



Committee: Education, Health and Environmental Affairs
Testimony on: SB361 – “Public-Private Partnerships – Process and Oversight”
Organization: Greenbelt Climate Action Network
Person Submitting: Lore Rosenthal, Program Coordinator
Address: 15 Crescent Road, Greenbelt, MD 20770
Position: Favorable
Hearing Date: February 17, 2021

Chairman Pinsky and members of the Committee, thank you for the opportunity to express Greenbelt Climate Action Network’s (GCAN) **support for SB361**, legislation that would reform the P3 process.

This legislation would establish taxpayer and environmental protections and as well as legislative oversight of public-private partnership (P3) transportation proposals. The bill would create a Review Board, including members appointed by leaders of the House and Senate and the Governor, to examine any future P3 project and to provide oversight of existing P3 projects. The bill would also prevent toll companies from effectively vetoing future transit projects sponsored by local governments, as well as the State.

Under SB 361, P3 projects that exceed \$500 million, would be subject to additional requirements. For these large projects, the bill would require that the presolicitation report include a final environmental impact statement. This will ensure that the public and elected officials understand any harm that a large project would have on the environment and our communities before the Board of Public Works (BPW) takes decisive action. The bill also requires that before the BPW considers a large P3 project, the General Assembly Budget Committees would have 60 days to review the presolicitation report and make recommendations to the Review Board. The legislation would also require a risk analysis and an assessment of a potential P3’s impact on the State’s credit rating.

The existing P3 process failed to prevent substantial problems with the Purple Line Light Rail P3, which ultimately led to a negotiated payment of \$250 million to contractors who quit the project. The existing process is also failing to protect our environment from the Governor’s plan to widen I-495 and/ I-270. The predevelopment contract for this \$11 billion P3, will be submitted to the BPW Board of Public Works for approval before the environmental review is completed and before we have a full understanding of its impacts on our communities. GCAN members are concerned about this Beltway widening P3 project. During this climate crisis, when we are trying to reduce the amount of single-occupancy fuel burning vehicles as a way of limiting carbon emissions, we don’t want to see more cars on the road.

This P3 reform bill was approved by the House of Delegates last year and it is critical that it be enacted into law this year. **We urge the Committee to report this bill favorably.**