**Requirements, Criteria, and Ratings for the “Mega Projects” program**

The National Infrastructure Project Assistance program, authorized as 49 U.S.C. § 6701 by the Bipartisan Infrastructure Law, P.L. 117-58, will provide Federal financial assistance to large highway, public transportation, freight and intercity passenger rail, and port projects.

The Bipartisan Infrastructure Law requires that within 90 days after the date of enactment, the Secretary shall publish on the website of the Department a notice that contains a detailed explanation of (A) the method by which the Secretary will determine whether a project satisfies five specific requirements identified in the statute; (B) any additional ratings the Secretary may assign to determine the means by which a project addresses the selection criteria and additional considerations; and (C) the means by which the project requirements and ratings will be used to assign an overall rating.

The purpose of this document is to address this mandate. Please note:

1. The review process begins with verifying each project’s eligibility. Only eligible projects will be evaluated for requirements and selection criteria.
2. More details will be provided in the Notice of Funding Opportunity.
3. **How to determine whether a project satisfies requirements**

In order to be selected to receive an award, the Department must determine that a project meets each of the five requirements described below. If your application describes multiple project components with independent utility, the Department must determine that each component meets each requirement. The Department will rely on the quantitative and qualitative information in your application and the analysis of our application review teams to determine whether the project meets the requirements. The determinations will be made using the methodology described below.

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| **Requirement** | **Methodology** |
| The project is likely to generate national or regional economic, mobility, or safety benefits. | The Department will base its determination on the plausibility and magnitude of the safety, mobility, or economic benefits described in the application |
| The project is in significant need of federal funding. | The Department will base its determination on the impact on the project scope or schedule if federal funding is not available, as described in the application. |
| The project will be cost effective. | The Department will base its determination on its analysis of the project’s benefits and costs, as described in the application’s benefit-costs analysis. |
| With respect to related non-Federal financial commitments, one or more stable and dependable funding or financing sources are available to construct, maintain, and operate the project, and to cover cost increases. | The Department will base its determination on its analysis of information in the application. For a project to meet this requirement, the application must show that all non-Federal funds necessary to complete the project, and cover unanticipated cost increases, are highly likely to be available within the proposed project time frame. |
| The applicant has, or will have, sufficient legal, financial, and technical capacity to carry out the project. | The Department will base its determination on its analysis of information in the application. |

For each requirement, the team will determine that the project (1) meets the requirement, (2) does not meet the requirement, or (3) additional information is necessary to make a determination. Projects will be assigned an overall Requirements rating of “Meets all requirements,” “Does not meet one or more requirements,” or “Additional information is necessary to make a determination.”

If a project is assigned an overall Requirements rating of ‘Additional information is necessary to make a determination,’ the Department may contact the applicant to request additional information. However, the Department expects all applicants to provide complete and sufficient information in their application.

1. **Ratings addressing evaluation criteria and considerations**

To ensure an efficient and comprehensive evaluation process for all applications that is consistent with program statute, the evaluation criteria and additional considerations described in the statute will be organized into three rated areas: Project Outcome Rating, Economic Analysis Rating, and Project Readiness Analysis Rating. The Department intends to assign each application a High, Medium-High, Medium, Medium-Low, or Low rating within each area. Additional ratings may be identified in the NOFO.

1. Project Outcome Review Teams will assign ratings based on the benefits in these areas being clear, direct, significant, and well-supported: (1) safety; (2) state of good repair; (3) economic impacts, freight movement, and job creation; (4) climate change, resiliency, and the environment; (5) equity, multimodal options, and quality of life; and (6) innovation. The Department is neither weighting these individual areas nor requiring that each application have significant benefits in each area. Projects must generate clear, direct, and significant benefits in at least three areas, and avoid negatively impacting any one, in order to receive a “High” Project Outcome rating.
2. The Economic Analysis Team: The Department will be estimating the likelihood a project’s benefit cost ratio falls within several ranges, based on the information presented by the applicant’s BCA and related information identified by Department evaluators. The Department must determine that a project’s BCR will be 1.5 or greater with at least a medium degree of confidence in order to determine that a project receives a “High” rating.

1. Project Readiness: Based on three separate reviews (Technical Assessment, Financial Completeness Review, Environmental Risk Review), the Department will assess whether the applicant has, or will have, sufficient legal, financial, and technical capacity to carry out the project. A “High” rating will be assigned to an application if the project presents low environmental review risk, has a complete financial plan, and the Department is certain of the applicant’s technical capacity to deliver the project in compliance with applicable Federal requirements.
2. **How requirements and ratings result in one overall rating**

The BIL requires the Department to assign one overall rating of Highly Recommended, Recommended, or Not Recommended to each project.

A rating of Not Recommended will be assigned to projects that:

* Receive a Requirements rating of “Does not meet one or more requirements” or “Additional information is required”; or
* Receive a “Low” Project Outcome, Economic Analysis, or Project Readiness rating; or
* Are otherwise determined to not be suitable for a grant award based on the weakness within a Project Outcome Area.

A rating of Highly Recommended will be assigned to projects that:

* Receive a Requirements rating of “Meets all requirements” and receive “High” ratings in each of Project Outcomes, Economic Analysis, and Project Readiness, which indicate exemplary projects of national or regional significance that generate significant benefits; or
* Receive a Requirements rating of “Meets all requirements” and are otherwise determined to be exemplary projects of national or regional significance that generate significant benefits in one of the Project Outcome areas.

A rating of Recommended will be assigned to projects that:

* Eligible projects that do not receive a “Highly Recommended” or “Not Recommended” rating.