



Mayor and Council of Rockville
HB 1424 – Public Private Partnerships – Process and Oversight
SUPPORT

Good afternoon, Chairman Barve and members of the House Environment and Transportation Committee. I'm Rockville Councilmember Mark Pierzchala. It's an honor to be here in representation of the Mayor and Council, who strongly support HB 1424 – Public Private Partnerships- Process and Oversight. We are thankful to Delegate Solomon for his leadership.

HB 1424 takes a major step forward by adding transparency, oversight, and accountability to the State's public-private partnership process (P3). Rockville will be THE most impacted municipality of the current plans to widen I-270. The project will abut nine neighborhoods and traverse the heart of our great city. The P3 approval process for the I-495 & I-270 project was flawed. The Board of Public Works' approval of the substantially modified plan was rushed. The City and other impacted communities were notified at the last minute. MDOT continues to withhold key information from the public regarding the P3 structure, financial and environmental impacts, and toll pricing.

We fully endorse the creation of a Public-Private Oversight Review Board to review P3 pre-solicitation reports, and make recommendations to the Board of Public Works regarding the designation of a public infrastructure asset as a P3. HB 1424 adds legislative oversight protections by providing 60 days to the Budget Committees to review the Public-Private Oversight Review Board's recommendations, before the Board of Public Works can designate a project as a P3. HB 1424 provides the Budget Committees a year to review and comment on a P3 designation, which allows time for careful review and analysis.

Rockville wholeheartedly supports the provisions which require a completed Environmental Impact Statement in the pre-solicitation report that complies with the National Environmental Policy Act. Rockville strongly objects to the I-495 & I-270 P3 designation made without a completed Environmental Impact Statement from MDOT.

The bill's requirement for an independent rating assessment survey will yield vital project information, including the credit strength of the private entity, and the impact of the project to the State and local government's credit rating. The bill provides increased transparency and accountability by requiring that the proposed P3 include financial information regarding the contractor and all subcontractors providing services on a project.

HB 1424 makes substantial improvements to the State's inadequate P3 designation process for public infrastructure assets. It creates safeguards that will protect taxpayers and provides the public with the opportunity to understand the real impacts of large-scale transportation infrastructure P3 projects. For these reasons, we urge the Committee to provide HB 1424 with a favorable report and forward it to the House floor for a vote.