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STATE OF MINNESOTA
NINETY-SECOND SESSION

S.F. No. 3123

(SENATE AUTHORS: NEWMAN)

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Introduction and first reading
Referred to Transportation Finance and Policy

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to transportation; modifying selection process procedures for Corridors
1.3 of Commerce projects; amending Minnesota Statutes 2020, section 161.088,
1.4 subdivisions 1, 4; Minnesota Statutes 2021 Supplement, section 161.088,
1.5 subdivision 5.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2020, section 161.088, subdivision 1, is amended to read:

1.8 Subdivision 1. **Definitions.** For purposes of this section, the following terms have the
1.9 meanings given:

1.10 (1) "beyond the project limits" means any point that is located:

1.11 (i) outside of the project limits;

1.12 (ii) along the same trunk highway; and

1.13 (iii) within the same region of the state;

1.14 (2) "city" means a statutory or home rule charter city;

1.15 (3) "greater Minnesota area" means the counties outside the Department of
1.16 Transportation's Metro District;

1.17 (4) "metro area" means the eight counties within the Department of Transportation's
1.18 Metro District;

1.19 ~~(3)~~ (5) "program" means the corridors of commerce program established in this section;

1.20 ~~and~~

2.1 ~~(4)~~ (6) "project limits" means the estimated construction limits of a project for trunk
2.2 highway construction, reconstruction, or maintenance, that is a candidate for selection under
2.3 the corridors of commerce program; and

2.4 (7) "regional balance" means approximately 50 percent of program funding is used for
2.5 projects located in the metro area and approximately 50 percent of program funding is used
2.6 for projects located in the greater Minnesota area.

2.7 Sec. 2. Minnesota Statutes 2020, section 161.088, subdivision 4, is amended to read:

2.8 Subd. 4. **Project eligibility.** (a) The eligibility requirements for projects that can be
2.9 funded under the program are:

2.10 (1) consistency with the statewide multimodal transportation plan under section 174.03;

2.11 (2) location of the project on an interregional corridor, for a project located outside of
2.12 the Department of Transportation metropolitan district;

2.13 (3) placement into at least one project classification under subdivision 3;

2.14 (4) project construction work will commence within three years, or a longer length of
2.15 time as determined by the commissioner; and

2.16 (5) for each type of project classification under subdivision 3, a maximum allowable
2.17 amount for the total project cost estimate, as determined by the commissioner with available
2.18 data.

2.19 (b) A project whose construction is programmed in the state transportation improvement
2.20 program is not eligible for funding under the program. This paragraph does not apply to a
2.21 project that is programmed as result of selection under this section.

2.22 (c) A project may be, but is not required to be, identified in the 20-year state highway
2.23 investment plan under section 174.03.

2.24 (d) For each project, the commissioner must consider all of the eligibility requirements
2.25 under paragraph (a). The commissioner is prohibited from considering any eligibility
2.26 requirement not specified under paragraph (a).

2.27 (e) A project in the greater Minnesota area with a total project cost of more than
2.28 \$10,000,000 is classified as a greater Minnesota large project. A project in the greater
2.29 Minnesota area with a total project cost of \$10,000,000 or less is classified as a greater
2.30 Minnesota small project. All projects in the metro area are classified as metro projects,
2.31 regardless of the total project cost.

3.1 Sec. 3. Minnesota Statutes 2021 Supplement, section 161.088, subdivision 5, is amended
3.2 to read:

3.3 Subd. 5. **Project selection process; criteria.** (a) The commissioner must establish a
3.4 process to identify, evaluate, and select projects under the program. The process must be
3.5 consistent with the requirements of this subdivision and must not include any additional
3.6 evaluation criteria.

3.7 (b) As part of the project selection process, the commissioner must annually accept
3.8 recommendations on candidate projects from area transportation partnerships and other
3.9 interested stakeholders in each Department of Transportation district. The commissioner
3.10 must determine the eligibility for each candidate project identified under this paragraph.
3.11 For each eligible project, the commissioner must classify and evaluate the project for the
3.12 program, using all of the criteria established under paragraph ~~(e)~~ (d).

3.13 (c) Before proceeding to the evaluation required under paragraph (d), all project
3.14 recommendations submitted for consideration must be screened as follows:

3.15 (1) all projects must be grouped geographically according to within which area
3.16 transportation partnership (ATP) the majority of the project is located;

3.17 (2) for projects in ATPs in the greater Minnesota area:

3.18 (i) the local ATP must review all project recommendations from its area;

3.19 (ii) each ATP must select up to three projects from its area to recommend for advancement
3.20 to the evaluation process under paragraph (d). Each ATP may develop its own process to
3.21 determine which projects to recommend; and

3.22 (iii) only the projects recommended for evaluation may be developed by the department
3.23 and scored for selection under paragraph (d). All projects not recommended for evaluation
3.24 are disqualified from further consideration and must not be evaluated under paragraph (d);

3.25 (3) for projects in ATPs in the metro area, all projects located within the seven-county
3.26 metropolitan area, as defined in section 473.121, subdivision 2, must be reviewed by the
3.27 Metropolitan Council's Transportation Advisory Board (TAB) as follows:

3.28 (i) the TAB must review all project recommendations within the metropolitan area;

3.29 (ii) the TAB must select up to ten projects from the metropolitan area to recommend for
3.30 advancement to the evaluation process under paragraph (d). The TAB may develop its own
3.31 process to determine which projects to recommend; and

4.1 (iii) only the projects recommended for evaluation may be developed by the department
4.2 and scored for selection under paragraph (d). All projects not recommended for evaluation
4.3 are disqualified from further consideration and must not be evaluated under paragraph (d);
4.4 and

4.5 (4) for projects located in Chisago County:

4.6 (i) all projects located within Chisago County must be reviewed by the Chisago County
4.7 Board;

4.8 (ii) the county board must select up to one project to recommend for advancement to
4.9 the evaluation process under paragraph (d). The board may develop its own process to
4.10 determine which project to recommend; and

4.11 (iii) only the one recommended project may be developed by the department and scored
4.12 for selection under paragraph (d). All projects not recommended for evaluation are
4.13 disqualified from further consideration and must not be evaluated under paragraph (d).

4.14 ~~(e)~~ (d) Projects must be evaluated using all of the following criteria:

4.15 (1) a return on investment measure that provides for comparison across eligible projects;

4.16 (2) measurable impacts on commerce and economic competitiveness;

4.17 (3) efficiency in the movement of freight, including but not limited to:

4.18 (i) measures of annual average daily traffic and commercial vehicle miles traveled, which
4.19 may include data near the project location on that trunk highway or on connecting trunk
4.20 and local highways; and

4.21 (ii) measures of congestion or travel time reliability, which may be within or near the
4.22 project limits, or both;

4.23 (4) improvements to traffic safety;

4.24 (5) connections to regional trade centers, local highway systems, and other transportation
4.25 modes;

4.26 (6) the extent to which the project addresses multiple transportation system policy
4.27 objectives and principles;

4.28 (7) support and consensus for the project among members of the surrounding community;

4.29 (8) the time and work needed before construction may begin on the project; and

4.30 (9) regional balance throughout the state., including:

5.1 (i) approximately 50 percent of the available funding must be used for projects in the
5.2 metro area and the other 50 percent must be used for projects in the greater Minnesota area;
5.3 and

5.4 (ii) of the 50 percent of available funding for greater Minnesota area projects, 25 percent
5.5 must be used for projects classified as greater Minnesota small projects as defined in
5.6 subdivision 4.

5.7 The commissioner must give the criteria in clauses (1) to (8) equal weight in the selection
5.8 process.

5.9 ~~(d)~~ (e) The list of all projects evaluated must be made public and must include the score
5.10 of each project.

5.11 ~~(e)~~ (f) As part of the project selection process, the commissioner may divide funding to
5.12 be separately available among projects within each classification under subdivision 3, and
5.13 may apply separate or modified criteria among those projects falling within each
5.14 classification.