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HOUSE FILE NO. 2006

FIRST COMMITTEE ENGROSSMENT

March 23, 2009

Authored by Champion

The bill was read for the first time and referred to the Committee on Finance

Referred by Chair to Transportation Finance and Policy Division.

April 2, 2009

Returned to the Committee on Finance as Amended.

1.1 A bill for an act
1.2 relating to highway and transit construction; requiring road authorities to mitigate
1.3 construction impacts on small businesses; creating construction mitigation grant
1.4 program; appropriating money; amending Minnesota Statutes 2008, section
1.5 160.16, by adding a subdivision; proposing coding for new law in Minnesota
1.6 Statutes, chapters 116J; 161.

1.7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.8 Section 1. **[116J.432] CONSTRUCTION MITIGATION GRANT PROGRAM.**

1.9 **Subdivision 1. Purpose.** The purpose of the construction mitigation grant program
1.10 is to mitigate the impacts of transportation construction on local small businesses, to
1.11 promote the retention of jobs in transportation construction areas, and to provide outreach
1.12 to the public and small businesses to minimize interruption to local commerce. The
1.13 Department of Transportation, Department of Employment and Economic Development,
1.14 and local government units shall work together to ensure that the recommendations
1.15 of the Department of Transportation's 2009 report to the legislature on transportation
1.16 construction impacts and any statutory changes resulting from the report recommendations
1.17 are applied when implementing the grant program.

1.18 **Subd. 2. Establishment.** The commissioner of employment and economic
1.19 development shall develop and implement a construction mitigation grant program to
1.20 make grants available to local government units to mitigate the impacts of transportation
1.21 construction on local small businesses.

1.22 **Subd. 3. Definitions.** For purposes of this section:

1.23 (1) "applicant" means a local government unit;

1.24 (2) "commissioner" means the commissioner of the Department of Employment and
1.25 Economic Development;

2.1 (3) "eligible transportation project" means a project entirely or partially funded
 2.2 by state or federal funds that will affect one or more small businesses as a result of
 2.3 transportation work because the work is anticipated to impair road access for a minimum
 2.4 period of one month;

2.5 (4) "local government unit" means a county, statutory or home rule charter city,
 2.6 town, special district, or other political subdivision;

2.7 (5) "project" has the meaning given it in section 161.2415; and

2.8 (6) "small business" means a business that employs ten or fewer employees and is
 2.9 located in an area that is adjacent to an eligible project.

2.10 Subd. 4. **Applications.** A grant applicant shall prepare and submit to the
 2.11 commissioner a written proposal detailing a construction mitigation plan and strategies
 2.12 on how the applicant will implement the plan to meet the purpose of the grant program
 2.13 as provided in subdivision 1. An applicant shall identify any nonstate funding sources
 2.14 available to match state funds distributed under subdivision 5.

2.15 Subd. 5. **Fund distribution.** In distributing funds, the commissioner shall consider
 2.16 the types of businesses affected by the eligible transportation project and shall balance
 2.17 funding between eligible transportation projects within the seven-county metropolitan area
 2.18 and eligible transportation projects outside of the seven-county metropolitan area.

2.19 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.20 Sec. 2. Minnesota Statutes 2008, section 160.16, is amended by adding a subdivision
 2.21 to read:

2.22 Subd. 4. **Business signs.** A road authority, before entering into a contract for
 2.23 construction, reconstruction, or improvement of a street or highway, shall identify any
 2.24 business that will experience access, parking, or visibility impacts during construction.
 2.25 The road authority shall consult with affected businesses before and during construction to
 2.26 plan signage that will mitigate adverse effects on businesses during project construction.

2.27 Sec. 3. **[161.2415] MITIGATION OF TRANSPORTATION CONSTRUCTION**
 2.28 **IMPACTS ON BUSINESS.**

2.29 Subdivision 1. **Definition.** For the purposes of this section, "project" means road
 2.30 work to maintain, construct, reconstruct, or improve a street or highway, or for a transit
 2.31 improvement, if the work is anticipated by the road authority to impair road access to one
 2.32 or more business establishments for a minimum period of one month.

2.33 Subd. 2. **Business liaison.** (a) Before the beginning of project construction work,
 2.34 the road authority shall identify businesses that are adjacent to the construction area or

3.1 whose access to the business premises or parking will be impaired by the project and
3.2 designate an individual to serve as business liaison between the road authority and the
3.3 affected businesses.

3.4 (b) The business liaison shall provide information to the identified businesses,
3.5 before and during construction, concerning project duration and timetables, lane and
3.6 road closures, detours, access impacts, customer parking impacts, visibility, noise, dust,
3.7 vibration, and public participation opportunities.

3.8 Sec. 4. **FUNDING; APPROPRIATION.**

3.9 Subdivision 1. **Funding.** To the extent that the commissioner receives funds from
3.10 the American Recovery and Reinvestment Act of 2009, Public Law 111-5, for the
3.11 purposes of Minnesota Statutes, section 116J.432, funding for the construction mitigation
3.12 grant program must be done through federal dollars. The commissioner of employment
3.13 and economic development is directed to determine whether federal dollars are available
3.14 for this purpose.

3.15 Subd. 2. **Appropriation.** \$..... is appropriated from the general fund to the
3.16 commissioner of employment and economic development to implement a construction
3.17 mitigation grant program. This appropriation is only available if federal stimulus money is
3.18 not available. This appropriation is available until expended.

3.19 **EFFECTIVE DATE.** This section is effective the day following final enactment.