

# State Infrastructure Banks Symposium: Highlights & Takeaways

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**BUILD AMERICA CENTER**

INNOVATIVE FINANCING AND DELIVERY  
OF TRANSPORTATION INFRASTRUCTURE



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### SUBJECT State Infrastructure Banks Symposium: Highlights & Takeaways

On May 21, 2025, more than 30 public and private professionals from across the U.S. gathered at the Texas Department of Transportation (TxDOT) headquarters in Austin, TX for a full-day symposium on State Infrastructure Banks (SIBs). Hosted by the Build America Center (BAC) and supported by TxDOT, Clary Consulting and PFM, the event convened State department of transportation (DOT) officials, State infrastructure bank program managers, other State and local government stakeholders, and financial advisors to explore the current State of SIBs and chart where they might go next.

From the opening remarks by FHWA and TxDOT leadership to the final wrap-up session, the day was filled with lively, candid discussions about how SIBs are used today, what is working in the field, and where targeted innovation could drive broader impact.

As co-facilitators and speakers, our team at RebelGroup was excited to help launch the day with a national overview of the SIB sector and to help guide conversations throughout. The presentation focused on the following key topics:

- Defining SIBs today,
- Identifying key challenges, including limited staff capacity, marketing gaps, Federal requirements, grant competition, and
- Reporting on successes, including knowledgeable staff, ways to enhance visibility, use of State SIBs, SIBs as complimentary capital, and simplified application processes.

#### Key Themes from the Symposium

Throughout the day, participants surfaced recurring challenges, shared program insights, and co-developed creative approaches to strengthen SIBs nationwide. What stood out most was not just the exchange of information but also the cross-State collaboration that sparked new ideas in real time. Some of the key themes are highlighted next.

## 1. Flexible Capital, Faster Projects: SIBs as Accelerators

One of the most widely echoed themes of the symposium was the ability of SIBs to speed up project delivery in ways that traditional funding tools often cannot. From early-stage funding to accelerated timelines, SIBs were consistently described as enabling projects to “move quicker,” a phrase that surfaced again and again in both presentations and discussions.



Word cloud generated by participants on SIB strengths

This sentiment was captured right at the outset through a live poll to generate a word cloud where participants identified the biggest strengths of SIBs. Three of the top responses—**flexibility**, **speed**, and **availability**—related to this theme. Participants emphasized how SIBs offer adaptable terms and processes, allow for quick deployment of funds, and serve as a ready source of capital when other resources are unavailable or delayed. Other frequently mentioned qualities included **gap financing** capabilities and **low interest rates**, which further underscore the practical advantages that SIBs can offer.

Word cloud generated by participants on SIB strengths

The Georgia Transportation Infrastructure Bank (GTIB), for example, shared that Pike County was able to advance a resurfacing project by six years thanks to GTIB support, a move that saved the county an estimated \$500,000 to \$2 million.

Several other States shared similar stories of SIBs stepping in when escalating costs threatened project viability. In today's environment of post-COVID construction inflation, this flexibility is not just a perk but often the difference between delivering a project on time or not at all.

## 2. Toll Credits as a Launchpad for New Federal Accounts

One of the more instructive learning sessions centered on Florida's innovative use of toll credits to unlock new Federal lending capacity. By pairing toll credits with its August Redistribution



funds, Florida was able to capitalize a new Federal SIB account with no out-of-pocket match, giving the State a sizable, flexible pool of Federal dollars for future lending. This approach not only bypassed the usual scramble to match redistribution to “shovel-ready” projects, it also preserved the funding for long-term.

As the discussion unfolded, some other States noted they lacked toll credits of their own. But a timely update from FHWA pointed to an



emerging solution: the development of a toll credit marketplace, which could allow States with excess credits to sell them to peers. This idea—combining marketplace toll credits with August Redistribution—could represent a new pathway for States to capitalize Federal accounts without draining limited State funds.

### **3. Marketing and Messaging Matter**

Another topic that kept resurfacing through the Symposium was how to make SIBs more visible to the communities and agencies that could benefit from them. While SIBs are often known to insiders, many State and local stakeholders remain unaware of their availability, advantages, or use cases, a problem that several programs are tackling head-on. Participants shared practical approaches:

- Target outreach to professional associations, engineering consultants, and MPOs, who often influence project development and funding decisions.
- Send clear messages on priorities, like rural infrastructure. One SIB specifically called out rural access in its application guidance and saw a notable increase in rural submissions.
- While facilitating in-person engagement remains key, many programs are complementing it with email blasts, newsletters, and even social media.
- A few SIBs even reported success with event swag and branded materials to boost recognition and leave a lasting impression.

These efforts reflect a broader shift from being just a loan program to becoming a visible, proactive partner in project delivery.

### **4. Leadership Makes the Difference**

The most technically sound SIB initiatives will not go far without internal champions. One of the clearest takeaways from the symposium was the outsized role that leadership buy-in plays in getting programs off the ground and keeping them relevant.

It's not just about top-level endorsements. Several participants emphasized the importance of:

- Mid-level influencers within DOTs or State finance offices who make daily program decisions,
- Policy staff and program managers who understand how to advocate for SIB use on real projects, and
- Executive leaders who can shield programs from political cycles and signal their importance to stakeholders.

Attendees highlighted that when a SIB has strong champions inside its agency, it tends to have larger pipelines, stronger borrower relationships, and greater staying power.

### **5. Defederalization: A Tool for Flexibility**



A recurring theme was the idea of defederalization, particularly when it comes to recycled loan repayments. Many participants noted that their existing SIB accounts, authorized before 2005 with the original 1995 legislation, allow repayments to be reused as non-Federal funds, providing more flexibility in terms of eligible projects, procurement, and compliance.

However, newer Federal accounts come with a major caveat: under current legislation, repayments remain Federal, meaning they retain all the strings attached to Titles 23 and 49. That difference can have major implications for long-term SIB operations.

Participants discussed:

- The benefits of using repaid funds from legacy accounts to support State match or flexible terms,
- The challenge of navigating different regulatory regimes if multiple SIB accounts are active, and
- The strategic importance of defederalization in right-sizing financing for projects that may not cleanly fit within Federal definitions.

The conversation made clear that for many programs, regulatory flexibility is just as valuable as capital—and that the structure of SIB funding matters just as much as the size.

## **Conclusion**

The SIB Symposium in Austin provided more than just a snapshot of current practice; it brought forward real insights shaped by real-world experience, including from strategies like toll credit capitalization and defederalization to broader lessons around outreach, flexibility, and leadership.

Looking ahead, continued collaboration between State programs with support from the Build America Center and FHWA, can continue to advance the role of SIBs as adaptable and effective financing tools.