



TESTIMONY FOR HB1201 Public-Private Partnerships

Bill Sponsor: Delegate Solomon

Committee: Environment and Transportation

Organization Submitting: Maryland Legislative Coalition

Person Submitting: Cecilia Plante, co-chair

Position: FAVORABLE WITH AMENDMENTS

I am submitting this testimony in favor of HB1201 on behalf of the Maryland Legislative Coalition. The Maryland Legislative Coalition is an association of individuals and grassroots groups with members in every district in the state. We have over 30,000 members across the state.

Public-Private Partnerships, or P3s, have become a great source of funding for transportation projects. Hundreds of millions to billions of dollars are involved with little- to no- oversight. Some states have found their hands tied on expansions of P3 projects because the 'private partner' did not want any competition. Some states have found that the private partner, in trying to recoup the money they have invested has either demanded additional funds from the state, or raised the prices for commuters to the point where the road is not travelled and becomes an albatross.

This bill would create a Public-Private Partnership Oversight Board that would be inserted into the process for approval of any transportation project over \$500,000,000. The Oversight Board would have to examine the total financial cost of the project and the overall risks and provide a report and recommendations to the Board of Public Works and the General Assembly.

We believe that this is a prudent management/oversight solution to the problem of having a major financial outlay without a third party reviewing it and looking out for the best interests of the state's ratings and finances. However, the risks that the Oversight Board would be evaluating include economic, legal, and technical risks and do not include evaluating environmental risks and risks to underserved/overburdened communities, as well as the risk that consumers will not be able to utilize the end product due to its expense. We believe that these other factors should weigh just as heavily as the economic, legal and technical considerations and would like to see them included.

The Maryland Legislative Coalition supports this bill and we recommend a **FAVORABLE WITH AMENDMENTS** report in Committee.

