



THE PRINCE GEORGE'S COUNTY GOVERNMENT

(301) 952-3700
County Council

POSITION STATEMENT

SB 361
Senator Rosapepe
(Education, Health &
Environmental Affairs
Committee)

Public-Private Partnerships - Process and Oversight

POSITION:

SUPPORT

SB 361 – Public-Private Partnerships - Process and Oversight – Establishing the Public-Private Partnership Oversight Review Board; requiring a certain reporting agency to include in presolicitation reports for certain public-private partnerships presolicitation reports of certain contracts and a certain environmental impact statement under certain circumstances; requiring certain presolicitation reports to be submitted to the Legislative Policy Committee; prohibiting the Board of Public Works, under certain circumstances, from designating a public-private partnership; etc.

Over the past several years, the State of Maryland has been working to develop the State's capacity and framework to implement innovative financing and delivery mechanisms for vital infrastructure projects. One tool the State has identified is Public-Private Partnerships (P3) to leverage the expertise and efficiencies of the private sector and mitigate risk for the State when undertaking large transportation infrastructure projects. P3s are contractual agreements between a government agency and a private entity that typically involve the renovation, construction, operation, maintenance, or management of a facility or system. The agency generally retains ownership in the facility or system, but the private entity has additional decision rights in determining how the project or task is completed.

State P3 laws provide for varying levels of oversight by an independent commission or the legislature, with some requiring legislative approval of a final P3 agreement. SB361 would help strengthen the Maryland's current P3 oversight process by establishing a Review Board and adding additional safeguards as well as reporting requirements to current law. Creating effective Public-Private Partnerships is more necessary today than ever, given public sector needs and fiscal constraints when faced with challenging urban and rural development issues.

For the foregoing reasons, the Prince George's County Council **SUPPORTS SB 361** and respectfully requests your favorable consideration of its position.

Prepared by: LA PEREZ CONSULTING
On behalf of Prince George's County Council

County Administration Building – Upper Marlboro, Maryland 20772