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## **INFRA Grant Program Encourages Use of P3s.**

The U.S. Department of Transportation (USDOT) has revised and renamed a federal grant program that provides federal financial assistance to highway and freight projects of national or regional significance to support projects that use funding from the private sector or other non-federal sources.

The Infrastructure for Rebuilding America (INFRA) grant program—which provides dedicated, discretionary funding for projects that address critical issues facing our nation’s highways and bridges—will use updated criteria to evaluate projects to ensure that they meet economic goals and encourage the use of non-federal funding and innovation in the delivery and permitting processes.

Grants through INFRA—formerly known as Fostering Advancements in Shipping and Transportation for the Long-Term Achievement of National Efficiencies (FASTLANE)—will create opportunities at all levels of government and the private sector to fund infrastructure by using innovative methods to improve the necessary processes for building significant projects, and by increasing accountability for the projects that are constructed.

USDOT is specifically focused on projects in which the local sponsor is significantly invested and is positioned to promptly proceed to construction. Projects eligible for funding may include reconstruction, rehabilitation, property acquisition, environmental mitigation, construction contingencies, equipment acquisition, and operational improvements that affect system performance.

According to a July 5 Federal Register notice, the Fixing America’s Surface Transportation (FAST) Act of 2015 authorizes funding of the INFRA program at \$4.5 billion for fiscal years (FY) 2016 through 2020—including \$850 million for FY 2017 and \$900 million for FY 2018. Grants will be awarded by USDOT on a competitive basis to projects that meet statutory requirements.

Under the program, USDOT will distribute grants to large and small projects. Each large project selected for funding will receive at least \$25 million; each small project will receive a minimum of \$5 million. Ten percent of available funds will be reserved for small projects and 90 percent of available funds will be reserved for large projects each fiscal year of funding.

Ballard Spahr’s P3/Infrastructure Group advises on public-sector transactions and public-private partnerships (P3s). Attorneys in the Group resolve legal issues—related to public and project finance, real estate, procurement, public policy, labor relations, bankruptcy, tax, and environmental conditions—that arise in these complex transactions. We have a proven track record of working in partnership with government as well as private concessionaires and lenders to bring projects to fruition.

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