

Date

The Honorable Wilbur Ross
Secretary of Commerce 1401 Constitution Avenue NW
Washington, DC 20230

Dear Mr. Secretary:

As you know, the Advisory Committee on Supply Chain Competitiveness (ACSCC) maintains five subcommittees to study various aspects of the complex interconnected systems that affect the free flow of goods and drive our economy both domestically and internationally. The Finance and Infrastructure Subcommittee focuses on the multimodal physical infrastructure needs for these systems, the cost to provide for them, and the public and private funding mechanisms available to pay for that cost, now and in the future. Over the life of the Subcommittee, we have recommended “Methods to Finance U.S. Supply Chain Infrastructure Needs” and promoted expansion of the use of private capital to fund public infrastructure, especially in our full Committee’s “Priority Recommendations for the New Administration.”

While greater use of innovative finance and public-private partnerships is a broad goal of this Administration – and has long been encouraged by think tanks, transportation analysts, state and local officials, and many in Congress – the barriers to these financing arrangements are substantial and varied across the United States. On the positive side, we believe a number of the most significant impediments can be addressed through federal action, incentives, and reduction or coordination of regulations. Our Subcommittee has identified the following obstacles as worthy of deeper study and possible recommendations for federal action:

- Legal issues such as differing state enabling laws and the complexity of federal spending authority.
- Federal permitting requirements, which can cause unacceptable delays for private capital investment;
- The need for additional state and local financial expertise and training to evaluate and negotiate projects for innovative financing opportunities; and,
- The need for public matching funds and federal “gap” funding when private capital prospects are insufficient for critical infrastructure projects.

No doubt you appreciate that these are complex issues and require thoughtful analysis. As our discussions and research proceed, we hope to be able to offer suggestions for recommendations to our full Committee at a future date. Meanwhile, we appreciate any additional expertise or opportunities to draw on the knowledge base of Department of Commerce. The members of our Subcommittee are grateful to you for your ongoing support of the Advisory Committee on Supply Chain Competitiveness and the very fine staff the Department has provided to work with us.

Sincerely,

Leslie Blakey
Chairman
Finance and Infrastructure Subcommittee
Advisory Committee on Supply Chain Competitiveness