

Rodolfo E. Pérez, PE
Consulting Engineer
6 Manor Spring Court
Silver Spring, MD 20906

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Testimony on SB 361 Public Private Partnerships - Process and Oversight
Committee: Education, Health and Environmental Affairs
Position: Favorable

I offer this testimony in the context of my forty years of engineering experience in the private and federal sectors, including over two decades as advisor to the Inspector General, US Department of Transportation, and my pro bono service on the Montgomery County Transportation Policy Task Force from 2000 to 2002.

This bill will provide to the General Assembly a much-needed oversight role over future public private partnership (P3) projects. With this oversight, the taxpayers will gain more transparency on the financial and environmental consequences for all P3 projects with a value exceeding \$500 million.

The SB 361 includes indispensable taxpayer protections. For example, SB 361 will prohibit contractual provisions that allow toll concessionaires to demand compensation when local governments fund transportation projects that would reduce the number of drivers on toll lanes (similar to an existing prohibition applying to State-funded projects). The bill will also require independent auditors (or rating agencies) to conduct rating assessments for every contract under a large P3 agreement before the Board of Public Works can vote on it.

In the case of the I-495/I-270 P3 Project, the absence of this oversight has allowed the Maryland Department of Transportation to proceed without any review of non-tollway alternatives, and without a full disclosure of financial and environmental consequences. This approach has denied the public a voice in shaping decisions about this large project.

I urge the Committee to report favorably on SB 361 to ensure that legislators, local planners and the public have the transparent oversight that they deserve when considering P3 projects.

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