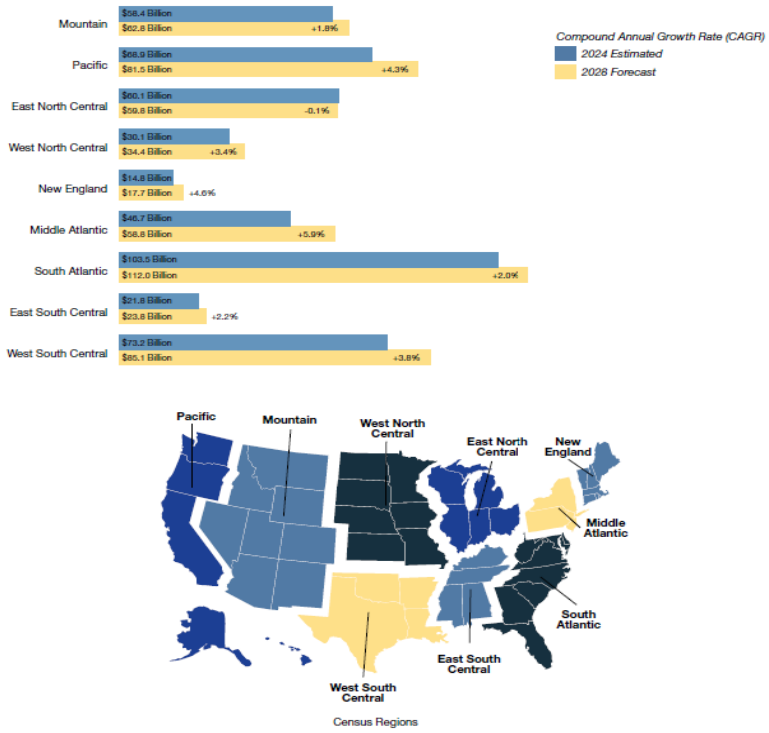
Design-Build Infrastructure Project Delivery Regulation (Information current as of October 2026)

Executive Summary

Figure 1. Anticipated growth in the use of design-build delivery



Source: Design-Build Institute of America[1]

Fueled by new public funding for state capital projects, transportation infrastructure projects are growing in scope, cost, and complexity. To meet the surge in demand for modernized transportation infrastructure, state agencies are deploying new approaches to ensure efficient and timely project delivery. Across the country, agencies have turned to alternative project delivery methods, such as design-build, to expedite timelines by integrating the design and construction phases.[2]

Forty-eight states, as well as Washington, D.C., authorize design-build delivery for public transportation infrastructure projects; Iowa and North Dakota are the two exceptions. While each state's statutory definition may vary slightly, they all generally stipulate a single contract that integrates design and construction responsibility. The fifteen CSG South states ensure fairness in design-build procurement through open solicitation, advance disclosure of selection criteria,

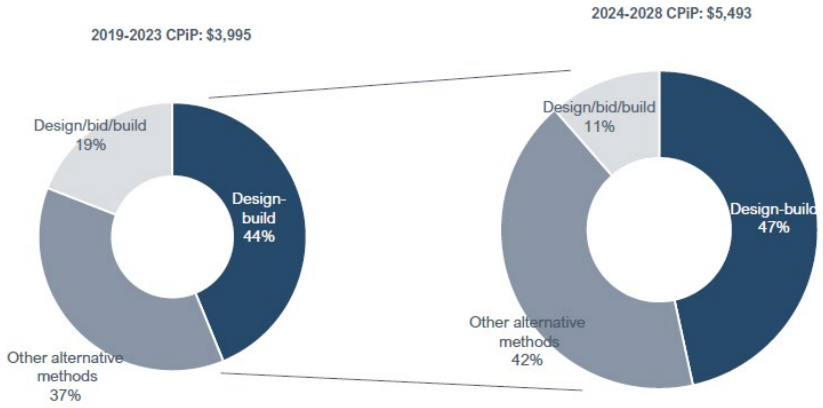
Speaker **Jon Burns**, GA | *Chair*
Speaker **Brian Evans,** AK | *Chair Elect*
Speaker Pro Tempore **David Meade**, KY | *Immediate Past Chair*
Cindy Kadlec, MO | *General Counsel, Senate Majority Caucus and Chair, Legislative Service Agency Directors Group*
Ralph Hudson, AK | *Director of Labor, Department of Labor and Licensing and Chair, Staff Alliance for Intergovernmental Leadership Committee*
Lindsey Gray | *Regional Director, The Council of State Governments Southern Office*
Representative **Kendra Moore**, AK | *Chair, Agriculture & Rural Development Committee*
Delegate **Gary Howell**, WV | *Chair, Economic Development, Transportation & Cultural Affairs Committee*
Senator **Raumesh Akbari**, TN | *Chair, Education Committee*
Representative **Christopher Warwick**, MO | *Chair, Energy & Environment Committee*
Representative **Daniel Pae**, OK | *Chair, Fiscal Affairs & Government Operations Committee*
Senator **Brice Wiggins**, MS | *Chair, Human Services & Public Safety Committee*

structured evaluation, conflict-of-interest controls, and reviewable award decisions, following many of the same procedures as more traditional design-bid-build projects. It is important to note that a fair process does not necessarily require awarding to the lowest bidder.

Design-build is a project delivery method in which the design and construction phases are combined into one contract, usually awarded on either a 'low-bid' or 'best-value basis.'[3] Using the more traditional design-bid-build approach, in which multiple vendors bid for separate architecture/design and construction contracts, agencies increasingly found themselves saddled with poor-quality construction projects that were over schedule and over budget, with little to no recourse. With the project designer and contractor as part of a single integrated team with a single point of responsibility, the design-build process enables better communication and creativity when needed, while reducing the administrative burden of coordinating multiple vendors.

A 2006 study found design-build delivery reduced project completion times ranging from nine to sixty percent, while generally reducing project costs by 20 percent.[4] Design-build projects are expected to account for 47 percent of U.S. construction spending by 2028, totaling roughly $2.6 trillion.[5] The same study estimates a 2.9 percent compound annual growth rate for these projects through 2028, suggesting further cost savings and returns through expanded use.[6]

Figure 2. Design-build delivery as a share of construction spending set to rise through 2028 (CPiP: Construction Projects in Place)



Legislatively, several measures regarding design-build definitions or policies have been enacted in the CSG South region, including measures in Missouri, North Carolina, and West Virginia during the 2026 legislative session. While not exhaustive, these select measures highlight recent approaches in Southern states to amend or expand existing design-build projects and policies.

Missouri lawmakers enacted House Bill 2474 (2026) to modify various statutory provisions for design-build contracts and projects. Specifically, the measure reclarified the qualifications for design-build non-civil works projects – such as buildings, site improvements, and other structures – as those designed by architects with costs of more than $2.5 million – up from the previous

construction cost requirement of more than $7 million. The act also added new provisions to the statute governing design-build contracts and projects. It defined progressive design-build projects as the design, construction, alteration, addition, remodeling, or other improvement of any building or facilities under one progressive design-build contract with a government entity. Progressive design-build projects under the new law include, but are not limited to:

- Civil works projects – roads, streets, bridges, utilities, airport infrastructure, storm drainage and flood control, transit, and other public works projects; and/or
- Non-civil works projects – buildings, site improvements, and other habitable or non-habitable structures.[7]

In North Carolina, lawmakers enacted Senate Bill 445 during the 2026 session as a comprehensive regulatory overhaul measure. One section of the bill, focused on low-cost private bridges, permitted the North Carolina Emergency Management (NCEM) agency to approve qualified design-build delivery if the construction estimate was no more than $500,000. The design-build project must be delivered by a state-licensed general contractor holding a highway classification.[8]

Similarly, West Virginia Senate Bill 690 (2026) expands the existing Alternative Project Delivery Act for the state Department of Highways. Specifically, the measure increased the project limits for the Highway Design-Build Program, allowing the department to allocate up to $200 million per project per fiscal year for design-build contracts. The projects also have a $300 million aggregate cap with narrow exemptions for bond-financed projects, for which the department can execute contractual obligations of up to $300 million per project, $600 million per fiscal year, and an aggregate cap of $700 million.[9]

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[1] "2025 Design-Build Data Sourcebook," Design-Build Institute of America.
[2] "Rebalancing Contracting Terms to Ensure Success for the GDOT's Alternative Delivery Projects and Better Reflect Real-Time Market Conditions," Georgia Department of Transportation, January 2025, *https://rosap.ntl.bts.gov/view/dot/79321*.
[3] "Design Build," United States Department of Transportation Federal Highway Administration, Center for Innovative Finance Support, *https://www.fhwa.dot.gov/ipd/alternative_project_delivery/defined/new_build_facilities/design_build.aspx*
[4] "Design-Build Effectiveness Study,", United States Department of Transportation Federal Highway Administration, January 2006, *https://www.fhwa.dot.gov/reports/designbuild/designbuild.htm*
[5] "2025 Design-Build Data Sourcebook," Design-Build Institute of America.
[6] "Design-Build Utilization Study Key Findings Report," FMI Consulting, January 2025.
[7] Missouri House Bill 2474 (2026), *https://www.house.mo.gov/billcontent.aspx?bill=HB2474&code=R+&year=2026*.
[8] North Carolina Senate Bill 445 (2026), *https://www.ncleg.gov/BillLookUp/2025/S445*.
[9] West Virginia Senate Bill 690 (2026), *https://www.wvlegislature.gov/bill_status/bills_history.cfm?btype=bill&input=690&sessiontype=rs&year=2026*.