

**SENATE
STATE OF MINNESOTA
NINETIETH SESSION**

S.F. No. 1525

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| DATE | D-PG | OFFICIAL STATUS |
| 02/27/2017 | 798 | Introduction and first reading Referred to Transportation Finance and Policy |

1.1 A bill for an act

1.2 relating to transportation; making changes to the project selection process for the

1.3 corridors of commerce program; amending Minnesota Statutes 2016, section

1.4 161.088, subdivisions 4, 5, 7, by adding a subdivision.

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

1.6 Section 1. Minnesota Statutes 2016, section 161.088, subdivision 4, is amended to read:

1.7 Subd. 4. **Project eligibility.** (a) ~~The commissioner shall establish~~ eligibility requirements

1.8 for projects that can be funded under the program. ~~Eligibility must include~~ are:

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

1.10 (2) location of the project on an interregional corridor, for a project located outside of

1.11 the Department of Transportation metropolitan district;

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

1.13 (4) a maximum length of time, as determined by the commissioner, until commencement

1.14 of construction work on the project; and

1.15 (5) for each type of project classification under subdivision 3, a maximum allowable

1.16 amount for the total project cost estimate, as determined by the commissioner with available

1.17 data.

1.18 (b) A project whose construction is programmed in the state transportation improvement

1.19 program is not eligible for funding under the program. This paragraph does not apply to a

1.20 project that is programmed as result of selection under this section.

1.21 (c) A project may be, but is not required to be, identified in the 20-year state highway

1.22 capital investment plan under section 174.03.

2.1 Sec. 2. Minnesota Statutes 2016, section 161.088, subdivision 5, is amended to read:

2.2 Subd. 5. **Project selection process; criteria.** (a) The commissioner ~~shall~~ must establish
2.3 a process for identification, evaluation, and selection of projects under the program. The
2.4 process must be consistent with the requirements of this subdivision and must not include
2.5 any additional evaluation criteria.

2.6 (b) As part of the project selection process, the commissioner ~~shall~~ must annually accept
2.7 recommendations on candidate projects from area transportation partnerships and other
2.8 interested stakeholders in each Department of Transportation district. The commissioner
2.9 must determine the eligibility for each candidate project identified under this paragraph;
2.10 ~~the commissioner shall determine eligibility, classify, and if appropriate, evaluate the project~~
2.11 ~~for the program.~~ For each eligible project, the commissioner must classify and evaluate the
2.12 project for the program.

2.13 (c) ~~Project evaluation and prioritization must be performed on the basis of objective~~
2.14 ~~criteria, which must include~~ Projects must be evaluated using the following criteria:

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

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

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

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

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

2.23 (4) improvements to traffic safety;

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

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

2.28 (7) support and consensus for the project among members of the surrounding community.

2.29 (d) The commissioner must adopt a policy that assigns a weight to each criteria under
2.30 paragraph (c). This policy must be applied consistently to each project evaluated. Each
2.31 project must be assigned a score based on the evaluation. The projects must be prioritized

3.1 based on the score. The list of all projects evaluated must be made public and must include
 3.2 the score of each project.

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

3.6 Sec. 3. Minnesota Statutes 2016, section 161.088, is amended by adding a subdivision to
 3.7 read:

3.8 Subd. 6a. Corridors of commerce long-term plan. The commissioner must create a
 3.9 corridors of commerce long-term plan that includes all projects deemed eligible for the
 3.10 program. The projects in the long-term plan must be prioritized based on the score assigned
 3.11 under subdivision 5. The commissioner may create a plan for each district or for the entire
 3.12 state.

3.13 Sec. 4. Minnesota Statutes 2016, section 161.088, subdivision 7, is amended to read:

3.14 Subd. 7. **Legislative report; evaluation.** (a) ~~Starting in 2014, annually~~ By November
 3.15 1 each year, the commissioner ~~shall~~ must electronically submit a report on the corridors of
 3.16 commerce program to the chairs and ranking minority members of the legislative committees
 3.17 with jurisdiction over transportation policy and finance. At a minimum, the report must
 3.18 include:

3.19 (1) a summary of the program, including a review of the project selection process,
 3.20 ~~eligibility and criteria~~ the policy that provides the weight given each criteria, funds expended
 3.21 in the previous selection cycle, and total funds expended since program inception;

3.22 (2) a ~~listing~~ list of projects funded under the program in the previous selection cycle,
 3.23 including:

3.24 (i) project classification;

3.25 (ii) a breakdown of project costs and funding sources;

3.26 (iii) any future operating costs assigned under subdivision 6; and

3.27 (iv) a brief description that is comprehensible to a lay audience;

3.28 (3) a ~~listing~~ list of all candidate project recommendations required under subdivision 5,
 3.29 paragraph (b), including the eligibility determination for each project and, for eligible
 3.30 projects, the project classification and disposition in the selection process; and

3.31 (4) a list of all projects evaluated and the score for each project; and

4.1 (5) any recommendations for changes to statutory requirements of the program.

4.2 (b) ~~Starting in 2016, and~~ In every even-numbered year ~~thereafter~~, the commissioner
4.3 ~~shall~~ must incorporate into the report the results of an independent evaluation of impacts
4.4 and effectiveness of the program. The evaluation must be performed by agency staff or a
4.5 consultant. The individual or individuals performing the evaluation must have experience
4.6 in program evaluation, but must not be regularly involved in the program's implementation.