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NCPPP membership includes nearly 200 organizations, 45 percent of which are from the public sector

The Honorable Jon Kyl
United States Senate
730 Hart Senate Office Building,
Washington, DC 20510

Dear Senator Kyl;

We write to you, as a member of the Joint Select Committee on Deficit Reduction, to request your consideration of the proven opportunities for public-private financing partnerships to meet this country's burgeoning public purpose infrastructure, operations and maintenance needs. With "everything on the table" and the need for all of us to contribute to solving the debt crisis, the opportunity to bring private capital and management to leverage Federal, State and local public infrastructure financing has never been greater.

The National Council for Public-Private Partnerships (NCPPP) is a non-profit, non-partisan, 501(c)3 organization founded in 1985. The Council serves as a forum for ideas and innovators in the partnership arena. Its list of public and private sector members, with experience in a wide variety of infrastructure projects, and its diverse domestic and international public education programs represent a vital national core of resources for financing and construction partnerships nationwide. The Council's members bring an unmatched dedication to providing the most productive and cost-effective public services.

Across the country, governments are being challenged to operate more efficiently and cost-effectively and are turning to new financing tools to meet public needs. This is not about privatization. It is about bringing the knowledge, resources and concerns of our two economic sectors together to create jobs and to meet public purpose requirements; to include highways, bridges, transit systems, airport terminals and runways, water and wastewater treatment facilities, underground utilities, public buildings, multi-family housing, public office buildings, military facilities, water resource projects, energy production and conservation, and many other structures that are the backbone of the US economy. In just the transportation area alone, for example, the Transportation Infrastructure Finance and Innovation Act of 1998 (TIFIA), established a Federal credit program for eligible surface transportation projects of regional or national significance. TIFIA allows states to leverage and supplement their Federal funding. It has been conservatively estimated that if TIFIA funding

authority was increased to \$1 billion and without increasing the current requirement that a TIFIA loan not exceed 33 percent of a project's total cost, over \$30 billion in additional construction projects could be developed. Equally important, each project brings with it the experience and management capabilities of both sectors. This means jobs, important, high end short-term design and construction jobs and long-term operations, manufacturing and other resource supply jobs, without incurring additional or excessive public debt.

There are literally hundreds of examples of US and international partnership projects already completed and underway. The expansion of TIFIA and similar legislation applicable to other forms of infrastructure is needed to facilitate economic growth. If we can bring to bear this kind of public leveraging to our water, energy and public real estate requirements, the savings can be even more significant. An additional benefit of this approach is that market testing serves as a form of quality assurance. TIFIA allows the public and the private sector to independently assess their investment management and capital risk to help ensure commitments to good and successful projects. If a project does not make sense, if the social benefits or capital risks to a state, local community, or to the investment community are not right, it will not attract investment and will not be built.

NCPMP members are available to discuss this proposal. We would be pleased to meet with you at your earliest convenience and discuss the potential for public-private partnerships to help reduce our debt crisis. Our membership is available to review this proposal and our experiences in general, by industry and on a case-specific basis. We look forward to hearing from you.

Sincerely,



Richard Norment, Executive Director
National Council for Public Private Partnerships
2000 14th Street North, Suite 480
Arlington, VA 22201

Identical letters sent to:

The Honorable Rob Portman, United States Senate; The Honorable Pat Toomey, United States Senate; The Honorable Patty Murry, United States Senate; The Honorable John Kerry, United States Senate; The Honorable Max Baucus, United States Senate; The Honorable Jeb Hensarling, United States House of Representatives; The Honorable Dave Camp, United States House of Representatives; The Honorable Fred Upton, United States House of Representatives; The Honorable Xavier Becerra, United States House of Representatives; The Honorable Chris Van Hollen, United States House of Representatives; and The Honorable James Clyburn, United States House of Representatives.