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CONTACT: Rachel Harvey, 202-797-6073 [rharvey@brookings.edu](mailto:rharvey@brookings.edu)  
Terrance Woodbury, 202-797-2491 [twoodbury@brookings.edu](mailto:twoodbury@brookings.edu)

To read the policy brief, visit: <http://www.brookings.edu/research/papers/2012/11/13-public-private-infrastructure-investment>.

## **Brookings Calls on Obama Administration to Establish a Federal PPP Unit to Support Infrastructure Investment**

### ***Brookings Policy Briefs Propose Reforms to Cut Deficit, Jumpstart Economy***

WASHINGTON, D.C.— The Obama administration should establish a federal public-private partnerships (PPP) unit to advance infrastructure projects in states and metropolitan areas, according to a policy brief issued today by the Brookings Institution’s Metropolitan Policy Program.

This policy brief is part of a new government reform series entitled, [\*Remaking Federalism / Renewing the Economy\*](#), launched today. The series addresses both the near-term “fiscal cliff” showdown and the longer-term budgetary, economic, and political challenges that will require response in the coming months. Through this series, the Metropolitan Policy Program will encourage the Obama administration to seek solutions beyond the partisan gridlock in Washington and to empower state and metro areas through programs such as a federal public private partnership unit.

From 1985 to 2011, 377 transportation PPP projects were funded in the United States, comprising only 9 percent of PPP infrastructure projects globally. Compared to other parts of the world, U.S. state and metro areas have been relatively slow to pursue public-private partnerships, in large part because of the complexity of deals that include multiple jurisdictions, companies, and even countries.

“The challenges to moving infrastructure projects forward are becoming much more complex,” stated Robert Puentes, senior fellow and director of the Metropolitan Infrastructure Initiative at Brookings and author of the policy brief. “Right now, leaders in states, cities, and metropolitan areas are ill-equipped to consider the complicated contractual arrangements involved in establishing PPPs. A federal PPP unit would provide quality control, technical advice, and sustained support to state and local actors.”

A federal PPP unit would:

- Create an attractive environment for private investment in much-needed infrastructure projects
- Spark economic growth and job creation
- Set the stage for the creation of an integrated national infrastructure agenda

A federal PPP unit would cost no more than \$3 million annually and would be roughly the size of the Council on Environmental Quality, which is located within the Executive Office of the President and has a similar annual budget and staff size.

The policy brief further describes the current problem, outlines budget implications, and details the implementation requirements of establishing a federal PPP unit.

**The Metropolitan Policy Program at Brookings**—*Created in 1996, the Metropolitan Policy Program (MPP) provides decision-makers with cutting-edge research and policy ideas for improving the health and prosperity of metropolitan areas including their component cities, suburbs, and rural areas. To learn more visit: [www.brookings.edu/metro](http://www.brookings.edu/metro). Follow us at [Twitter.com/BrookingsMetro](https://twitter.com/BrookingsMetro).*

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