

For Immediate Release: May 9, 2016

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U.S. Highway 14 advocacy group: State Senate's transportation plan passes over Highway 14

ST. Paul—The U.S. Highway Partnership is shocked that the Minnesota Senate's newly revamped "comprehensive" transportation plan underfunds the Corridors of Commerce program, thus throwing a wrench into plans to finish the expansion of U.S. Highway 14.

"The new Senate proposal is not comprehensive when it leaves out Highway 14," said Bob Beussman, mayor of New Ulm and president of the Partnership. "There are only 24 miles left to complete Highway 14 from Rochester to New Ulm. We have the ends completed, and there are only two middle sections left to go. But without cash for Corridors of Commerce, we are left waiting. We don't understand why the Minnesota Senate did not address this problem."

The Senate presented its updated transportation bill as a potential "compromise" with the House during a conference committee hearing on Friday. Under the revised bill, funding for the Corridors of Commerce program was reduced from \$800 million down to \$500 million over 10 years. The cost to finish Highway 14 alone is estimated at \$300 million.

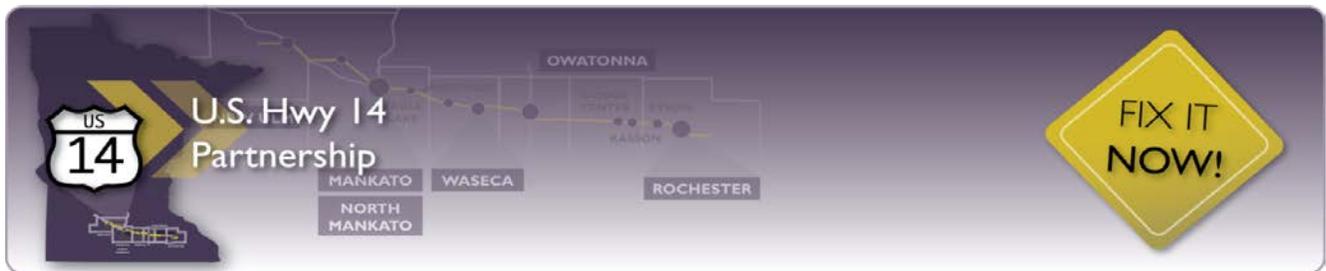
The Legislature created the Corridors of Commerce program in 2013 to help projects like Highway 14. The program is designed to connect regional economies, like New Ulm to Rochester. However, because Corridors of Commerce funds go to a pool of projects, there are limits on how it can use trunk highway bond proceeds. Bond proceeds can only be used for construction, not land acquisition or planning. This poses a challenge for Highway 14, as there are currently no funds to buy the land necessary to finish the project. Without a direct appropriation of some kind of cash for Corridors of Commerce, Highway 14 won't get finished.

"The need to complete this project is not going away," said Steven Gray, a Dodge County commissioner and vice president of the Partnership. "Our communities will continue to miss economic development opportunities and our residents still have to live with the safety hazards

of a very dangerous strip of highway. It is time to draft a plan to complete Highway 14, with both cash and sufficient trunk highway bonding for Corridors of Commerce.”

The U.S. Highway 14 Partnership sent the attached letter to the transportation conference committee expressing the need for more funding for the Corridors of Commerce program as part of a comprehensive transportation bill.

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Chair Scott Dibble
2107 MN Senate Office Building

Chair Tim Kelly
559 State Office Building

Sen. Susan Kent
3409 MN Senate Office Building

Rep. John Petersburg
577 State Office Building

Sen. Vicki Jensen
3229 MN Senate Office Building

Rep. Tim Sanders
553 State Office Building

Sen Melisa Franzen
3403 MN Senate Office Building

Rep. Jeff Howe
527 State Office Building

Sen. Matt Schmit
3411 MN Senate Office Building

Rep. Ron Erhardt
245 State Office Building

May 6, 2016

Dear HF 4 Conferees:

The U.S. Highway 14 Partnership is very concerned that to date, no transportation proposal includes cash for Corridors of Commerce, including the most recent Senate proposal today. Without cash for the Corridors of Commerce program, the expansion of Highway 14 cannot be completed. If you intend for this bill to help Highway 14, you must include a cash appropriation for Corridors of Commerce.

In 2013 the Legislature created the Corridors of Commerce program to pool together funding for a variety of highway expansion projects across the State. However, under policies and rules regarding tax exempt financing, the Corridors of Commerce program limits the use of trunk highway bond proceeds to construction costs. Costs such as land acquisition, engineering and environmental studies must be paid for with non-bonding money.

We have spoken with you on numerous occasions about the need for a cash component for the Corridors of Commerce. Without money for land acquisition or engineering costs, Highway 14 will not qualify for construction funding.

Furthermore, given the long list of projects that have applied for Corridors of Commerce funding, including major changes to Interstate 94, today's \$500 million bonding proposal from the Senate will barely scratch the surface of the demand for these dollars.

While we are in favor of a bi-partisan, comprehensive transportation bill with new revenue, we cannot support a transportation funding package that leaves out the needed tools to expand U.S. Highway 14.

The State of Minnesota has been promising communities along U.S. Highway 14 for over forty years that it would expand the highway to four lanes to help resolve safety issues and promote commercial traffic. It is time to deliver on that promise, starting with a cash appropriation for Corridors of Commerce.

We urge you to go back to the drawing table.

Sincerely,

A handwritten signature in black ink that reads "Robert J. Beussman". The signature is written in a cursive style with a large, sweeping flourish at the end.

New Ulm Mayor Robert Beussman
President, U.S. Highway 14 Partnership

Cc: Senate Majority Leader Bakk,
Speaker Daudt,

Sen. Gary Dahms
Sen. Carla Nelson
Sen. Julie Rosen
Sen. David Senjem
Sen. Kathy Sheran
Rep. Jack Consideine
Rep. Tony Cornish
Rep. Brian Daniels
Rep. Clark Johnson
Rep. Tina Liebling
Rep. Kim Norton
Rep. Duane Quam
Rep. Paul Torkelson
MnDOT Commissioner Zelle
Joanna Dornfeld, Office of the Governor