

Good morning, Mr. Chairman and members of the committee. I am Terra Miller Bowley, Deputy Director for Administration for the North Dakota Department of Transportation (NDDOT). I'm here to introduce and support House Bill 1102.

The intent of House Bill 1102 is to clarify and establish authority for the NDDOT to accept federal transportation-related grant funds and matching funds, whether public or private, for use on road, bridge and transportation-related projects on and off the state highway system.

Historically, the NDDOT has applied for transportation grant funding administered by the Federal Highway Administration (FHWA). This transportation grant funding was primarily for road, bridge and transportation-related projects on the state highway system and anticipated state and/or local public matching funds. In recent years the concept of transportation and what is incorporated into an interconnected transportation system has been evolving both at the state and local level.

The Infrastructure Investment and Jobs Act (IIJA) recently passed by Congress included a historic amount of funding for discretionary grant programs. Much of this funding was related to transportation including the largest federal investment for public transit, rail, bridges, and roads. Transportation grant funding under IIJA is being administered by a multitude of federal agencies beyond FHWA. The NDDOT would like to clarify and expand out authority to be able to apply for and administer any federal transportation related grants that our department would otherwise qualify to accept regardless of which federal agency is offering the grant.

Almost all transportation grant funding opportunities require matching funds. These grant funding opportunities are allowing the use of private funds in addition to or in lieu of public funds from state or local governments to meet these match requirements, which can be as much as 50%. Road, bridge and transportation-related projects often provide both a private and public benefit and can spur economic development. As a result, such projects can be attractive investment opportunities for private entities.

The NDDOT would like to ensure that we have the authority to apply for and administer any transportation-related grant funds for which we are eligible for as well as utilize any matching funds, both private and public, allowable under the grant. The NDDOT would also like to ensure that NDCC allows the agency to support a statewide interconnected transportation system, including road, bridge and transportation-related projects both on and off the state highway system. House Bill 1102 would accomplish this.

That concludes my testimony. Thank you.