



Association of
Minnesota Counties

WELCOME!

TRANSPORTATION &
INFRASTRUCTURE
Policy Committee

February 23, 2023

TRANSPORTATION & INFRASTRUCTURE

Policy Committee



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Minnesota Counties

Call to Order

Pledge of Allegiance

Introductions

Approval of December 5, 2022
Committee Minutes



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BROADBAND LEGISLATIVE UPDATE

Nathan Zacharias
AMC Policy Analyst



STATE AND FEDERAL BROADBAND DISCUSSION

Deven Bowdry, DEED Legislative Liaison

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REP. ERIN KOEGEL

House Sustainable Infrastructure
Policy Committee Chair

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TRANSPORTATION LEGISLATIVE UPDATE

Emily Murray
AMC Policy Analyst



Transportation Funding Priority

AMC supports equity in transportation infrastructure through continued comprehensive transportation funding that includes new revenue for roads, bridges, and transit and a bonding bill that includes funding for transportation-related programs (Local Road Improvement Program, Local Bridge Replacement Program, Local Road Wetland Replacement Program, and Busway Capital Improvement Program.)



Governor's Transportation Budget Proposal

- \$722 million from GF for transportation investments over the next four years
 - \$358 million to TH fund to match IIJA federal funding opportunities
 - \$364 million to match multimodal investments
- \$100 million in one-time GF to provide local match for federal grants
- Adjustment to the motor vehicle registration tax
 - Nearly \$700 million in new HUTD fund revenue
 - \$227m to CSAH



Governor's Transportation Budget Proposal

Tab Fees

- Current law: \$10 plus 1.285% of the MSRP of a passenger vehicle, adjusted down annually
 - 100% in first year declining by ten percentage points each year until it reaches 10% in tenth year.
 - NEW: Annual adjustment begins at 160% of MSRP

Dedicated regional sales tax $\frac{1}{8}\%$ (0.125%) for transit operations and capital beginning October 2023



Governor's Capital Budget Recommendations

Governor Walz put forward a \$3.3 billion capital investment proposal, which includes general obligation bonds and cash for the following transportation and transit programs:

- \$144 million for the Local Bridge Replacement Program
- \$108 million for the Local Road Improvement Program
- \$72 million for Bus Rapid Transit
- \$16.8 million GO and \$7.2 million cash for the Local Road Wetland Replacement Program



House & Senate 2022 Bonding Bills

Combined, the two bills total \$1.9 billion in capital improvements across the state, with \$1.5 billion in the form of GO bonds and \$391.75 million in general fund cash. Below is a breakdown of the GO funding amounts for the four programs AMC was tracking through support for our transportation funding priority:

- \$67 million for the Local Bridge Replacement Program
- \$79 million for the Local Road Improvement Program
- \$72 million for Bus Rapid Transit
- \$12 million for the Local Road Wetland Replacement Program



What's on the table?

- Gas tax? Indexing more likely
- Tab fees – change to rate and/or depreciation schedule
- Metro sales tax – likely higher than 1/8%
- Auto parts sales tax 100% to transportation
- MVST rate equalization
- Delivery fee
- General fund dollars – IIJA match and one-time CSAH
- EV surcharge increase?
- Bonding

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Legislator Meetings Recap



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THANK YOU!

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