

## **Public and Private Infrastructure Facilities Act**

- As the population of Texas continues to grow, there is an increasing need for the development and construction of new public facilities including schools, hospitals, emergency response centers, prisons, courthouses, and utilities. Unfortunately, given the current fiscal situation facing the state and many of its localities, the ability to develop these facilities is hampered short of a significant increase in taxes.
- In order to meet similar needs, many other states have embraced allowing greater use of public private partnerships. Such partnerships help to bring together private expertise, innovation, and financial resources to meet citizen demands for new facilities.
- Texas already has in place several innovative procurement tools to develop needed infrastructure. Unfortunately, they lack consistency in how they are applied, who can use them, and how key stakeholders and citizens are to be involved in the review process.
- This legislation provides another tool in the toolbox for Texas to help develop needed infrastructure. Its goal is to provide a predictable, repeatable, and transparent procurement method to bring world-class ideas to meeting Texas's infrastructure needs while ensuring accountability to the taxpayers.
- The purpose of this legislation is not to replace competitive sealed bid procurement. In fact, the legislation provides a reaffirmation of the state's commitment to that being the preferred procurement tool used by the state and its localities. Instead, this legislation affords another path for developing projects that are either complex and require outside expertise or where certain efficiencies can be achieved through partnerships with the private sector.
- Competition is maintained through this proposal. The proposal requires even more information is made available about these proposals, the draft contracts, and the potential scope and cost than more traditional procurement methods. This transparent process increases competition to keep costs reasonable.
- Further, protections are built into the legislation to give the governing body the resources it needs to hire its own outside advisors to ensure the best deal for the taxpayer.
- The legislation is patterned after Virginia's successful PPP program which has been used to develop over 100 projects since it was passed in 2002.
- This legislation will help bring new ideas and money to the table to help keep Texas strong and competitive in today's global economy.