did not historically award that level of funding.

USDOT officials required projects to be "truly exceptional" to receive a loan exceeding 33%. This approach was consistent with the law's original intent that TIFIA provide gap financing rather than being a project's primary source of debt finance. It also enables a given TIFIA budget allocation to support a larger total number of projects. Accordingly, TIFIA loans often are subordinated debt, which means senior loans or bonds are the first to receive project revenue. Only in the event of bankruptcy does the TIFIA loan shift to having equal status with other creditors.

Unfortunately, in October 2022, after Congress had passed the Infrastructure Investment and Jobs Act (IIJA), Secretary of Transportation Buttigieg announced that transit and transit-oriented development projects can now be funded at 49% of their cost.[51] This also includes ferry systems. Discretionary grant projects that received a "highly rated" definition but did not receive funding due to constraints may now also be funded at 49% of a project's cost.[52] Over the last year, DOT has awarded TIFIA loans to two projects—the Midtown Terminal Bus Replacement Project and the Sacramento International Airport Pedestrian Walkway Project—for 47% and 39% respectively of the project's total value.[53] It is unclear how many more projects will receive this higher funding match, but the change counters the law's

50 "Program Overview," Build America Bureau, transportation.gov, 29 Nov. 2021. www.transportation.gov/buildamerica/financing/tifia (15 Feb. 2022).

51 "U.S. Department of Transportation Expands its Financing Program to Help Even More Infrastructure Projects Move Forward," U.S. Department of Transportation, transportation.gov, 4 Oct. 2022. https://www.transportation.gov/briefing-room/us-department-transportation-expands-its-financing-program-help-even-more (16 Mar. 2023).

52 "TIFIA Extra," Build America Bureau, transportation.gov, 13, Dec. 2023. https://www.transportation.gov/buildamerica/financing/tifia/tifia-extra (4 Mar. 2024).

53 https://www.transportation.gov/buildamerica/projects/financing-search

original intent that TIFIA provide gap financing. Projects of all modes should be treated equally.

> *Unfortunately, in October 2022, after Congress had passed the Infrastructure Investment and Jobs Act (IIJA), Secretary of Transportation Buttigieg announced that transit and transit-oriented development projects can now be funded at 49% of their cost.*

While the IIJA keeps TIFIA program funding steady at approximately $250 million per year, the legislation has made a number of programmatic changes. One of the most promising changes is a requirement for USDOT to create a streamlined application process for projects that can begin within 90 days after a TIFIA loan is awarded.[54] This provision addresses one of the biggest problems with TIFIA: the time from loan application to loan award. This reform could decrease loan processing time by 50%.

Earlier in 2021, USDOT took steps to speed up loan processing by creating TIFIA Lite. Under this program, experienced borrowers with strong credit and small, shovel-ready projects can use an expedited application process.[55] The accelerated process uses a loan template with standard terms to forgo the sometimes lengthy back-and-forth negotiations between the office and the applicant. Those loans are limited to $100 million.

The TIFIA office has been under congressional pressure since the passage of the Moving Ahead for Progress for the 21st Century (MAP-21) reauthorization bill in 2012 to expedite awarding loans.[56] Rather than treat TIFIA as a check-the-box process as Congress intended, USDOT had turned TIFIA into a discretionary program. Only time will tell if these changes speed up the application process, but the fact that USDOT finally recognized the problem by creating TIFIA Lite before Congress intervened with IIJA is encouraging. The changes also extend the timeframe when contingent commitments must result in financial close

54 "AASHTO Comprehensive Analysis of the Bipartisan Infrastructure Bill," policy.transportation.org.

55 "TIFIA Lite," Build America Bureau, transportation.gov, 28 Jun. 2021 www.transportation.gov/buildamerica/financing/tifia/lite (15 Feb. 2022).

56 William Mallett, "The Transportation Infrastructure Finance and Innovation Act (TIFIA) Program." crsreports.congress.gov, CRS Reports, 2022. www.crsreports.congress.gov/product/pdf/R/R45516 (15 Feb. 2022).

from three to five years.[57] This change will make TIFIA more attractive for larger, more-complicated deals that have multiple funding and financing sources.

> *The TIFIA office has been under congressional pressure since the passage of the Moving Ahead for Progress for the 21st Century (MAP-21) reauthorization bill in 2012 to expedite awarding loans.*

Unfortunately, Congress also made one problematic change. It extended eligibility to transit-oriented development, airport projects, and wildlife acquisition activities.[58] To be sure, each of these project types can benefit from TIFIA loans. But TIFIA's $250 million annual funding in the IIJA is far below its $1 billion annual funding in 2014 and 2015.[59] Limited appropriations, combined with a steady stream of projects and an expedited review process, means TIFIA loans can finance a shrinking share of eligible projects.

5.1.3. IIJA AND PABS

Private activity bonds are especially useful to P3 projects because they are tax-exempt bonds that would not normally be available to projects that expect to earn a return on equity investments.[60] Congress authorized PABs for P3 surface transportation projects on the grounds that, since these projects serve a public purpose, public-sector entities should not have a built-in financial advantage over private-sector entities. By exempting interest income on these PABs from taxation, revenue bonds issued for P3 projects as PABs will carry interest rates similar to those available for the revenue bonds of state toll agencies.

57 Ibid.

58 Rodriguez et al., "Infrastructure Investment and Jobs Act."

59 Jeff Davis, "Was the FAST Act's 70 Percent Cut in TIFIA Funding Justified?" enotrans.org, The Eno Center for Transportation. 16 Dec. 2015. www.enotrans.org/article/22938/ (15 Feb. 2022).

60 Aidan Vining, Anthony E. Boardman, and Finn Poschmann, "Public-Private Partnerships in the US and Canada: Case Studies and Lessons 1." International Public Procurement Conference Proceedings, ResearchGate, 2004. www.researchgate.net/publication/237477965_PUBLIC-PRIVATE_PARTNERSHIPS_IN_THE_US_AND_CANADA_CASE_STUDIES_AND_LESSONS1 (15 Feb. 2022).

After almost 10 years of lobbying, Congress in the IIJA finally increased the PAB cap from $15 billion to $30 billion.[61] As of late 2024, USDOT has issued or allocated approximately $24 billion, which it could not have awarded without a doubling of the cap.[62]

> *After almost 10 years of lobbying, Congress in the IIJA finally increased the PAB cap from $15 billion to $30 billion.*

With several major P3 projects in the pipeline, the doubled PAB volume cap is already approaching its new limit. This will put pressure on Congress to adjust the cap in the next surface transportation reauthorization due in 2026. The cap for transportation PABs was originally instituted because PAB skeptics argued that demand for transportation PABs might be low, given access to traditional municipal financing sources. Financial hawks also wanted to limit tax expenditures, and because PABs are scored as revenue, they count against it. Given the demonstrated importance of PABs in financing megaprojects, eliminating the cap would be a pragmatic, long-term solution.

Table 7 lists all current PABs and TIFIA loans for P3 surface transportation projects through the end of calendar year 2024.

As the table shows, $13,597 million in TIFIA loans led to approximately $59,205 million in project activity over the past 15 years. PABs had a similar effect: $12,483 million in PABs helped make that $59,205 million in project activity a reality. Compare TIFIA and PABs to federal grants that provide 50%–90% of a project's cost. If a grant covers 70% of the project costs, in order to receive the same benefit of $12.7 billion of TIFIA loans, more than $32.1 billion of grants would need to be disbursed. Clearly, TIFIA loans and PABs are more than useful financing tools. Compared with direct grant funding, they also allow leveraging taxpayer expenditures to stretch those taxpayer dollars further. Moreover, these programs provide a financial-feasibility requirement that reduces the likelihood of boondoggle projects.

61 "AASHTO Comprehensive Analysis of the Bipartisan Infrastructure Bill," policy.transportation.org.

62 "Private Activity Bonds," United States Department of Transportation Build America Bureau, transportation.gov, Nov. 2024. https://www.transportation.gov/buildamerica/financing/private-activity-bonds-pabs/private-activity-bonds-allocations (26 Mar. 2025).

TABLE 7: HIGHWAY AND TRANSIT PROJECTS FINANCED BY TIFIA AND PABS

Project	Year Originally Financed	TIFIA ($M)	PABs ($M)	Total Project ($M)
Pocahontas Parkway (VA)	2007	$150	$0	$597
SH 130, 5 & 6 (TX)	2007	$430	$0	$1,328
I-495 HOT Lanes (VA)	2008	$589	$589	$2,670
I-595 Express (FL)	2009	$603	$0	$1,834
Port of Miami Tunnel (FL)	2009	$341	$0	$1,113
NTE Phases 1 and 2W (TX)	2010	$650	$398	$2,122
LBJ Express (TX)	2010	$850	$615	$2,645
Denver Eagle P3 Rail (CO)	2010	$280	$396	$2,043
South Bay Expressway (CA)	2011	$140	$0	$658
Midtown Tunnel (VA)	2012	$422	$675	$2,089
Presidio Parkway II (CA)	2012	$150	$0	$852
I-95 Express (VA)	2013	$300	$253	$923
NTE Phase 3A, 3B and 3C (TX)	2013	$531	$274	$2,327
Goethals Bridge (NY/NJ)	2013	$474	$461	$1,436
US 36, Colorado Phase 2 (CO)	2014	$60	$20	$208
I-4 Ultimate (FL)	2014	$949	$0	$2,877
East End Bridge (IN/KY)	2015	$162	$677	$1,319
PA Rapid Bridge Replacement (PA)	2015	$0	$722	$1,118
I-77 Express Lanes (NC)	2015	$189	$100	$636
Portsmouth Bypass (OH)	2015	$209	$227	$634
MD Purple Line (MD)	2016	$1,760	$313	$5,900
Transform 66 (VA)	2017	$1,229	$737	$3,724
I-395 Express Lanes	2017	$0	$233	$554
Moynihan Train Hall (NY)	2017	$607	$0	$1,916
Central 70 (CO)	2017	$465	$115	$1,271
I-75 Modernization Segment 3 (MI)	2018	$0	$610	$1,400
I-95 Fredericksburg Express Lanes (VA)	2019	$0	$262	$830
Pennsylvania Major Bridge Program (PA)	2022	$0	$1,800	$2,300
I-495 Next Lanes (VA)	2023	$113	$112	$559
Puerto Rico Toll Roads Modernization Project	2023	$417	$424*	$5,100
I-10 Calcasieu River Bridge (LA)	2024	$0	$1,323	$2,300
TOTAL		**$12,129**	**$9,984**	**$59,205**

***Allocated, but not yet issued**

Source: Projects financed by TIFIA and Private Activity Bonds on the Federal Highway Administration's website: https://www.transportation.gov/buildamerica/financing/private-activity-bonds-pabs/private-activity-bonds-allocations

5.1.4 IIJA AND TOLLING POLICY

IIJA made several changes to federal tolling policy. The $250 million congestion relief program ($50 million per year) allows states to use cordon pricing or congestion pricing for

up to 10 urbanized areas.[63] The program limits DOTs to charge tractor trailers no more than five times the rate of automobiles. Program funding can be used for other purposes such as parking pricing and multi-modal stations.

In addition, a new pilot program created a toll credit marketplace to assess the benefits of states selling toll credits.[64] The selling state may use the proceeds for any highway-related project. The buying state may use the credit for the state- or local-match to any highway-related project. Finally, the bill guarantees that over-the-road buses have the same access to HOV and HOT lanes as transit buses.[65]

This pro-tolling momentum could be considered a win for tolling proponents because the House-passed Moving Forward bill that was discarded in favor of IIJA would have restricted tolling.[66] While the American Automobile Association (AAA) national board and several state chapters of the American Trucking Associations have dropped their hostility to tolling, there is resistance to allowing states to toll and rebuild their Interstate systems.[67]

> *In November 2024, New York Governor Kathy Hochul lowered the base daily charge for cars of New York City's cordon pricing program from $15 to $9. ...it was cancelled by the Trump administration early in 2025.*

One cordon pricing program went live in the United States in 2025. In November 2024, New York Governor Kathy Hochul lowered the base daily charge for cars of New York City's

63 "U.S. Senate Approves the Infrastructure and Jobs Act: A Summary and Analysis for the Toll Industry," ibtta.org, International Bridge Tunnel and Turnpike Association, 17 Aug. 2021. https://www.ibtta.org/sites/default/files/documents/Advocacy/GA049-IBTTA%20Infrastructure%20INvestment%20and%20Jobs%20Act%20Bill%20Summary%202021-0817.pdf (28 Feb. 2022).

64 "Toll Credits," Center for Innovative Financial Support, fhwa.dot.gov, 2024. https://www.fhwa.dot.gov/ipd/finance/tools_programs/federal_aid/matching_strategies/toll_credits.aspx (4 Mar. 2024).

65 Ibid.

66 "How We Are INVESTing in America," transportation.house.gov, The House Committee on Transportation and Infrastructure. 2021. https://transportation.house.gov/invest-in-america (31 Jan. 2022).

67 Kathleen Bower, "AAA Supports Tolling in Certain Situations," Email, Dec. 2015.

cordon pricing program from $15 to $9.[68] The Transcore contract to install, operate, and maintain the tolling infrastructure for six years is valued at $556 million.[69] The original toll rates would have generated $15 billion for the Metropolitan Transportation Authority's transit services.[70] However, the project has faced pushback from suburban residents and researchers given it is not true congestion pricing, which would raise and lower tolls based on traffic demand as seen in London and Singapore. Instead, it sets the price based on a targeted revenue level. Due to the design of the program and political dynamics, it was cancelled by the Trump administration early in 2025.[71] New York City officials received an administrative reprieve until April 20th to make their case to USDOT. The city has also challenged the Trump administration's decision in federal court.

5.2 OVERVIEW OF FINANCING TOOLS

Federal support for surface transportation P3s comes largely from several entities within the Federal Highway Administration (FHWA).

The Center for Innovative Finance Support (CIFS—previously the Office of Innovative Program Delivery), which provides vital support for P3s, is housed within the larger new Office of Innovative Program Delivery; both entities are units of FHWA. CIFS was created during the George W. Bush administration and expanded under both the Obama and Trump administrations, developing a large array of educational and analytical materials to assist state DOTs and others in getting up to speed on innovative finance and P3s in transportation infrastructure. CIFS is also likely to provide guidance on asset concession grants.[72] Table 8 details the P3 toolkit provided by the center.

68 "Governor Hochul Expected to Unpause Congestion Pricing with New Base Toll Thursday," abc7ny.com. Eyewitness News ABC7, 14 Nov. 2024. https://abc7ny.com/post/governor-kathy-hochul-expected-unpause-congestion-pricing-9-toll/15543419/ (17 Jan. 2025).

69 "Cancelling Congestion Pricing Removes Largest Source of Funding For Transit Capital Plan Without Long-term Alternative to Fund Crucial Repairs and Improvements," City of New York Independent Budget Office, ibo.nyc.ny.us, 2024. https://www.ibo.nyc.ny.us/pressreleases/press-release-congestion-pricing-gov-announcemnet-june-2024.pdf (13 March 2025).

70 "Congestion Pricing makes for better transit," Metropolitan Transit Authority, mta.info. https://www.mta.info/tolls/congestion-relief-zone/better-transit (13 March 2025).

71 David Li et al., "Trump administration terminates approval of New York City congestion pricing," nbcnews.com, NBC News, 19 Feb. 2025. https://www.nbcnews.com/news/us-news/trump-administration-terminates-approval-new-york-city-congestion-pric-rcna192847 (17 March 2025).

72 Rodriguez et al., "Infrastructure Investment and Jobs Act."

TABLE 8: CENTER FOR INNOVATIVE FINANCE SUPPORT TOOLS

Program Category	Tool	Purpose
Publications	Fact Sheets	Provides overview of key P3 elements
	Primers	Details in-depth explanations of specific elements of P3 projects
	Model Contract Guides	Provides overview of P3 contracting process and best practices
	Other Guides	Covers miscellaneous topics from the federal review process and financing
	Reports, Discussion Papers	Provides in-depth analysis of policies, case studies and other policy assessments
Analytical Tools	P-3 Value	Provides spreadsheet-based calculation tools for conducting feasibility assessments of potential P3 projects including risk assessment, value for money, benefit/cost analysis and financial analysis
	P-3 Screen	Provides a checklist of key factors and analyses involved in making decisions about possible P3 procurements
	Contracting Alternatives Suitability Evaluator	Evaluates and aids in selecting the most effective short- and long-term alternative contracting methods
Webinars	Recordings	Documents and recordings that enhance toolkit materials
Programs	SEP-15	Explains experimental new process for the FHWA to evaluate P3 project delivery with four major components: contracting, compliance with environmental requirements, right-of-way acquisition, and project finance
	Build America Bureau	The Bureau provides access to and credit and grants
	BATIC Institute	The BATIC Institute facilitates coordination and information-sharing of public projects
	TIFIA	Transportation Infrastructure Finance and Innovation Act provides credit assistance to select projects of regional importance
	PABs	Provides tax-exempt debt instruments authorized by USDOT on behalf of private entities for highway and freight projects
	GARVEEs	Allows a state DOT to issue debt that will be repaid with future federal-aid highway funding

Source: The Center for Innovative Finance Support's website: https://www.fhwa.dot.gov/ipd/p3/

Stressing the importance of increasing infrastructure investment, former Secretary of Transportation Anthony Foxx created the Build America Bureau, which has many purposes. One is to speed up the time it takes for transportation P3s to reach financial close.[73] The American Association of State Highway & Transportation Officials (AASHTO) launched the BATIC Investment Center as a new center of excellence to assist state DOTs in capacity-building in the area of project finance and P3s. The Center hosts multiple events throughout the country educating policymakers on transportation financing.

[73] Anthony, Foxx, "Removing the Roadblocks to Smarter Investment in American Transportation," mckinsey.com, McKinsey & Company 1 June 2015. www.mckinsey.com/business-functions/operations/our-insights/removing-the-roadblocks-to-smarter-investment-in-american-transportation (15 Feb. 2022).

5.3 OTHER FEDERAL TOLLING POLICY

States are banned from imposing tolls on existing Interstate lanes or rebuilding an Interstate highway and imposing tolls on rebuilt lanes that previously were non-tolled. However, states can implement five types of tolling projects. While these options don't *require* P3s, many tolling projects are P3s.

The first and most popular option is for states to add variably priced managed lanes, which price lanes dynamically to manage congestion and maintain high throughput.[74] Some are conversions from poorly operating high-occupancy vehicle (HOV) lanes, while others are new construction. Many large metro areas—including Atlanta, Dallas/Fort Worth, Denver, Houston, Los Angeles, San Diego, San Francisco, Seattle, South Florida, and Washington, D.C.—have, are building, or are planning to build networks of variably priced managed lanes. While these lanes work best in urban areas, a Reason study highlighted several Interstate corridors that pass through more-rural areas in which variably priced lanes may be feasible.[75]

States are banned from imposing tolls on existing Interstate lanes or rebuilding an Interstate highway and imposing tolls on rebuilt lanes that previously were non-tolled. However, states can implement five types of tolling projects.

The second option is to use the Congestion Relief program created in IIJA.[76] Metro areas may toll Interstates under the Congestion Relief program. The program has 10 slots for applicants. According to the Federal Highway Administration, the program's goal is "to advance innovative, integrated, and multimodal solutions to congestion relief in the most congested metropolitan areas of the United States with an urbanized area population

74 States adding managed lanes include California, Colorado, Florida, Georgia, Maryland, Minnesota, North Carolina, Texas, Utah, Virginia, and Washington State.

75 Baruch Feigenbaum, "Managed Lanes Connecting Metro Areas: The Pragmatic Solution." Reason Foundation. 2019. www.reason.org/wp-content/uploads/managed-lanes-between-metro-areas-the-pragmatic-solution.pdf (15 Feb. 2022).

76 "Infrastructure Investment and Jobs Act: Fact Sheets," Federal Highway Administration, fhwa.gov, 31 Jan. 2025. https://www.fhwa.dot.gov/infrastructure-investment-and-jobs-act/congestion_relief.cfm (28 Mar. 2025).

greater than 1,000,000."[77] The program, "also seeks to reduce highway congestion, reduce economic and environmental costs associated with that congestion, including transportation emissions, and optimize existing highway capacity and usage of highway and transit systems through: (1) improving intermodal integration with highways, highway operations, and highway performance; (2) reducing or shifting highway users to off- peak travel times or to no-highway travel modes during peak travel times; and (3) pricing of, or based on, as applicable, parking; use of roadways, including in designated geographic zones; or congestion."

The third option is the FHWA Value Pricing Pilot Program (VPPP), which allows a state to charge variable tolls on all lanes of an Interstate to reduce congestion.[78] Oregon had applied for the program to put variable tolls on all lanes of I-5 in the Portland metro area. Public opposition and the complicated nature of the program caused the governor to pull the plug in 2024. While VPPP makes available 15 slots to eligible state, regional, and local entities, there is no limit on the number of projects that can be included in an individual VPPP slot.

While VPPP makes available 15 slots to eligible state, regional, and local entities, there is no limit on the number of projects that can be included in an individual VPPP slot.

The fourth option is the Interstate System Reconstruction and Rehabilitation Pilot Program (ISRRPP), which allows a state to use toll financing to rebuild one of its Interstate highways.[79] Currently, there are three slots open in the program. Since congestion is worst in urban areas, the Value Pricing Pilot Program is a better fit in urban regions, while the ISRRPP is a better choice to rebuild a long-distance corridor.

The fifth option is for states to rebuild their non-tolled bridges and tunnels with tolled bridges and tolled tunnels using a provision in the 1998 Transportation Equity Act for the

77 "Infrastructure Investment and Jobs Act: Fact Sheets," Federal Highway Administration.

78 Value Pricing Pilot Program." ops.fhwa.dot.gov, U.S. Department of Transportation Federal Highway Administration. 2021. www.ops.fhwa.dot.gov/congestionpricing/value_pricing/index.htm (15 Feb. 2022).

79 "Interstate System Reconstruction and Rehabilitation Pilot Program," U.S. Department of Transportation Federal Highway Administration, fhwa.dot.gov, October 2018. www.fhwa.dot.gov/ipd/tolling_and_pricing/tolling_pricing/interstate_rr.aspx (31 Jan. 2022).

21st Century (TEA-21).[80] There is no limit on the number of bridges and tunnels that can be rebuilt using tolling. (A state can impose tolls on reconstructed bridges and tunnels on its Interstate system but cannot do the same for Interstate segments that do not include bridges and tunnels.)

Rhode Island, which has the fourth-largest percentage of structurally deficient bridges in the country, created a program to toll trucks (but not light-duty vehicles) for their use of 12 bridges or bridge-groups in the state.[81] Rhode Island's goal is to bring the bridges to a state of good repair by 2025. FHWA approved the truck toll program in 2016, leading to an ongoing lawsuit from the American Trucking Associations challenging the constitutionality of tolling trucks but not cars.[82] In December 2024 an appeals court upheld the Rhode Island toll for trucks, finding the overall system legal, but struck down the maximum cap on tolls for local traffic.[83] Chris Maxwell, president of the Rhode Island Trucking Association, stated that the agency may appeal to the state supreme court.

> *"Other states are developing toll plans in hopes that the federal ban on states tolling their Interstates is repealed."*

Other states are developing toll plans in hopes that the federal ban on states tolling their Interstates is repealed. Connecticut proposed and then abandoned a plan to toll trucks on 12 sites throughout the state.[84] Indiana and Wisconsin examined the technical and political

80 Robert S. Kirk, "Tolling U.S. Highways," Congressional Research Service, crsreports.congress.gov, 4 Aug 2017. www.sgp.fas.org/crs/misc/R43575.pdf (15 Feb. 2022).

81 "The RhodeWorks Tolling Program," Rhode Island Department of Transportation, dot.ri.gov. 31 Jan. 2022. www.dot.ri.gov/tolling/index.php (15 Feb. 2022).

82 "ATA Sues Rhode Island Over Unconstitutional Truck Toll Program," trucking.org, American Trucking Associations. 9 July 2018, www.trucking.org/news-insights/ata-sues-rhode-island-over-unconstitutional-truck-toll-program (15 Feb. 2022).

83 Ted Nesi, Tim White, and Eli Sherman, "Appeals Court Upholds Rhode Island Truck Tolls but Throws Out Caps for Local Trips," wpri.com, WPRI.COM12, 6 Dec. 2024. https://www.wpri.com/news/politics/appeals-court-renders-split-decision-on-ri-truck-toll-lawsuit/ (17 Jan. 2025).

84 "Connecticut Governor Drops Plans for Tolls on Highways Including Interstate 684." lohud.com, Lohud, 20 Feb. 2020.www.lohud.com/story/news/local/westchester/2020/02/20/connecticut-governor-ned-lamont-drops-plan-tolls-highways-684/4817501002/ (15 Feb. 2022).

feasibility of rebuilding their Interstates via tolling.[85] Michigan completed a similar study in 2022, which found tolling many of its Interstates and other freeways would be realistic from both fiscal and implementation perspectives.[86]Thus far none of these systemwide tolling plans have moved forward.

[85] "Statewide Interstate Tolling Strategic Plan," Indiana Department of Transportation, in.gov, Nov. 2018. www.in.gov/indot/files/tolling_strategic_plan.pdf (15 Feb. 2022), "Fund Solvency Report, "Wisconsin Department of Transportation, Dec. 2016. https://wisconsindot.gov/Documents/projects/solvency-report.pdf (28 Mar. 2025).

[86] "State of Michigan Tolling Study (PA 140 of 2020)," House Appropriations Subcommittee on Transportation, house.mi.gov, 28 Apr. 2021. www.house.mi.gov/hfa/PDF/Transportation/Transportation_Subcmte_Presentation_HNTB_4-28-21.pdf. (15 Feb. 2022).

PART 6

P3 LEGISLATION AND HIGHWAY ACTIVITY PER STATE

6.1 OVERVIEW OF STATE P3 LEGISLATION

The FHWA Center for Innovative Finance Support lists 36 states, the District of Columbia, and Puerto Rico as jurisdictions that have P3 authority for transportation infrastructure.[87] However, the enabling acts vary in authority provided from state to state. Further, many of these states with authority have entered into DBFs or DBMs but not DBFMs or DBFOMs. Full P3s have been implemented in only 12 states, in Puerto Rico, and in projects under the auspices of the Port Authority of NY/NJ.

Legislators in the other states have failed to enter into P3s for one or more of several reasons: some legislation contains language that makes entering into P3s a poor choice for the public partner, the private partner, or both. Other states have had political challenges in which the governor or a state's legislative body was opposed to P3s. Some states have not found a project that is a good fit for a P3.

87 "State P3 Legislation." Center for Innovative Finance Support, fhwa.dot.gov, 2018. www.fhwa.dot.gov/ipd/p3/legislation/ (15 Feb. 2022).

Reason defines P3 authorization as either broad or restricted. We define the terms differently from other transportation groups including the Federal Highway Administration and Association for the Improvement of American Infrastructure. "Broad Authorization" means that the state department of transportation has the ability to enter into a P3 (defined as four or more of the design, build, finance, operate, and maintain steps) with limited legislative interference. "Restricted Authority" means that the Legislature must approve each project or the state only has approval for a certain number of P3 projects, or some other mechanism that limits P3 authority. Any state can enter into a full P3; but it is typically more challenging and time-consuming in restricted authority states. Table 9 lists the type of P3 authority in states with authorizing legislation.

TABLE 9: P3 STATES BY AUTHORITY

Broad Authorization	Restricted Authorization	States Entering into Full P3s*
Arizona	Alabama	Colorado
Arkansas	Alaska	Florida
Colorado	California	Indiana
Connecticut	District of Columbia	Louisiana
Delaware	Florida	Maryland
Georgia	Hawaii	Michigan
Illinois	Indiana	North Carolina
Kentucky	Kansas	Ohio
Maryland	Louisiana	Pennsylvania
Massachusetts	Maine	Texas
Minnesota	Michigan	Virginia
Mississippi	Missouri	Port Authority of NY/NJ
Nebraska	New Hampshire	Puerto Rico
Nevada	North Dakota	
New Jersey	Pennsylvania	
North Carolina	Puerto Rico	
Ohio	South Dakota	
Oklahoma	Tennessee	
Oregon	Utah	
South Carolina	West Virginia	
Texas		
Virginia		
Washington		
Wisconsin		

Sources: Association for the Improvement of American Infrastructure: P3 Legislation. AIAI-infra.org. "State P3 Legislation," Dec. 2020, fhwa.dot.gov.

***States entering into full P3s have used at least four of the five Design, Build, Finance, Operate, and Maintain P3 steps, and use an availability payment, toll concession, or hybrid approach.**

6.2 2024 STATE LEGISLATIVE P3 ACTIVITY

Over the past year, three states debated bills establishing or expanding P3 authority. Table 10 summarizes that activity. This section provides more details on the states' 2024 P3 activities.

TABLE 10: 2024 P3 LEGISLATIVE ACTIVITY BY STATE

State	Bill	Pass/Fail/Pending	Summary
GA	H 516	Passed May 2024	Raises the maximum expenditure for any contract negotiation for construction or maintenance of a public road from $200,000 to $500,000. Also provides for reduced public meeting requirements during public comment period for P3 proposal, if a meeting was held during the environmental phase of a project.
IL	S 3620	Failed	Removes authorization for unsolicited P3 proposals and deletes some definitions in P3 authorization.
IL	H 4769	Failed	Adds requirement for public entities in public-private partnerships to be responsible for exploring and identifying whether unhoused individuals live near or at the site of a transportation project before the project begins.
IL	H 5100	Failed	Clarifies unsolicited P3 proposal rules.
IL	H 5171	Failed	Adds and expands requirements for public meetings regarding P3s and requires that contracting agencies provide post-meeting summaries publicly. Provides for stricter transparency measures and reporting requirements on P3 proposals early in consideration.
LA	H 381	Passed May 2024	Provides for eligible spending categories for revenue generated by Belle Chasse Bridge P3 tolls and requires legislative approval for use of revenue generated.
LA	S 446	Passed May 2024	Provides for eligible spending categories for revenue generated by Calcasieu River Bridge P3 tolls and requires legislative approval for use of revenue generated.
RI	S 3122 & H 8344	Failed	Provides for broad P3 authority for Rhode Island.

Source: National Conference of State Legislatures

Georgia: House Bill (H) 516 passed in 2024.[88] The bill raised the maximum cost for Georgia DOT to negotiate a contract to build or maintain a public road from $200,000 to $500,000. The bill also reduced the number of public meetings for P3 projects if a meeting had already been held during the environmental phase of the project. The bill was enacted in May 2024.

[88] "2024 GA H 516," custom.statenet.com, State Net, 2024. https://custom.statenet.com/public/resources.cgi?id=ID:bill:GA2023000H516&ciq=ncsl17&client_md=3d49e388f4051dc8bc948963ca8dcdad&mode=current_text (20 Feb. 2025).

Louisiana: House Bill (H) 381 passed in 2024.[89] The bill provides that toll revenue and credits generated on the Belle Chasse Bridge P3 shall be used only to reduce tolls on the project, pay amounts owed to the developer for the department's early hand back option, to pay annual CPI adjustments down, or for department projects or improvements within any area identified per the P3 contract for any alternative facility. The bill also requires that any funds used have to be approved by the Joint Legislative Committee on Transportation, Highways, and Public Works. The bill was enacted in May 2024.

Louisiana: Senate Bill (S) 446 passed in 2024.[90] The bill takes the bill text of House Bill 381 and applies the same rules for spending revenues or credits generated on the upcoming I-10 Calcasieu River Bridge P3 as the rules laid out for the Belle Chasse Bridge P3, including the need for legislative approval before spending any of the toll revenue or credits. The bill was enacted in May 2024.

6.3 STATE CONCESSION ACTIVITY

In 2024, two states had major proposed highway and transit concession activity detailed in this section.

TABLE 11: BUYOUTS OF STATE P3 SURFACE TRANSPORTATION CONCESSIONS

Project	Location	Status	Cost $ (B)	Type	Duration (In Years)	Concessionaire
SH-288 P3 Sale	Houston and Freeport, TX	Financial Close	$1.7	Toll/RR DBFOM Buyout	N/A	Abertis, now TXDOT

Source: Infralogic Infrastructure News

The **SH-288 P3 Sale** was a buyout of an existing P3 project that was previously designed, built, financed, operated, and maintained by Abertis.[91] The buyout was completed by Texas' DOT, retaking ownership of the state highway with the stated purpose of adding one

89 "2024 LA H 381," custom.statenet.com, State Net, 2024. https://custom.statenet.com/public/resources.cgi?id=ID:bill:LA2024000H381&ciq=ncsl17&client_md=9cdbe0ff22cf90f9a66fe83dbb5f6493&mode=current_text (20 Feb. 2025).

90 "2024 LA S 446," custom.statenet.com, State Net, 2024. https://custom.statenet.com/public/resources.cgi?id=ID:bill:LA2024000S446&ciq=ncsl17&client_md=636ee2b7d208850438e337d99c7bced3&mode=current_text (20 Feb. 2025).

91 "SH 288 P3 Sale (2024)," InframationNews.com, Infralogic, 2025. https://www.inframationnews.com/deals/15332489/sh-288-p3-sale-2024.thtml (18 Mar. 2025).

general purpose lane in each direction and the possibility of removing the tolls altogether.[92]

Many members of the Texas Legislature wanted to add capacity to the highway, located in the quickly growing Houston suburbs. However, the state would have had to compensate the concessionaire for the decline in toll revenue due to the agreement that Texas signed with the concessionaire.

The contract allowed the state to buy out the concessionaire at less than half ($1.7 billion) the value of the roadway ($4 billion), and Texas leaders decided that was the more prudent option. While there is some concern that this practice may spread to other toll roads, the facility was extremely unique in offering a buyout provision. In most P3s, the state would have to pay the entire value of the facility.

The SH-288 sale was very different than previous distressed sales such as the purchase of the South Bay Expressway, in which the highway was underperforming from a financial viewpoint (less toll revenue than forecast). SH 288 was wildly successful from a financial perspective (more toll revenue than forecast), and the buyback provision made it attractive for Texas DOT to purchase the asset.

[92] Elissa Rivas, "TxDOT buys back SH-288 toll road, and drivers want to know when toll prices will drop," abc13.com, ABC13 Eyewitness News, 18 Dec. 2024. https://abc13.com/post/txdot-buys-back-sh-288-toll-road-drivers-want-know-when-prices-will-drop/15674139/ (18 Mar. 2025).

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