

161.088 CORRIDORS OF COMMERCE PROGRAM.

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

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

- (i) outside of the project limits;
- (ii) along the same trunk highway; and
- (iii) within the same region of the state;

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

(3) "program" means the corridors of commerce program established in this section; and

(4) "project limits" means the estimated construction limits of a project for trunk highway construction, reconstruction, or maintenance, that is a candidate for selection under the corridors of commerce program.

Subd. 2. **Program authority; funding.** (a) As provided in this section, the commissioner shall establish a corridors of commerce program for trunk highway construction, reconstruction, and improvement, including maintenance operations, that improves commerce in the state.

(b) The commissioner may expend funds under the program from appropriations to the commissioner that are:

(1) made specifically by law for use under this section;

(2) at the discretion of the commissioner, made for the budget activities in the state roads program of operations and maintenance, program planning and delivery, or state road construction; and

(3) made for the corridor investment management strategy program, unless specified otherwise.

(c) The commissioner shall include in the program the cost participation policy for local units of government.

Subd. 3. **Project classification.** The commissioner shall determine whether each candidate project can be classified into at least one of the following classifications:

(1) capacity development, for a project on a segment of a trunk highway where the segment:

- (i) is not a divided highway, and that highway is an expressway or freeway beyond the project limits;
- (ii) contains a highway terminus that lacks an intersection or interchange with another trunk highway;
- (iii) contains fewer lanes of travel compared to that highway beyond the project limits; or

(iv) contains a location that is proposed as a new interchange or to be reconstructed from an intersection to an interchange; or

(2) freight improvement, for an asset preservation or replacement project that can result in:

- (i) removing or reducing barriers to commerce;
- (ii) easing or preserving freight movement;
- (iii) supporting emerging industries; or

(iv) providing connections between the trunk highway system and other transportation modes for the movement of freight.

Subd. 4. **Project eligibility.** (a) The commissioner shall establish eligibility requirements for projects that can be funded under the program. Eligibility must include:

- (1) consistency with the statewide multimodal transportation plan under section 174.03;
 - (2) location of the project on an interregional corridor, for a project located outside of the Department of Transportation metropolitan district;
 - (3) placement into at least one project classification under subdivision 3;
 - (4) a maximum length of time, as determined by the commissioner, until commencement of construction work on the project; and
 - (5) for each type of project classification under subdivision 3, a maximum allowable amount for the total project cost estimate, as determined by the commissioner with available data.
- (b) A project whose construction is programmed in the state transportation improvement program is not eligible for funding under the program. This paragraph does not apply to a project that is programmed as result of selection under this section.
- (c) A project may be, but is not required to be, identified in the 20-year state highway capital investment plan under section 174.03.

Subd. 5. **Project selection process; criteria.** (a) The commissioner shall establish a process for identification, evaluation, and selection of projects under the program.

(b) As part of the project selection process, the commissioner shall annually accept recommendations on candidate projects from area transportation partnerships and other interested stakeholders in each Department of Transportation district. For each candidate project identified under this paragraph, the commissioner shall determine eligibility, classify, and if appropriate, evaluate the project for the program.

(c) Project evaluation and prioritization must be performed on the basis of objective criteria, which must include:

- (1) a return on investment measure that provides for comparison across eligible projects;
- (2) measurable impacts on commerce and economic competitiveness;
- (3) efficiency in the movement of freight, including but not limited to:
 - (i) measures of annual average daily traffic and commercial vehicle miles traveled, which may include data near the project location on that trunk highway or on connecting trunk and local highways; and
 - (ii) measures of congestion or travel time reliability, which may be within or near the project limits, or both;
- (4) improvements to traffic safety;
- (5) connections to regional trade centers, local highway systems, and other transportation modes;
- (6) the extent to which the project addresses multiple transportation system policy objectives and principles; and

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

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

Subd. 6. Funding allocations; operations and maintenance. In identifying the amount of funding allocated to a project under the program, the commissioner may include allocations of funds for operations and maintenance resulting from that project, that are assigned in future years following completion of the project, subject to available funds for the program in those years from eligible sources.

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

(1) a summary of the program, including a review of the project selection process, eligibility and criteria, funds expended in the previous selection cycle, and total funds expended since program inception;

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

(i) project classification;

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

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

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

(3) a listing of candidate project recommendations required under subdivision 5, paragraph (b), including project classification and disposition in the selection process; and

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

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

History: 2013 c 117 art 3 s 1