

January 12, 2012

CBO Highway Construction Study Released

Dear Transportation Policy Committee Member:

On Monday, the non-partisan Congressional Budget Office (CBO) released a study, [*Using Public-Private Partnerships to Carry Out Highway Projects*](#), in which the authors look at how and whether such partnerships can be more effectively used as a tool of road construction.

From his Preface to the study, CBO Director Douglas Elmendorf writes:

“The demands on the network of public highways in the United States have increased rapidly since the initial authorization of the Interstate Highway System in 1956. Specifically, the number of vehicle miles traveled has quadrupled, and congestion within the system has grown. Currently, the federal government and state and local governments face calls for more and better highways but confront budgetary constraints in providing them. Some analysts have suggested that public-private partnerships might supply at least a portion of that capacity by providing additional financing for road projects and improving the efficiency of a highway’s construction and operation over the life of the road.

This Congressional Budget Office (CBO) study... assesses the role of public-private partnerships in providing highway infrastructure. In particular, the study focuses on whether such partnerships might provide additional financing for highways and build them more quickly or at a lower cost.”

This CBO study was prepared at the request of Senate Budget Committee Chairman Kent Conrad (D-ND), and it is too early to know what he and/or other federal policy makers will “take away” from this study as they look to formulate transportation policy. However, Council members interested in road construction matters and their financing may wish to review this document as a preface to possible policy considerations in the future.

For a copy of the CBO Study, please click on the following link:

[*Using Public-Private Partnerships to Carry Out Highway Projects*](#)