



ASSOCIATION FOR THE IMPROVEMENT OF AMERICAN INFRASTRUCTURE



## ADVOCATE

For Public Private Partnerships



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With P3 Thought Leaders

# ELECTION RESULTS 2014 – AND THEIR IMPACT ON P3

On Friday, November 7, over 50 industry participants joined AIAI for a special web-based conversation on the 2014 Election Results' impact on Public Private Partnerships (P3s). AIAI members and industry stakeholders discussed a broad range of topics that covered the many challenges and opportunities based on the Election Results. AIAI is committed to Advocating, Educating and Engaging the industry through innovative forums such as its web-based conversations, and we invite you to stay informed and join us for future events by emailing [readytowork@aiai-infra.org](mailto:readytowork@aiai-infra.org) or calling **516-277-2950**.

P3 Market	2014 Election Highlights	State of P3
AR	Gov.-elect Asa Hutchinson (R)	<ul style="list-style-type: none"> <li>Generally viewed as friendly to P3</li> <li>Previous attempt to introduce P3-enabling legislation (HB1251) failed in May 2013</li> </ul>
AZ	Gov.-elect Doug Ducey	<ul style="list-style-type: none"> <li>P3-enabled for transportation projects</li> <li>Said to be considering vertical legislation</li> <li>Proposition 122 impacts?</li> </ul>
TX	Gov.-elect Greg Abbott (R)	<ul style="list-style-type: none"> <li>Fully P3-enabled; though tentative adoption</li> <li>Pending refinements: Center of Excellence</li> <li>Gov.-elect may not be as friendly to (soon to be former) Gov. Perry initiatives, including tolls for new roads and 'foreign ownership'</li> <li>130+ mile water tunnel near San Antonio</li> </ul>
	"Proposition 1" passed	<ul style="list-style-type: none"> <li>Texas voters overwhelmingly approved Proposition 1, which will set aside billions of dollars of the state's "rainy day" fund for the State Highway Fund. It is expected to raise \$1.7 billion in the first year</li> </ul>
CA	Re-elected Gov. Jerry Brown	<ul style="list-style-type: none"> <li>Sunset looming Jan 2017</li> <li>No surprises for P3</li> <li>Committee leadership changes will drive path forward for P3-enabling strategy</li> </ul>
	Prop 1 Water Bond passed	<ul style="list-style-type: none"> <li>Measure will provide funding for needed investments as part of a statewide, comprehensive water plan for California.</li> </ul>
	Prop 2 "Rainy Day Fund" passed	<ul style="list-style-type: none"> <li>Requires lawmakers to set aside 1.5 percent of General Fund revenues each year for the state's budget stabilization fund until the fund reaches a full 10 percent of general fund spending</li> </ul>

CO	Re-elected Gov. John Hickenlooper (D)	<ul style="list-style-type: none"> <li>■ P3-enabled; though challenged, pressing ahead with P3 market opportunities</li> <li>■ Republicans control the State Senate (18-17)</li> <li>■ Principal P3 opponent is in minority(D)</li> <li>■ Democrats control the House (34-31)</li> <li>■ Chair Transp Comm not seen as P3 friendly</li> </ul>
FL	Re-elected Governor Rick Scott	<ul style="list-style-type: none"> <li>■ Fully P3-enabled (civil and vertical)</li> <li>■ House of Representatives – super-majority</li> <li>■ Pending refinements based on Task Force recommendations (March 2015)</li> </ul>
GA	Re-elected Gov Nathan Deal (R)	<ul style="list-style-type: none"> <li>■ Tentative P3 market</li> </ul>
IL	Gov.-elect Bruce Rauner (R)	<ul style="list-style-type: none"> <li>■ P3-enabled in President Obama’s home state</li> </ul>
LA	CA NO. 4 (Act 873 – HB 628) – Investment of Public Funds	<ul style="list-style-type: none"> <li>■ Failed to pass measure to permit investment in infrastructure fund   bank</li> </ul>
MA	Gov.-elect Charlie Baker (R)	<ul style="list-style-type: none"> <li>■ P3-enabled transportation</li> <li>■ Gov.-elect supportive of P3</li> <li>■ Viewed as fertile market for P3 activity</li> </ul>
MD	Gov.-elect Larry Hogan (R) Campaigned on a platform that included the Purple Line being seen as “too expensive”	<ul style="list-style-type: none"> <li>■ Recent P3 law, with cancellation trap door</li> <li>■ Budgetary tension between “Red Line” and “Purple Line” transit for regional mobility</li> <li>■ Opportunity for P3 in new administration?</li> </ul>
	“Transportation lockbox” passed	<ul style="list-style-type: none"> <li>■ Viewed as protective of P3 &amp; transportation projects funded as State of Maryland level</li> <li>■ Measure would make it harder to shift transportation funds to non-transportation purposes, such as balancing budgets.</li> </ul>
MS	Re-elected Thad Cochran (R) (Appropriations)	<ul style="list-style-type: none"> <li>■ Transportation-enabled; expressed interest in broadening P3-eligibility</li> </ul>
NC	Senator-elect Thom Tillis (R) former NC Speaker of the House elected to Rep.-controlled Senate	<ul style="list-style-type: none"> <li>■ Widening I-77 (connecting North Charlotte)</li> <li>■ Majority party in both chambers are veto-proof super majorities</li> </ul>
NY	Re-elected Gov. Andrew Cuomo	<ul style="list-style-type: none"> <li>■ Design Build for new Tappan Zee</li> <li>■ P3 for Port Authority of NY &amp; NJ</li> <li>■ Potential vertical infra test or pilot project, Wadsworth Science Facility could be an executive budget (Section 7) item this year</li> </ul>
OH	Re-elect John Kasich (R)	<ul style="list-style-type: none"> <li>■ Civil infrastructure P3; Recent P3 award</li> </ul>
PA	Gov.-elect Tom Wolf (D)	<ul style="list-style-type: none"> <li>■ Transportation-enabled P3, looking to introduce for social infrastructure</li> <li>■ Looking to water &amp; wastewater projects</li> <li>■ Separations Bill is the major obstacle to P3 reform (trades and sub-contractors and multiple teams for state-level awards)</li> </ul>
RI	Gov.-elect Gina Raimondo	<ul style="list-style-type: none"> <li>■ Democratic sweep in state leadership</li> <li>■ Despite having no P3 statute</li> <li>■ Gov.-elect would like to create P3 environment in Rhode Island</li> <li>■ Gov.-elect former Treasurer</li> </ul>
VA	Tighter race than anticipated for Sen. Mark Warner (D)	<ul style="list-style-type: none"> <li>■ VAP3 recently revised P3 Guidelines</li> <li>■ Watching new Governor (1st year in office)</li> </ul>
DC	Introducing P3 enabling legislation	<ul style="list-style-type: none"> <li>■ Looking to leverage access to Federal funds and programs for inter-state (regional) infrastructure</li> </ul>