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Guidelines for Utilizing Locally Requested Federal Earmark Funding on Trunk Highway Projects

Congressional earmarking of federal transportation funding in transportation authorization bills and annual appropriation acts has been steadily increasing since 1991. This growth is likely to continue in the future. Although earmark funding has benefited many projects throughout the state, in some instances earmark funding has created inconsistencies in Minnesota's federal transportation planning process. In order to mitigate such inconsistencies in the future and to encourage Mn/DOT, local units of government, and the congressional delegation to work together more closely to direct federal funding to the state's highest priority projects, Mn/DOT has developed the following guidelines.

Federal Earmark Guidelines for Trunk Highway Projects

If a local or regional entity requests and receives Congressional earmark funding for a Trunk Highway (TH) project from either a federal authorization act or appropriations act, the following guidelines will apply:

- Mn/DOT will contribute funding to earmark projects if they are identified in a current fiscally constrained STIP, 10-Year Highway Work Plan, or District Long Range Transportation Plan.
- The state share of earmark projects will be funded by Mn/DOT in the scheduled STIP or 10-Year Highway Work Plan year.
- Other funds to match earmark funding and to complete the project will be from non-TH funding sources.
- If a local unit of government wishes to advance projects that are not within Mn/DOT's 10-Year Highway Work Plan using earmark funds, the state share of the project will be reimbursed by Mn/DOT in a year(s) beyond the work plan, but within the timeframe of the fiscally constrained District Long Range Transportation Plan. Should funding shortfalls cause planned projects to be delayed, such repayments will also be subject to delay.
- Mn/DOT's share of the project will only be to the investment level identified in the constrained District Long Range Transportation Plan. Investments beyond the identified constrained investment level will be 100% local.
- Mn/DOT's share will be determined in accordance with the current Cost Participation Policy, which can be found at <http://www.oim.dot.state.mn.us>.
- Mn/DOT supports the use of earmark funds for design work and right-of-way acquisition on projects that are in the 10-Year Highway Work Plan or District Long Range Transportation Plan (or that are priorities to move into the 10-Year Highway Work Plan or District Long Range Transportation Plan).

- Mn/DOT Districts can provide letters of support for local earmark TH project requests provided the support is consistent with and conditioned upon these guidelines.
- In emergencies such as natural disasters or where a fracture critical bridge needs to be replaced, these procedures and the priorities in the District Long Range Transportation Plan may be revised.

In sum, Mn/DOT will contribute funding to locally requested TH earmark projects in the year(s) they are identified in the current STIP, 10-Year Highway Work Plan, or constrained District Long Range Transportation Plan. Because funding shortfalls and various other factors create the need to reprioritize projects, the year(s) in which such projects are identified may change. These guidelines do not constitute a guarantee or commitment to the dollar amount Mn/DOT will contribute to a project or the year(s) in which Mn/DOT will contribute such funds. Mn/DOT agreements to repay local government advances will be determined on a project-by-project basis. Local government advance agreements must be formally entered into between Mn/DOT and the local government.

Given the excellent relationships Mn/DOT and local governments have established and enjoyed over the years, Mn/DOT knows it can successfully work with its local partners to utilize federal earmark funding to its optimal impact. Although there may be times when reaching an agreement regarding earmark funding will be challenging, early coordination and cooperation on earmark requests will almost always result in more benefits to the parties involved. If Mn/DOT and local governments work together to identify potential earmark requests early in the process, it is much more likely that 1) a project will receive funding, 2) the funding will be quickly spent on a valuable activity, and 3) a higher degree of trust will be established between Mn/DOT, local governments, and the congressional delegation.

Questions regarding earmark requests or these guidelines should contact the applicable Mn/DOT district engineer or Brad Larsen, Mn/DOT's federal relations manager, 651/282-2170, brad.larsen@dot.state.mn.us.