



190 W. Ostend St., #101
Baltimore, MD 21230
Phone: 410-547-1515
Email: info@afscmemd.org

Patrick Moran – President

**HB 956 - Public-Private Partnership (P3) Oversight and Accountability Act
Environment and Transportation Committee
March 1, 2024**

POSITION: FAVORABLE

AFSCME Council 3 supports HB 956. This legislation would establish a Public-Private Partnership (P3) Oversight Review Board which we very much support. The P3 review board would review and make recommendations for all P3 pre-solicitation reports and the public infrastructure assets we label as P3s. It would also monitor the implementation and operation of existing P3s. We believe HB 956 will put into place good and transparent mechanisms that involve stakeholders when we consider P3s and how we implement them.

When triggered by a \$500M budget for a P3 transportation project, the Oversight Review Board would join with the General Assembly budget committees to review all pre-solicitation reports; they then would review the projects and consider development of recommendations; these recommendations would in turn inform reporting to the Board of Public Works and the budget committees.

The bill also requires other good government practices when assessing P3s. We support the environmental impact statement HB 956 requires prior to the pre-solicitation report. HB 956 also includes an independent rating assessment survey be completed by an independent auditor or a credit rating agency for each contract under the P3 agreement before it can be approved by the Board of Public Works. Finally, we appreciate that HB 956 also includes a procedure for transferring the ownership and operation of a P3 back to the state. Too often, governments get locked into costly and lengthy contract terms that allow the private company to continue the maintenance and operation of the project after construction is completed and we oppose this practice.

The siren's call of "quick and easy" should NOT override the ultimate goal of addressing the needs of Marylanders in a strategic, and sustainable fashion. This is a truth that should be applied to *any* undertaking for the state's inhabitants.

AFSCME Council 3 urges a favorable report of HB 956. Thank you.