## ITASCA COUNTY

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March 23, 2022

Chair Frank Hornstein Transportation Finance and Policy Committee 545 State Office Building St. Paul, MN 55155

Chair Hornstein and Members of the House Transportation Finance and Policy Committee:

On behalf of Itasca County, I submit these comments on House File 3474 as amended by the DE4 amendment. As many members of this committee are aware, Highway 169 between Grand Rapids and Pengilly is often referred to as the "Cross Range" corridor. For decades, our area has advocated for the expansion of the highway from two to four lanes for the safety of families who travel the road, and to facilitate freight movement for the industries that power our economy. While gradual progress has been made, 8.5 miles of the highway are yet to be improved, with no funding identified to finish the job.

The Cross Range is a perfect example of why a well-functioning Corridors of Commerce program is so necessary, but also provides a case study for why the program is currently in need of reform. In 2013, under the program's original project selection system, a segment of the road received \$7.9 million for lane expansion. Under the current scoring system, despite scoring highly on safety, economic impacts, and receiving all the points available for community support, it did not come close to receiving funding as dollars flowed to roads near communities with higher populations and with higher raw traffic counts.

With that in mind, we thank Rep. Torkelson, MnDOT, and the Committee for devoting your time and attention to improving the program for projects across the entire state.

Obviously, regional distribution of dollars is a key concern that emerged from the 2018 project selection round. On this point, we appreciate the DE4 amendment's new proposal to advance regional balance by dividing projects into three separate categories. While more vetting of this proposal is needed, a structure that avoids forcing rural projects like the Cross Range to compete with Metro-adjacent projects with high traffic counts should better distribute funds throughout the state.

Finally, I would like to comment on something that is not in the bill. Neither the agency's language nor Representative Torkelson's amendment would specifically make funds available to advance projects toward project readiness. For example, our understanding is that the remaining 8.5 miles of the Cross Range will need updated environmental work before construction can begin. Project readiness funds could be used for activities like environmental work, right-of-way acquisition, preliminary design, or similar efforts. This is the type of activity the Corridors of Commerce program would regularly fund prior to 2017's legislative changes but has been completely absent

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from the program since. Already, \$25 million in Trunk Highway cash flows into the program each year. We urge the committee to consider using those funds or appropriating additional funds to advance projects like ours so they are ready to go when funding comes available.

We understand that \$200 million of Trunk Highway Bonds were allocated to the program in the 2021 Transportation bill that will be allocated in the next project selection round. This funding is significant and greatly needed, but with the state on solid fiscal footing, we urge the committee to appropriate additional funding this year so that more projects have the potential to move forward.

Thank you for your consideration.

Sincerely,

Brett Skyles

**County Administrator**