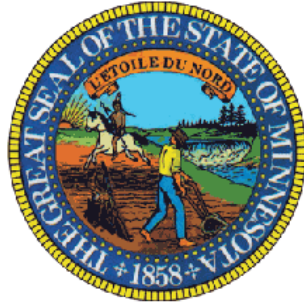


Minnesota Senate



Minnesota House Of Representatives

August 12, 2016

Governor Mark Dayton
116 Veterans Service Building
20 W. 12th Street
St. Paul, MN 55155

House Speaker Kurt Daudt
463 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155

Senate Majority Leader Tom Bakk
3113 Minnesota Senate Building
95 University Ave. W.
St. Paul, MN 55155

Senate Minority Leader David Hann
147 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155

House Minority Leader Paul Thissen
267 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155

Dear Governor Dayton, Speaker Daudt, Majority Leader Bakk, Minority Leader Hann and
Minority Leader Thissen,

We are writing as current and former chairs of the House and Senate committees with jurisdiction over transportation policy and finance. We have deep concerns with the transportation provisions proposed in at the very end of the 2016 session, as contained in the bonding bill.

Earmarking almost \$300 million in funds for specified roads and bridges would be unprecedented in legislative practice in recent memory and would be a historic mistake. It reverses decades of bipartisan consensus on the appropriate manner to fund transportation projects from both a policy and political perspective. We have four specific areas of concern with the highway and bridge funding provisions of the bills as passed by the House and Senate on May 22, 2016.

Earmarked projects are not ready and require additional planning

There are 13 specific earmarks in the bonding bill, and a number of the projects on the list in the bonding bill will not get underway for quite some time despite creating the appearance and expectation on the part of the public that funds are being devoted to projects that will receive immediate attention.

The bill provided for *legislative selection* of specific projects in the Corridors of Commerce program rather than through the statutorily established process in which the legislature set criteria for the program and tasked MnDOT with funding only those projects that are eligible as determined by their relative merits.

Legislative earmarking eliminates transparency and fairness in project selection and funding

The Legislature commissioned the March 2016 program review by the Legislative Auditor because it was already concerned about the lack of transparency in project selection. Earmarking, especially in the manner the House bonding bill was written, was completed in the absence of any public process whatsoever. No one knows which legislators developed the list, nor when or where it was created. It made its first appearance on the House and Senate floors in the last hour of the regular legislative session. Projects that no one had ever even heard of were included. It was unclear what criteria were used to select the named projects. The legislature and MnDOT have established specific project for project selection and funding. This is a reversal of greater consultation, disclosure and objectivity that legislators have been seeking for years.

Again, the Legislative Auditor affirmed those perceptions and recommended the following, “MnDOT should increase the transparency of its decision-making process, particularly by providing information to enable comparisons between projects that are selected and those that are not.” And, “MnDOT should modify its Corridors of Commerce project-selection process to create greater objectivity and transparency.”

Specific legislative earmarking in law further exacerbates the issues that the auditor identified with transparency and fairness.

In response to the Auditor’s finding, language supported on a bipartisan basis was included in still yet to be passed omnibus transportation bill to improve the legislature’s and MnDOT’s procedures and practices. Earmarking works directly against this aim and sends a very conflicted message to the public and to MnDOT.

Earmarking undermines efficiencies in planning and delivery of transportation infrastructure

Better use of time, personnel and money in transportation program delivery has been a priority of the legislature, MnDOT, stakeholders and the public for many years now. Further, the Legislative Auditor noted that MnDOT is able to maximize efficiencies by completing multiple related construction projects at the same time and coordinating with other jurisdictions needing to undertake improvements to their infrastructure. Earmarking destroys the opportunities for efficiencies that the legislature has put great pressure on MnDOT to create. We are, in effect, working against our own aims at improving MnDOT efficiency by picking projects without sufficient knowledge or understanding of many other considerations.

Earmarking undercuts long term stability and utilization of the Highway User Trust Fund Distribution Formula

Transportation planning and construction can only be achieved when funding is predictable over a long period of time. Multimillion dollar projects take a while to plan and several years to complete. MnDOT works with vendors and contractors to plan, design and build the infrastructure. Their marketplace demands predictability if they are to be expected to sufficiently bring on needed staff and to finance their capital and equipment needs.

We start down a very dangerous path when we begin to name projects in law. There will no longer be any incentive to flow dollars through the Highway User Tax Distribution Fund, meaning trunk highways, county state aid highways and municipal state aid streets, and township roads across Minnesota will sink further into disrepair.

Earmarking will open the door to picking winners over losers, put an emphasis on those miles that the state owns and controls (about nine percent of the total roads in Minnesota) and give undue political consideration to their selection. This is a clear set up for annual battles between legislative districts and can only result in deepening partisan rifts.

Given the harmful precedents outlined above, we urge you to develop transportation articles in any special session bill that avoids earmarking specific road and bridge projects.

Very truly yours,

Sen. D. Scott Dibble

Chair, Senate Transportation and Public Safety Policy and Finance Committee, 2013-present

Rep. Tim Kelly

Chair, House Transportation Policy and Finance Committee, 2015-present

Rep. Frank Hornstein

Ranking Minority Member, House Transportation Policy and Finance Committee, 2015-present

Chair, House Transportation Finance Committee, 2013-2015

Rep. Mary Liz Holberg

Chair, House Transportation Finance Committee, 2005-2007

Sen. Steve Murphy

Chair, Senate Transportation Policy and Finance Committee, 2004-2011

Sen. Joe Gimse

Chair, Senate Transportation Committee, 2011-2013

Rep. Mike Beard

Chair, House Transportation Policy and Finance Committee, 2011-2013

Rep. Bernie Lieder

Chair, House Finance Subcommittee on Transportation Policy and Finance, 2007-2011

Sen. Dean Johnson

Chair, Senate Transportation Finance Budget Division, 2001-2003

Sen. Carol Flynn

Chair, Senate Transportation Committee, 1997-2001

Sen. Keith Langseth

Chair, Senate Transportation and Public Transit Subcommittee: Transportation and Public Transit Finance Division, 1993-1997