

HCS HB 1974 -- PUBLIC-PRIVATE PARTNERSHIPS

SPONSOR: St. Onge (Schlottach)

COMMITTEE ACTION: Voted "do pass" by the Committee on Transportation by a vote of 10 to 0.

This substitute changes the laws regarding the Missouri Public-Private Partnerships Transportation Act by expanding the types of projects that may be completed under it. Currently, the act is limited to the bridge project over the Mississippi River. The substitute allows any bridge, road, highway, access road, ferry, river port, airport, railroad, light rail or other mass transit facility, and any similar or related improvement or infrastructure to be financed, developed, and/or operated under an agreement between the Highways and Transportation Commission and a private partner.

The commission may approve projects it determines are needed or will improve the total transportation infrastructure of the state. These highway, road, mass transit, and bridge projects must have a total value in excess of \$25 million, but the commission will be prohibited from approving any project, maintenance, or improvement involving any existing interstate highway.

A sales and use tax exemption is authorized on all sales and purchases of tangible property, utilities, or services for use in public-private transportation projects, and any revenues received from a public-private project is exempt from state income tax.

FISCAL NOTE: Estimated Cost on General Revenue Fund of \$0 to Unknown in FY 2009, FY 2010, and FY 2011. Estimated Cost on Other State Funds of \$0 to Unknown in FY 2009, FY 2010, and FY 2011.

PROPONENTS: Supporters say that public-private partnerships are a means of leveraging private capital and expertise to provide a public service, and states are increasingly using them to deliver needed new transportation capacity while stretching limited taxpayer dollars.

Testifying for the bill were Representative Schlottach; David Stokes, Show-Me-Institute; Heavy Constructors Association of Greater Kansas City; Department of Transportation; and HNTB Corporation.

OPPONENTS: There was no opposition voiced to the committee.