



TXDOT State Infrastructure Bank (SIB)



What is the SIB?

Low-cost transportation financing tool.



SIB Loans



SIB loan program

- Revolving fund - All repayments go back into the SIB
- Non-federal dollars

183 Loans – Since inception (1997)

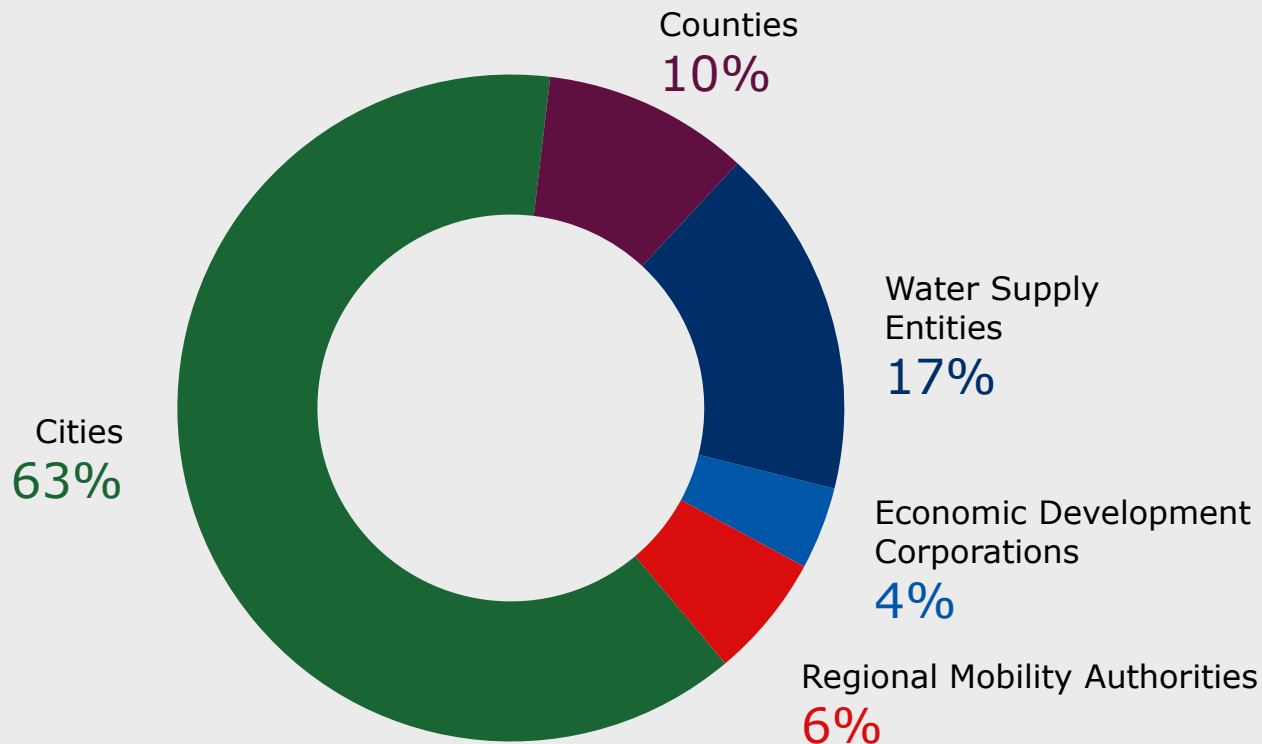
- Loans have ranged from \$10,000 to \$44m
- Median loan amount approximately \$1m

\$985 Million – In loans

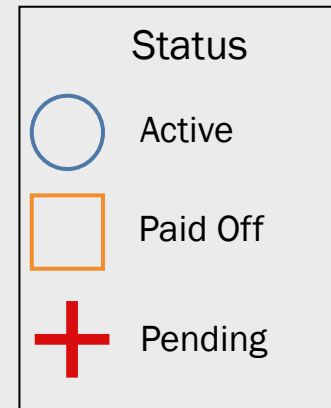
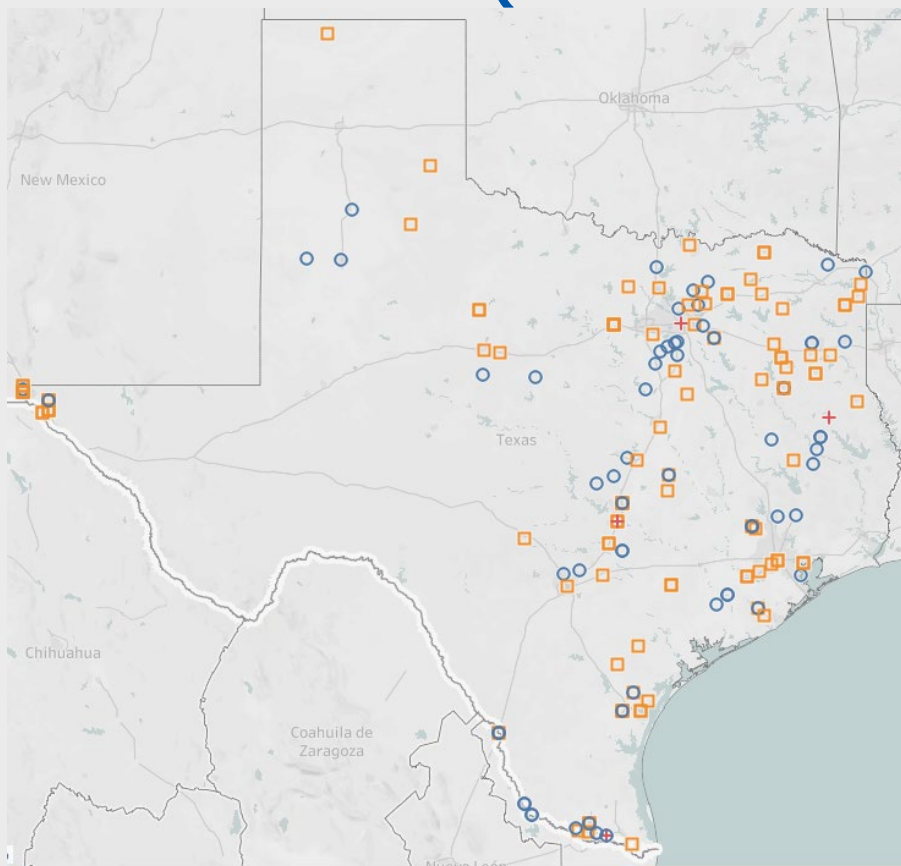
\$581 Million – Repaid

\$9.2 Billion – In Texas transportation projects

SIB loans - borrower type



SIB Loans around the state (as of Jan 2026)



Eligible projects

- Eligible under federal highway programs.
- Roadways must be functionally classified above a rural minor collector.
- On- or off-system roadways can be eligible.
- Generally, projects eligible under Title 23.

Eligible Roadways

To check eligible roadways, please use the [statewide planning map](#).

- Search or zoom into your area.
- Select the 'Functional Classification & Urban Areas' overlay on the left.
- The 'Legend' tab on the top left will indicate what each road is classified as.
- Roadways classified above a rural minor collector are eligible for SIB financing.
- If a road is not highlighted, it is a local road and not currently eligible.
- The 'Roadway Inventory-On-System Roadbeds' can be used to show which roads overlap as also being eligible and on the Texas Highway System.

LEGEND

- Black** – On-System Roadways
- Green** – Minor Arterial (off-system)
- Purple** – Major Collector (off-system)
- Yellow** – Minor Collector (off-system)



Eligible Uses Include

Construction or reconstruction

Right of way acquisition

Utility relocation

Design

Environmental

Local Match

Contingency

Financial & Legal advisory fees

When can a SIB loan be used for utility relocation?

- Required relocation for a TxDOT project.
- Elective relocation or other utility work – **ONLY** when an eligible project is **ALSO** being done.
- **CANNOT** be used for a standalone utility project.

Low cost of borrowing

- \$0 loan application
- \$0 closing costs
- \$0 loan handling
- Form of agreement
 - Direct loan agreement (authorized in TTC §222.0745)
 - Certificate of Obligation
 - Bond

Repayment terms

- Prepayments can be made at any time.
- Flexibility in repayment.
 - Most repayment frequencies acceptable.
- Deferments
 - Full deferral of principal and interest.
 - Interest only payments.
 - Interest capitalizes during deferment period.

Interest rate

- Rate set at the time of application.
- Fixed rate for the life of the loan.
- Municipal Market Data index (MMD)
- 2 main factors
 - Credit Rating
 - Term of the loan

SIB rating scale

Rating	1-10 Year Loan Term	11+ Year Loan Term
AAA*	AAA	AAA
AA	AAA +05 bps	AAA +10 bps
A	AAA +10 bps	AAA +20 bps
BAA	AAA +15 bps	AAA +30 bps
BBB-/Not Rated	AAA +20 bps	AAA +40 bps

*AAA = AAA MMD rate for the requested term for that week

Economically Disadvantaged County (EDC)

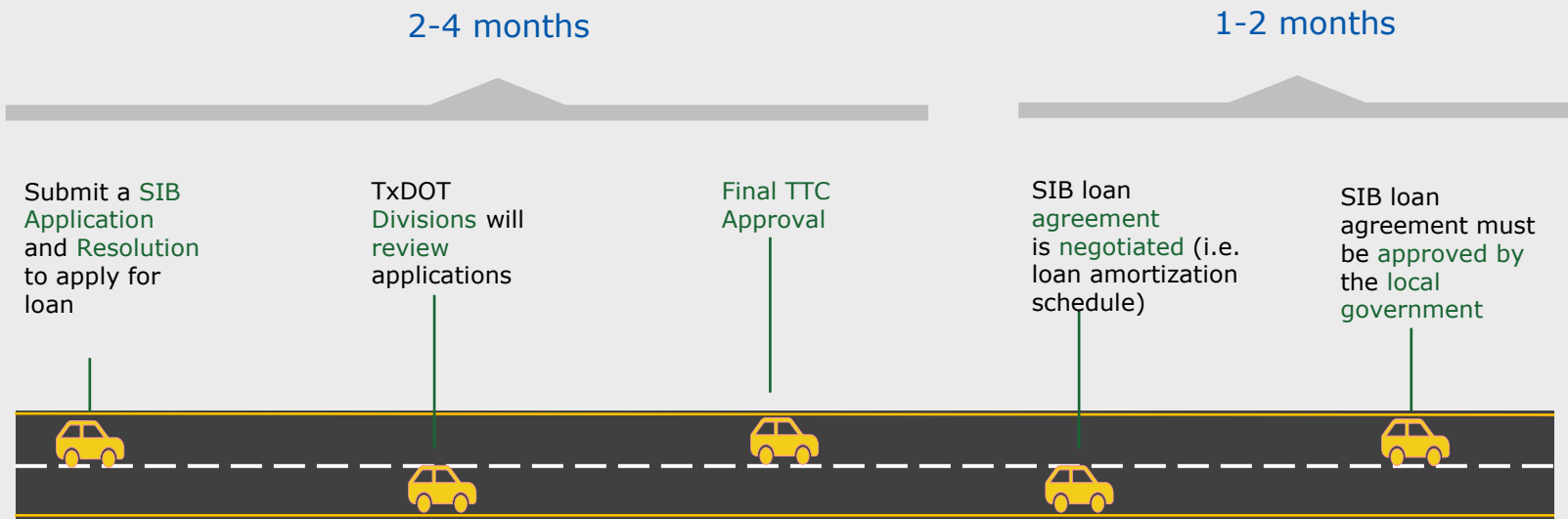
Interest rate discount for an entity in an [economically disadvantaged county](#).

SIB interest rate is reduced in basis points by the amount of the adjustment percentage.

Example –50% EDC Adjustment

Example Interest Rate	4.50%
Rate Spread	+.20
<u>EDC Adjustment</u>	<u>(.50)</u>
Final Rate	4.20%

TxDOT SIB process



Key takeaways

- Available for any TxDOT project and some non-TxDOT projects.
- Interest rate is fixed at the time of application.
- Entire process takes approximately 4-6 months.
- Transportation Commission approval is required for all applications.

SIB resources

Contact information:

TexasSIB@txdot.gov
512-463-9958

TXDOT.gov and search “State Infrastructure Bank”

- SIB Application
- General program information
 - Instructions to check eligibility
 - Informational flyers
 - Sample resolutions for the local entity

