



## New federal transportation bill provides \$4 billion, stability for Minnesota

By Chris Joyce

With the passage of a five-year federal transportation bill earlier this month, MnDOT has four billion reasons to be happy—one for each dollar Minnesota receives under the new [Fixing America's Surface Transportation Act](#).

FAST, whose predecessors include [MAP-21](#), [SAFETEA-LU](#) and [ISTEA](#), reauthorizes federal highway and public transportation programs for 2016-2020. It also stabilizes

the Highway Trust Fund during that period; however, those funds will be used up by the end of 2020, and will require a legislative solution to prevent the fund's insolvency.

“This is a modest, but crucial, increase that provides some stability over the next five years,” said Serge Phillips, federal relations manager. “It helps our planning efforts knowing that we can count on receiving a certain amount of federal money each year.”

Highlights for Minnesota in the new 1,300-page transportation bill include:

- **Highways** – Increases highway funding by 5 percent in FY 2016, and by 2 to 2.5 percent per year in the remaining years. The levels exceed projected inflation by \$1.7 billion over five years. For Minnesota, that means going from receiving \$629 million in FY 2015 to \$722 million in FY 2020.
  - Funds two new programs: A formula national freight program (Minnesota gets \$104 million over five years) and a Nationally Significant Freight and Highway Projects competitive grant program (\$4.5 billion available



FAST authorizes \$10.3 billion for rail programs, the first surface transportation act to include such authorization. *Photo by David Gonzalez*

- o nationally over four years).
  - o Ends the ability of states to shift highway safety dollars designated for safety projects to behavioral or educational activities. In the past, Minnesota has used this shift to fund Toward Zero Death initiatives, so this new provision amounts to a loss of funding for MnDOT.
  - o Provides two truck size/weight exemptions that affect Minnesota: (1) Logging vehicles weighing up to 99,000 pounds can use Interstate 35 from Cloquet north, which is an exemption from the national truck size/truck weight limits of 80,000 pounds; (2) Vehicles carrying milk products are now considered to be carrying a divisible load, allowing them to carry weights higher than the 80,000-pound limit.
- **Mass transit** – Increases public transportation investment by 5 percent in FY 2016, followed by annual increases of 1.6 percent during the next four years. The levels exceed projected inflation by \$700 million over the next five years.
  - **New rail title** – FAST is the first surface transportation act that includes authorization for rail programs. There is \$10.3 billion for rail provisions (subject to annual appropriation) with 50 percent of that amount for national state supported passenger rail.



Serge Phillips, federal relations manager, is MnDOT's liaison with Minnesota's congressional delegation. *Photo by Rich Kemp*

Among other provisions, Minnesota received increased funding that will allow mass transit system providers in Greater Minnesota to buy more buses and bus facilities.

“We appreciate Minnesota’s congressional delegation for coming up with a solution to help push this five-year funding bill through. It’s our responsibility now to put the resources to the most efficient use for the state,” said Phillips.

Despite the new federal funding bill, Minnesota still faces a projected funding shortfall of \$16.3 billion over the next decade to provide a transportation system that addresses infrastructure needs and congestion issues, and supports Minnesota businesses.

“To meet the need, we all have to work together—local, state and federal,” said Commissioner Charlie Zelle. “The federal government has done its part and

local governments are also developing funding strategies. Now, it is up to the state Legislature to do its share.” [FAST Act summary](#)