



REFORM THE P3 LAW TO BETTER PROTECT OUR STATE

Our state's public-private partnership (P3) law must be strengthened to better protect Marylanders. The current law has allowed Governor Hogan to fast track a short-sighted proposal to add toll lanes to the Capital Beltway and I-270, and attempt to enter the state into over \$11 billion in contracts, without first conducting meaningful financial and environmental evaluations.



Did You Know:

- In 2019, the state House passed the “P3 Transportation Safeguard Act” with a veto-proof majority. The bill will be reintroduced this session.
- P3s are not a panacea for state governments seeking to limit expenditures. The U.S. Department of Transportation reported in December 2016 that, during the previous decade, many U.S. highway P3s experienced financial distress due to lower than expected revenue and their inability to manage risk.
- Numerous studies show that expanding highways simply encourages more people to drive, increasing the number of cars on the road that emit greenhouse gases and other air pollution. When I-270 was last expanded – to up to 12 lanes in some stretches – it was supposed to handle traffic growth for at least 20 years. But less than eight years after the project was completed in 1991, I-270 was completely congested again.
- The transportation sector is the #1 contributor to climate change and premature deaths related to air pollution. Over 8 in 10 Marylanders live in counties that don't meet federal clean air standards for ozone, due in large part to gas and diesel vehicles. Poor air quality increases the risk of cancers, heart disease, asthma, emphysema, and other respiratory diseases. Expanding highways makes these problems worse.

Substantial highway projects should not be approved until their impacts on our climate, air, and water quality are fully considered.

What the Bill Would Do:

The environmental and financial risks of large P3 highway projects must be fully understood before expensive 50-year contracts are signed. To ensure that this occurs, the bill would:

- Require an independent credit review of each prime contractor and their funding sources prior to the Board of Public Works (BPW) deciding whether to approve, and a minimum credit rating to be maintained by the contractor and private funding sources.
- Require that an Environmental Impact Statement be completed prior to presentation of a P3 proposal to the BPW for approval.
- Require a separate pre-solicitation report for each individual contract under the P3.
- Reform the P3 process and give the General Assembly a greater oversight role.

What Our Transportation Planning and Vision Should Include:

- MDOT must be more transparent, and work in partnership with MD counties. It should disclose traffic modeling and financial forecasts for any P3 project.
- MDOT must recognize there are other transit and transportation demand management options that would significantly reduce traffic congestion on I-495 and I-270.
- Major transportation investments must reduce greenhouse gas emissions, and air and water pollution, and enable people to travel in a reliable and faster manner, rather than just enabling vehicles to travel faster.
- Our transportation dollars should: expand public transit (using electric buses and trains) and fully fund MTA; expand electric vehicle, bicycle, and pedestrian infrastructure; increase traffic demand management; and properly maintain our roads and bridges. We also should do more to promote transit-oriented land use, with affordable housing.

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