



# 2023 Legislative Update

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# Omnibus Transportation Bill

- Matching funds for IIJA
  - \$2M technical assistance for local gov'ts, tribes, metropolitan planning orgs
    - Up to \$30,000 each
  - \$216.4M to match federal grants
    - Up to \$10M each
- Federal funds coordinator at Minnesota Management and Budget



# New Revenues

- Indexes the gas tax to inflation (1/1/24?)
- Adjusts the motor vehicle registration tax (1/1/24) 
- Increases the motor vehicle sales tax to 6.875% (7/1/23)
- Metro-area sales tax (10/1/23) 
  - 83% to Met Council
  - 17% to counties
    - 41.5% for active transportation and corridor safety studies
    - 41.5% to repair/rehab existing facilities
    - 17% for transit, complete streets, GHG/VMT mitigation

# Transportation Advancement Account

- New “transportation advancement account”
  - 50-cent fee on deliveries over \$100 (excluding food and most tax-exempt items) (7/1/24)
  - 56.5% of the sales tax on auto parts by 2033 (43.5% to highway user fund immediately) (7/1/23)
- TAA distribution
  - 36% metropolitan counties (50% population, 50% needs)
  - 10% county state-aid highways
  - 15% large cities assistance
  - 27% small cities assistance
  - 11% town roads
  - 1% food delivery support

# Trunk Highway Bonding

## \$599M trunk highway bonding

- \$200M state road construction
- \$87M MnDOT facilities
- \$158M earmarks
  - TH 65 – Anoka County: \$68.75M
  - US 10 – Anoka County: \$30M
  - US 8 – Chisago County: \$42M
  - TH 61 – Two Harbors: \$11M
  - US 169 – Scott County: \$4.2M
  - TH 3 – Rosemount: \$2.2M



# Corridors of Commerce

- \$153M trunk highway bonds
  - \$8M in FY24
  - \$72.5M in FY25 and FY26
- \$25M cash in FY24 and FY25
- Regional balance
  - Metro Core: 25-27.5% of funds
  - Metro Connectors: 35-37.5% of funds
  - Regional Centers: 35-40% of funds

# Corridors of Commerce

- Creates new project readiness development fund
- Entire National Highway System is eligible
- Project screening process changes
  - Input from local legislators
  - Up to 3 projects for area transportation partnerships
  - Up to 4 projects for Metropolitan Council
  - Up to 2 per greater metropolitan county

# Corridors of Commerce

- TH 13 (Savage/Burnsville) – Grade separation: \$96M
- I-94 (Albertville to Monticello) – Lane expansion: \$78M
- TH 14/CSAH 44 (Byron) – Grade separation: \$60M
- TH 371/TH 210 (Baxter) – Grade separation: \$58M
- TH 23/TH 9 (New London) – Grade separation: \$33M
- TH 65 (Blaine) – Grade separation: \$30M
- TH 53 (Eveleth to Virginia) – Roadway improvements: \$18M
- TH 10 (Coon Rapids) – Lane expansion: \$8M



# Capital Investment Bills



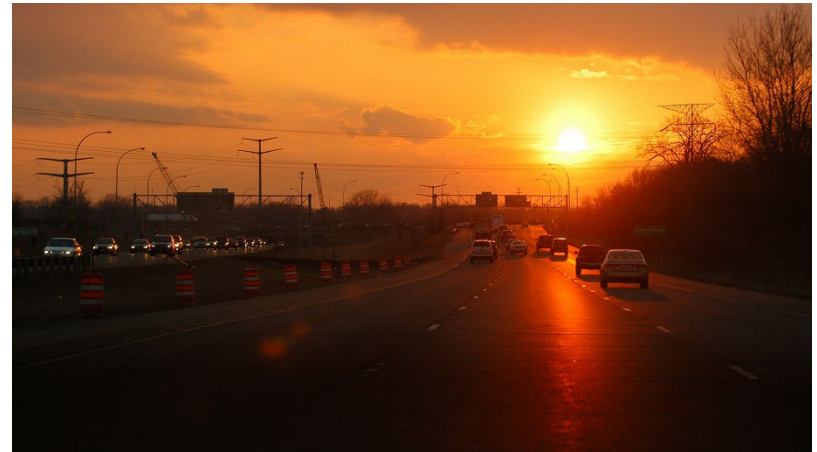
- \$85M Local road program
  - + \$146.5M earmarks
  - + \$18M in transportation bill
- \$67M Local bridge program
  - + \$42M earmarks
  - + \$18m in transportation bill
- Earmark highlights
  - TH 65 – Anoka County: \$34M
  - 3<sup>rd</sup> Street Bridge – St. Paul: \$25M
  - TH 36 & Lake Elmo Avenue – Washington County: \$15M
  - US 169 CSAH 4 – Sherburne County: \$11.7M
  - CSAH 18 – Carver County: \$10M

# Contracting Modifications

- Indian employment preference
  - Projects on or near reservations
- Tribes now eligible for state-aid programs
  - Safe Routes to School, Active Transportation, Local Road programs
- Increase in equity-select for 16C projects
  - Up to a 12% preference (was 6%)
- Increase in direct-select for 16C projects
  - Up to \$100,000 (was \$25,000)

# Working Groups

- Greenhouse Gas Emissions Impact Working Group
- Infrastructure Resilience Advisory Task Force
- Clean Transportation Fuel Standard Working Group
- Advisory Council on Traffic Safety
- Environmental Standards Procurement Task Force
- Active Transportation Advisory Committee
- Rideshare Regulation



- **Transit Signal System Planning**
- **Blue Line Light Rail Engagement Meetings**
- **Met Council must use MnDOT staff assistance for:**
  - (1) delivery method selection for light rail projects;
  - (2) risk assessment analysis in the planning, designing, and construction of light rail;
  - (3) contractor and subcontractor schedule analysis and contractual requirements;
  - (4) light rail cost management and budget analysis; and
  - (5) any other technical areas of expertise MnDOT may offer.

# Installing EV chargers along I-94 and I-35 (dates may shift)

**Feb – April  
2023**

**STIP amendment and Fed Authorization**  
Amend the 2023-2026 STIP.  
Preliminary authorization from FHWA for site selection RFP.

**Mar – Fall  
2023**

**Site Feasibility and Draft Site Application**  
Work on site feasibility and application approach.

**Oct-Dec  
2023**

**RFP – Site Applications**  
RFP will invite third-party applicants to submit proposal for sites within the clusters of exits.

**Jan - Mar  
2024**

**Project Selection**  
MnDOT will select 16-18 projects for the first round of investment from NEVI. One site per cluster of exits will be selected.

**Mar-Jun  
2024**

**NEPA**  
Carry out NEPA process.

**Jul – Sep  
2024**

**Construction Authorization and Agreement Development**  
Construction authorization from FHWA. MnDOT will enter into agreements with site hosts and/or installers.

**Begin Oct  
2024**

**Installation**  
Once agreements are executed, the charging stations will be installed.

# Challenges

- Workforce – hiring and retaining challenges, staying competitive in the market
- Construction inspector workforce becoming less experienced
- Some tech schools dropping programs for lack of instructors
  - Working with schools, counties and industry to fill instructor positions
- Input on MnDOT plans and projects
  - Talk to your networks: we value input

# Next Session Schedule

- Preliminary capital and policy proposals already submitted
- September 15: policy proposals due
- Early October: preliminary operating budget proposals due
- October 13: final bonding requests due
- October 31: agency bill drafts due
- January 15: governor's capital budget recommendations released
- **February 12: session begins**
- March: governor's operating budget recommendations released

# Next Session MnDOT Policy Initiatives

- Trunk Highway Bond Appropriations
  - Make technical corrections to appropriations in Anoka County (Hwy 10), Anoka County/City of Blaine (Hwy 65), Chisago County (Hwy 8), and Scott County (Hwy 169 interchange)
- Local Transportation Disaster Support
  - Allow funds to also be used for damage associated with declared disasters that are ineligible for assistance from existing State and Federal disaster programs
- Safe Routes to School Eligibility
  - Clarify language so that the adoption of regulations by the applying city, county, or town for infrastructure projects is not required for non-infrastructure projects



# Thank you!

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