II

117TH CONGRESS
1ST SESSION

S. 2557

To require certain transportation projects to include a value-for-money analysis, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 29, 2021

Mr. PORTMAN (for himself and Mr. MANCHIN) introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

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A BILL

To require certain transportation projects to include a value-for-money analysis, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. VALUE FOR MONEY ANALYSIS.

(a) IN GENERAL.—Notwithstanding any other provision of law, in the case of a project described in subsection (b), the entity carrying out the project shall, during the planning and project development process, conduct a value for money analysis of the project, which shall include an evaluation of—

(1) the life-cycle cost and project delivery schedule;

(2) the costs of using public funding versus private financing for the project;

(3) a description of the key assumptions made in developing the analysis, including—

(A) an analysis of any Federal grants and subsidies received or expected (including tax depreciation costs);

(B) the key terms of the proposed public-private partnership agreement, if applicable (including the expected rate of return for private debt and equity);

(C) a discussion of the benefits and costs associated with the allocation of risk;

(D) the determination of risk premiums assigned to various project delivery scenarios;

(E) any user fee revenue generated by the project; and

(F) any externality benefits for the public generated by the project; and

(4) any other information the Secretary of Transportation determines to be appropriate.

(b) PROJECT DESCRIBED.—A project referred to in subsection (a) is a transportation project—

(1) with an estimated total cost of more than $750,000,000;

(2) carried out—

(A) by a State, territory, Indian Tribe, unit of local government, transit agency, port authority, metropolitan planning organization, airport authority, or other political subdivision of a State or local government; and

(B) in a State in which there is in effect a State law authorizing the use and implementation of public-private partnerships for transportation projects; and

(3) that is carried out with—

(A) assistance under the TIFIA program under chapter 6 of title 23, United States Code; or

(B) assistance under the Railroad Rehabilitation and Improvement Financing Program of the Federal Railroad Administration established under title V of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 821 et seq.).

(c) REPORTING REQUIREMENTS.—

(1) PROJECT REPORTS.—For each project described in subsection (b), the entity carrying out the project shall—

(A) include the results of the analysis under subsection (a) on the website of the project; and

(B) submit the results of the analysis to the Build America Bureau and the Secretary of Transportation.

(2) REPORT TO CONGRESS.—The Secretary of Transportation, in coordination with the Build America Bureau, shall—

(A) compile the analyses submitted under paragraph (1)(B); and

(B) submit to Congress a report that—

(i) includes the analyses submitted under paragraph (1)(B);

(ii) describes—

(I) the use of private financing for projects described in subsection (b); and

(II) the benefits of conducting a value for money analysis; and

(iii) identifies best practices for private financing of projects described in subsection (b).

(d) GUIDANCE.—The Secretary of Transportation, in coordination with the Build America Bureau, shall issue guidance on performance benchmarks, risk premiums, and expected rates of return on private financing for projects described in subsection (b).

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