



Policy Recommendation for the Transportation Authorization April 3, 2009 Addendum to the NCPPP March 17, 2009 paper

The National Council for Public-Private Partnerships recommends policy positions that will increase the ability of state and local governmental authorities to engage the private sector in achieving efficient project delivery as well as asset maintenance. Our recommendation focus on the ability of the United States Department of Transportation to promote an environment at the state and local governmental level that will provide appropriate levels of risk management while protecting the public interests.

- Congress should authorize the United States Department of Transportation to propagate voluntary guidelines for states to model legislation, and regulatory regimes to develop and manage the use of public-private partnerships, through the development of state-level dedicated public-private partnership offices.
- Congress should also authorize the United States Department of Transportation to endorse state-level legislation, and regulatory regimes that are in general compliance with the DOT voluntary guidelines in so much as they create dedicated state-level public-private partnership offices to act as the procuring authority for states undertaking procurements under a public-private partnership model.

These federally certified state-level dedicated public-private partnership offices will demonstrate that a state's legal and regulatory structures for procurement is such as to limit the risks to the private sector partners from change in state procurement laws. With a well structured public counterparty, a counterparty that understands its own objectives and abilities, the private sector will face lower risk, thus being able to partner with the public sector in an increased number of projects at a lower cost to the public. These certified state public-private partnership offices will also increase the transparency of these agreements and better maintain public accountability.