

S.F. No. 1562 – Federal Transportation Grants and Infrastructure Investment and Jobs Act Match

Author: Senator D. Scott Dibble

Prepared by: Tim Greenfield, Senate Counsel (651/296-3801)

Date: March 16, 2023

S.F. 1562 sets requirements for the Minnesota Department of Transportation (MnDOT) to provide grants for technical assistance to local or Tribal governments seeking to submit an application for a federal discretionary grant. This act also sets requirements for MnDOT to allocate funds that provide non-federal match funding for discretionary grants awarded under the federal Infrastructure Investment and Jobs Act (IIJA).

Section 1 [Federal transportation grants technical assistance] sets requirements for technical assistance grants.

Subdivision 1 defines a term.

Subdivision 2 directs MnDOT to create a process for technical assistance grants to local units of government and Tribal governments.

Subdivision 3 obligates MnDOT to create a process for soliciting and screening assistance requests and awarding assistance grants. Identifies certain prioritization criteria to determine grant recipients.

Subdivision 4 limits assistance grants to a maximum of \$30,000 and prevents more than one grant per year to a local unit of government.

Section 2 [Infrastructure Investment and Jobs Act discretionary match] sets requirements for MnDOT to allocate funds that provide a non-federal match for discretionary grants awarded under the IIJA or associated federal laws.

Subdivision 1 defines terms.

Subdivision 2 directs MnDOT to create a process to distribute available match funds on a first-come, first-served basis. Identifies certain requirements governing the distribution of proceeds.

Subdivision 3 establishes MnDOT's authority to distribute funds for certain purposes, including expending funds for the trunk highway system, allocating funds for any transportation modes and programs, and making grants to federal grant recipients.

Subdivision 4 requires MnDOT to maintain information about IJA match funds on MnDOT's website.

Subdivision 5 makes the section expire on June 30, 2029.

Section 3 [Appropriation] appropriates a total of \$258,400,000 from the general fund to MnDOT for technical assistance and federal IJA grant matches, as follows:

- \$1,000,000 in fiscal year 2024 and fiscal year 2025 for technical assistance;
- \$214,400,000 in fiscal year 2024 for IJA discretionary grant matches;
- \$42,000,000 in fiscal year 2024 for IJA discretionary grant matches for trunk highway projects.
- Discretionary grant matching funds are available through fiscal year 2027.