

North Carolina Department of Administration

Beverly Eaves Perdue, Governor

Moses Carey, Jr., Secretary

January 13, 2011

Legislative Study Commission on Public Private Partnership State Legislative Building 16 West Jones Street Raleigh, NC 27601

Dear Legislative Study Commission on Public Private Partnership Members:

Thank you for the opportunity to provide feedback to the Commission on Public Private Partnerships. We are encouraged by your exploration of ways to engage private sector solutions in service to our state. The Department of Administration houses several agencies that oversee public contracts including the Office of Historically Underutilized Businesses, Purchase and Contract, State Property Office and the State Construction Office.

I am pleased to provide some overall comments regarding the concept of Public Private Partnerships as the Commission considers potential legislative recommendations. As directed by Governor Perdue, the Department of Administration, and other Executive Branch agencies, are exploring public private partnership in non-core services that maximize efficiency and save money. To that end, DOT has utilized alternative financing models for the building of major transportation projects. ITS is undergoing its own assessment to identify viable private sector opportunities and my own Department is in the midst of a transformation of state procurement that is expected to provide many private sector opportunities.

You specifically asked us to comment on how the discussion of public private partnership might impact the State's policy to encourage the use of small business and historically underutilized businesses. As the Department of Administration reviews ways to engage innovative partnerships, we are guided by the General Assembly and the contracting policy of the State to provide opportunities for small business and historically underutilized businesses (HUBs) firms defined in GS 143-48 and 143-128.4.

Mailing Address: 1301 Mail Service Center Raleigh, N.C. 27699-1301 Telephone (919) 807-2425 Fax (919) 733-9571 State Courier #51-01-00 e-mail: moses.carey@doa.nc.gov Location: 116 West Jones Street Raleigh, North Carolina Further, Governor Perdue, through Executive Order 13 directed each executive branch agency to strive to meet and exceed participation goals. Legislation permitting or encouraging public contracting in partnership with the private sector should continue the longstanding State policy of promoting opportunities for small businesses and HUB firms. This framework should continue as a part of public private partnership opportunities.

The Department stands ready to respond in greater detail to specific legislation that may be forthcoming.

Sincerely,

Moses Carey, Jr., Secretary Department of Administration

Attachment