

February 12, 2014

House Transportation and Economic Development Committee
Chair Read and Members of the Committee
900 Court St. NE
Salem, OR 97301

AGC Position on HB 4111 As Amended

AGC agrees there is a tremendous need for a substantial investment in infrastructure improvements and that need will only increase in the coming years. We are committed to a comprehensive review of all the methods and tools to accomplish this goal. That includes public-private partnerships in all forms and models as one component of a total solution. AGC opposed HB 4111 as originally introduced. Intense negotiations have led to a substantial amendment of that bill that AGC now supports. **Our support is predicated on: 1) new models of financing public infrastructure must be tested and evaluated before any permanent structure is put in place; and 2) a variety of possible funding approaches must be explored prior to any substantive changes to Oregon's public contracting laws.**

AGC has always been, and will continue to be, guided by one bedrock principal embedded in current law: that all alternative contracting methods ensure that competition is not diminished.

The proposed amendments to HB 4111 now incorporate recommendations proposed by AGC. Section 2 of the bill, in particular, accomplishes three major objectives: First, it creates the Public Infrastructure Commission composed of a broad range of stakeholders and a depth of expertise. Second, this Commission is charged with researching and evaluating all possible infrastructure financing models, as well as reviewing the tools available to close the funding gap in Oregon. Third, the Commission will receive and analyze reports concerning pilots utilizing public private partnership procurement models.

We are hopeful this Commission's efforts will provide the critical information needed to guide policymakers discussions related to any future changes to Oregon's public contracting laws.

2014 OFFICERS

Steve Malany
President

Larry Gescher
*First
Vice President*

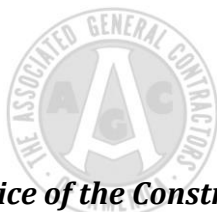
Jeff Perala
*Second
Vice President*

Brian Gray
Secretary

Joe Schneid
Treasurer

Tom Gerding
*Immediate
Past President*

EXECUTIVE DIRECTOR
Mike Salsgiver



The Voice & Choice of the Construction Industry!

In summary, there are two critical components to this bill. The first (Section 2) concerns the due diligence necessary to understand all the potential risks and opportunities public-private partnerships may bring to Oregon. The other component (Section 3) relates to testing and piloting one particular public-private partnership model. Moving forward, it is our hope that these two components strike a balance and will inform each other concerning the best path to financing Oregon's critical infrastructure needs.

Please contact John Rakowitz with any questions regarding AGC's involvement with this legislation. He can be reached at 503-317-1781 or johnr@agc-oregon.org.

2014 OFFICERS

Steve Malany
President

Larry Gescher
*First
Vice President*

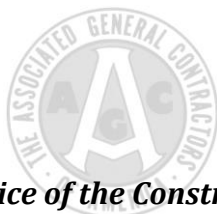
Jeff Perala
*Second
Vice President*

Brian Gray
Secretary

Joe Schneid
Treasurer

Tom Gerding
*Immediate
Past President*

EXECUTIVE DIRECTOR
Mike Salsgiver



The Voice & Choice of the Construction Industry!