

Taxpayers’ Transportation Accountability Act

Topic Selection Background Information

November 2025

<p>Program Overview</p>	<p>The Taxpayers’ Transportation Accountability Act (TTAA) requires the Minnesota Department of Transportation (MnDOT) to estimate the costs of certain state highway transportation projects before entering into private contracts. For projects estimated to cost more than \$250,000, MnDOT must determine that department staff could not do the work at a lower price before entering into private contracts. In Fiscal Year 2024, MnDOT outsourced all TTAA-governed projects—including 20 projects MnDOT estimated that department staff could have completed at a lower cost—primarily citing lack of staff availability.</p>
<p>Evaluation Questions</p>	<p>To what extent has MnDOT complied with contracting requirements in the TTAA? To what extent are the factors MnDOT uses to evaluate costs of performing work itself versus contracting out for a project appropriate and consistent? How effective has TTAA been at achieving its policy goals? How has the budgeting process affected MnDOT’s ability to capitalize on potential savings?</p>
<p>State Resources <i>Medium</i></p>	<p>In Fiscal Year 2024, MnDOT reported that it executed 113 private transportation contracts subject to TTAA requirements, which totaled over \$71 million.</p>
<p>State Control <i>High</i></p>	<p>MnDOT is responsible for improving state roads and managing transportation contracts. State law establishes the TTAA and the requirements for private transportation contracts.</p>
<p>Impact <i>Medium</i></p>	<p>The state’s trunk highway system has a significant impact on those who use the state’s roads. State-managed roads comprise less than 10 percent of Minnesota’s roads but carry approximately 60 percent of total traffic volume.</p>
<p>Timeliness <i>Medium</i></p>	<p>While there is no urgent reason for an evaluation that we are aware of, the state’s highway system continues to age and become increasingly expensive to maintain.</p>
<p>Feasibility <i>High</i></p>	<p>OLA could evaluate MnDOT’s compliance with the TTAA using standard evaluation techniques, including document reviews, surveys, data analysis, and interviews.</p>
<p>Balance <i>Medium</i></p>	<p>OLA most recently evaluated aspects of MnDOT projects in 2019 and 2021 but has never examined the department’s compliance with the TTAA.</p>
<p>Discussion</p>	<p>Since the TTAA took effect in 2009, MnDOT has executed 994 contracts subject to its requirements. MnDOT plans to invest significantly in the state’s highway system in the coming years, so now may be an appropriate time to evaluate MnDOT’s compliance with the TTAA.</p>