



Association of
Minnesota Counties

WELCOME!

AMC FALL POLICY CONFERENCE

September 13–15, 2023

TRANSPORTATION & INFRASTRUCTURE

Policy Committee



Association *of*
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Call to Order

Pledge of Allegiance

Introductions

Approval of February 23, 2023,
Committee Minutes





THURSDAY AGENDA



- NEW Transportation Funding and Policy Overview
- GHG Emissions Impact Mitigation
- BREAK
- State and Federal Broadband Funding Update
- Update on PLSS Funding

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FRIDAY AGENDA

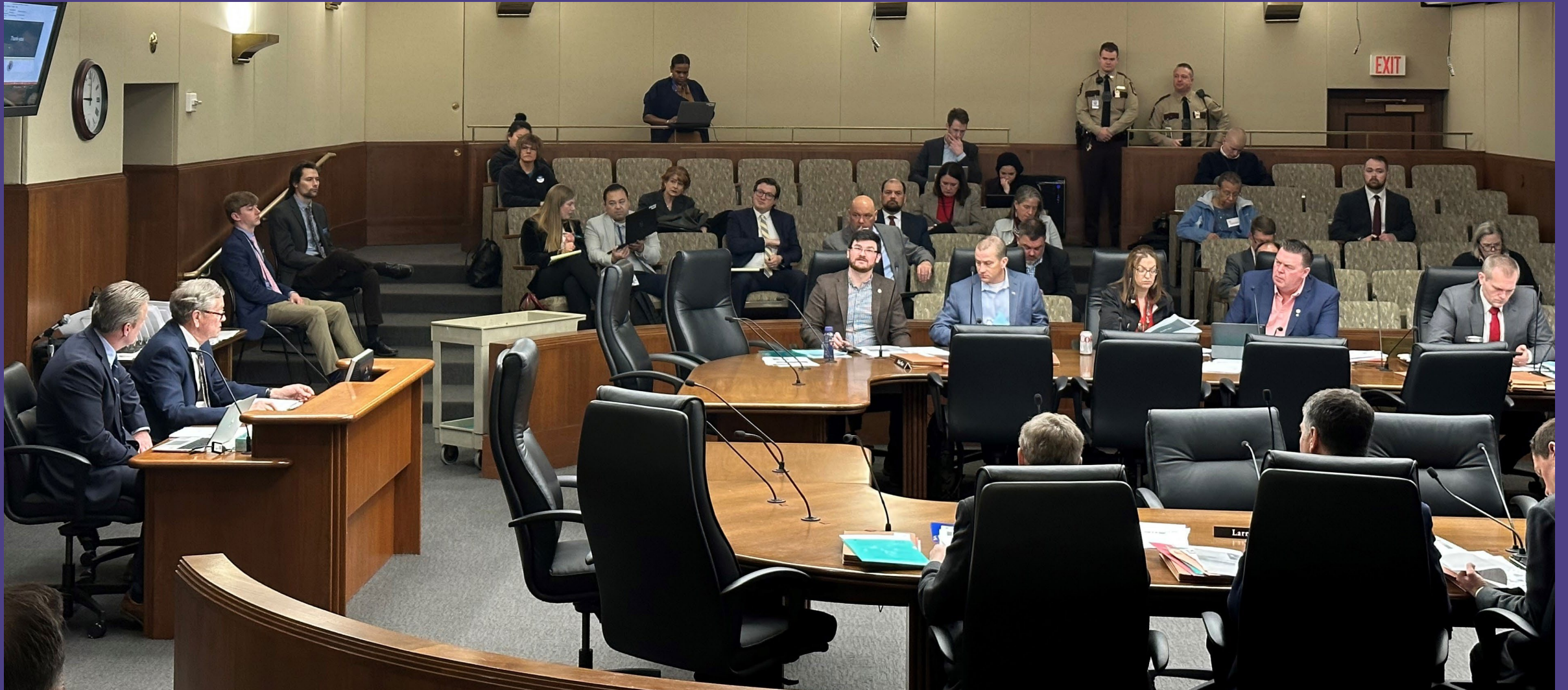


- MnDOT State Aid Update on Legislative Funding
- 2023 Session Review
- Commissioner Ideas Exchange and Platform Amendment Discussion
- TIPC Priority Setting

2023 Session Review



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TIPC Chair and Pope County Commissioner Gordy Wagner presents before the House Transportation Committee with MCEA Secretary and Legislative Committee Co-Chair Lyndon Robjent (Carver County)

Overview

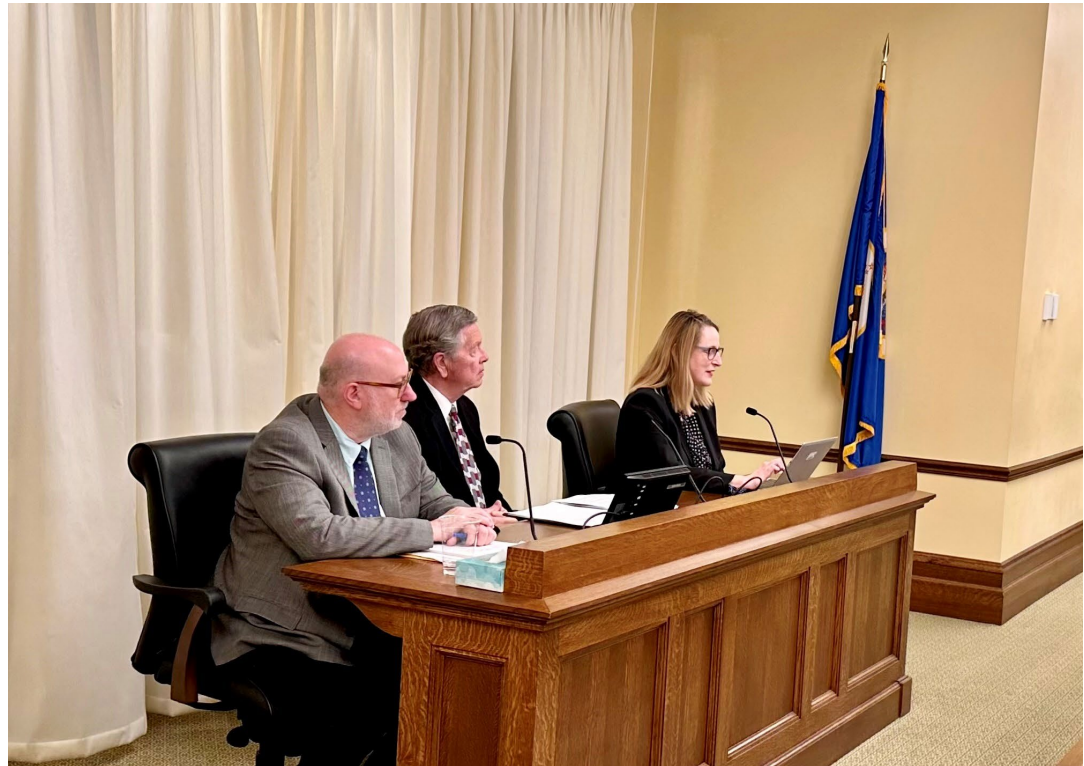
2023 Legislative Session

- Setting the stage

Transportation Finance and Policy Bill

- Funding provisions
- Policy items

Capital Investment Bills



House Transportation Committee Chair Frank Hornstein, TIPC Chair and Pope County Commissioner Gordy Wagner, and Hennepin County Commissioner Marion Greene testify on HF2887



2023 Session Recap

- Single party control
- Budget surplus/HUTD Fund revenues down
- Budget year + bonding
- Fast pace from day one
- Record number of bill introductions
- No special session



Transportation Funding Provisions

- Indexes the motor fuels excise tax to CCI
- Increases the rate and changes the depreciation schedule for tab fees
- Increases the MVST rate from 6.5% to 6.875%
- Implements a 50-cent retail delivery fee on orders over \$100
- Imposes a $\frac{3}{4}\%$ sales tax in the metro area for transit and transportation purposes
- Includes a gradual phase-in of 100% of the revenue from the sales tax on auto repair parts to transportation, with full phase-in by 2033



Retail Delivery Fee

- Senate and House started with a 75-cent delivery fee
- Senate eventually removed the delivery fee from its bill
- It was unclear what the conference committee would do and if they had the votes in the Senate
- Conference Committee report included the following
 - 50-cent delivery fee on orders over \$100
 - Does not include hot or cold food delivery
 - Most tax-exempt items not included, except clothing
 - Revenue flows to the Transportation Advancement Account



Auto Parts Sales Tax

- Modifies the allocation of the state general sales tax revenue attributed to automotive repair and parts as follows:
- (1) 43.5% to the HUTD Fund
- (2) a % to the Transportation Advancement Account:

in FY24, 3.5%	in FY29, 21.5%
in FY25, 4.5%	in FY30, 28.5%
in FY26, 5.5%	in FY31, 36.5%
in FY27, 7.5%	in FY32, 44.5%
in FY28, 14.5%	56.6% in FY33 and thereafter;
- (3) The remainder each fiscal year to the General Fund



Transportation Advancement Account

- Revenue from the delivery fee, auto repair parts sales tax (>43.5%), 17% of Metro Sales Tax (Metro Counties only)
- 36% to the Metro Counties
- 10% to CSAH
- 15% to Large Cities Assistance Account
- 27% to Small Cities Assistance Account
- 11% to Town Road Account
- 1% to newly created Food Delivery Support Account



Transportation Advancement Account

- 36% distribution to Metro Counties
 - Distributed among 7 metro counties based 50% need/50% population
 - 41.5% for active transportation and transportation corridor safety studies
 - 41.5% for repair, preservation, and rehabilitation of transportation systems without adding capacity
 - 17% for transit purposes; complete streets; projects, programs, and operations activities that meet the requirements of a mitigation action (GHG/VMT)



Other Provisions Included (funding)

- Includes \$18 million from the General Fund for LRIP and LBRP (in addition to what's in the bonding bill)
- Corridors of Commerce \$153 million
- Federal Transportation Grants Technical Assistance \$2 million
 - Grants may not exceed \$30,000
- IIJA Federal Match Discretionary Grants \$216.4 million
 - \$10 million max per project
- New Local Transportation Disaster Support Account
 - \$4.3 million in FY24 and \$1 million ongoing



Other Provisions Included (policy)

- Greenhouse Gas Emissions Impact Assessment
 - 2 representatives from MCEA (Joe MacPherson, Lyndon Robjent)
- Advisory Council on Traffic Safety
 - 1 representative from AMC (Commissioner Julie Jeppson)
 - 1 representative from MCEA (Andrew Witter)
- Safe Road Zones
- Truck size/weight provisions:
 - Towing and recovery vehicles
 - Forest Product Special Permit
 - Special Farm Products Permit
 - Definition of qualifying agricultural products to include raw or processed grass seed



Other Commissions/Task Forces

Greenhouse Gas Emissions Impact Mitigation Working Group

- 2 reps from MCEA: Joe MacPherson, Anoka County and Lyndon Robjent, Carver County

Advisory Council on Traffic Safety

- 1 rep from AMC: Anoka County Commissioner Julie Jeppson
- 1 rep from MCEA: Andrew Witter, Sherburne County

Metropolitan Governance Task Force

- 1 county commissioner representing counties in the metro area: Washington County Commissioner Karla Bigham

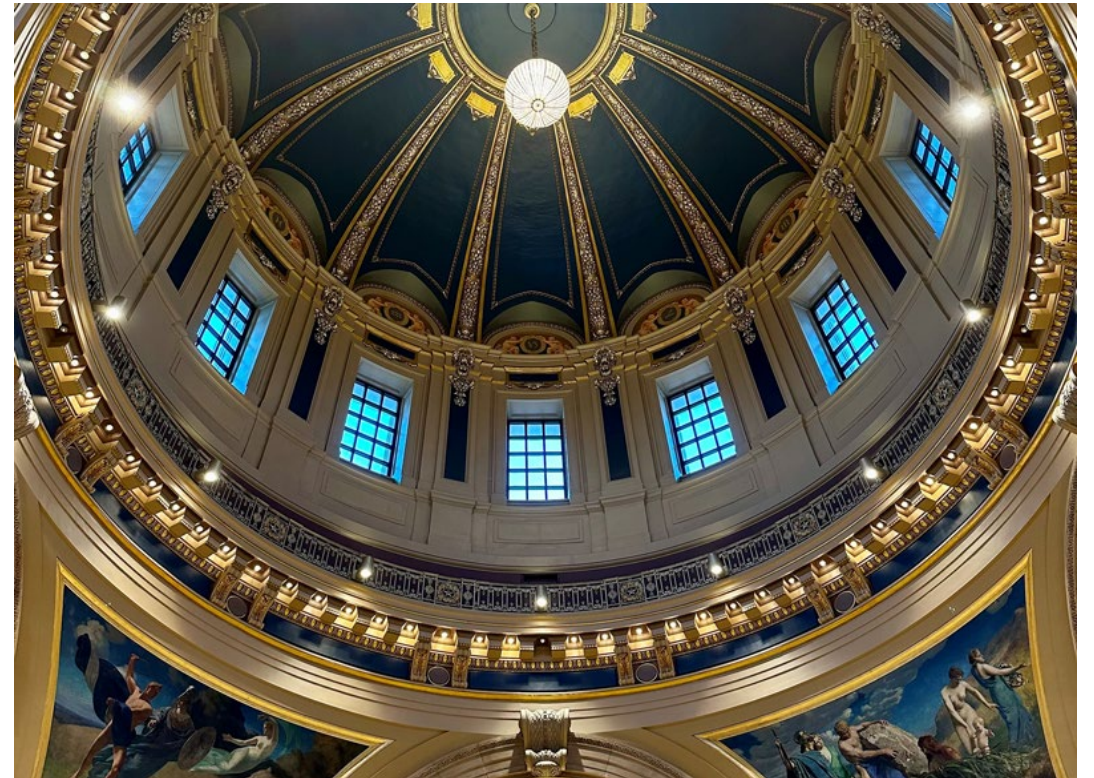
Infrastructure Resilience Advisory Task Force

- 1 member appointed by AMC: Clay County Commissioner Paul Krabbenhoft



Capital Investment Bills

- Final package included two bills totaling \$2.6 billion in statewide investments
 - HF669 \$1.5 billion GO bill
 - HF670 \$1.1 billion GF cash bill
- \$85 million GO bonds for LRIP
 - +\$18 million cash = \$103 million TOTAL
- \$67 million GO bonds for LBRP
 - +\$18 million cash = \$85 million TOTAL
- \$12 million GO bonds for LRWRP
- \$72 million GO bonds for Bus Rapid Transit
- \$3 million GO bonds for Greater MN Transit



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COMMISSIONER IDEAS EXCHANGE AND PLATFORM AMENDMENT DISCUSSION

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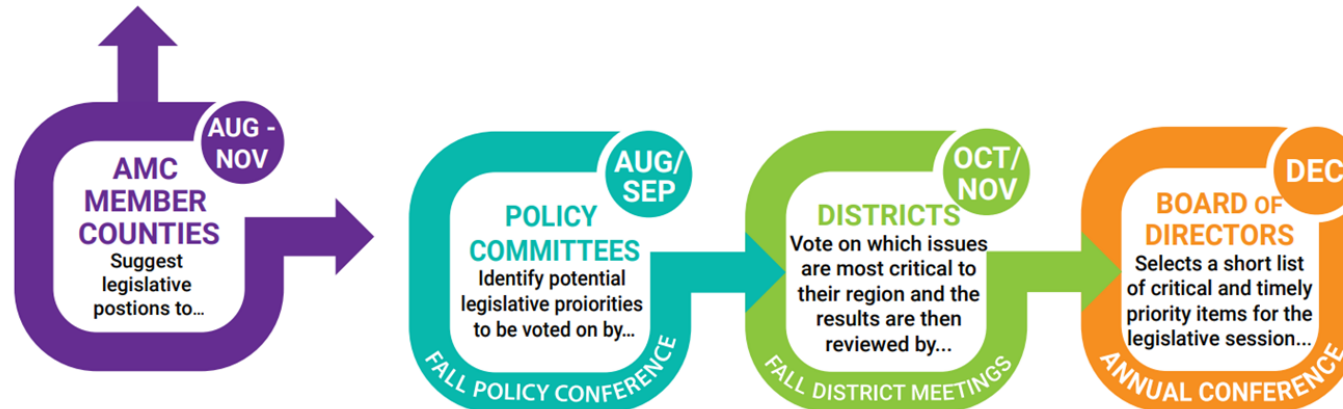


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ANNUAL LEGISLATIVE DEVELOPMENT PROCESS

Legislative PLATFORM Development



Legislative PRIORITY Development

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PRIORITY SETTING PROCESS

Emily Murray
AMC Policy Analyst



- The purpose of developing a small number of priority issues is to *focus* our legislative team and members on the most important issues to counties.
- It will *raise the visibility of counties* as proactive and solution-focused partners of the state. It will help us to focus our conversations with legislators.



1. Is this item *actionable*? (Can we introduce a bill to address the issue?)
2. Does the issue impact the *majority* of counties or is the issue of such concern in a smaller group of counties that the membership sees the need to elevate the visibility to enact change?
3. Does this issue have a *sizeable fiscal impact* on counties?

HOW DO PRIORITY ACTION ITEMS FIT WITH LEGISLATIVE PRINCIPLES?



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AMC has three broad principles that we advocate for each year.

“Priorities” are action items that might advance these principles:

1. Preserve local control so that counties have the flexibility to address the most pressing needs of their communities.
2. State budget solutions should avoid adding or shifting a disproportionate burden to counties through cost shifts, cost shares and unfunded mandates.
3. Funding for county-administered services should be commensurate with the level of service/results deemed acceptable.



Context going into the 2024 session:

- Short session
- Just passed \$72 billion “One Minnesota Budget”
- Another bonding bill – \$1 billion General Fund cash target, reserved for 2024



What is one issue/area/priority you believe staff should be focused on for the 2024 legislative session as it relates to the Transportation & Infrastructure Committee?

TIPC POTENTIAL 2024 PRIORITY ACTION ITEMS



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We can choose up to **FIVE** priority action items:

- *Bonding?*
- *GHG/VMT?*

TIPC POTENTIAL 2024 PRIORITY ACTION ITEMS



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- 1. AMC supports a bonding bill that includes funding for transportation-related programs, including the Local Road Improvement Program, the Local Bridge Replacement Program, the Local Government Roads Wetland Replacement Program, and the Busway Capital Improvement Program.*

TIPC POTENTIAL 2024

PRIORITY ACTION ITEMS



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- 2. AMC supports determining transportation greenhouse gas (GHG) emissions and vehicle miles traveled (VMT) impacts on a statewide programmatic level that considers the differences in mitigation opportunities throughout the state. Counties also support exempting interchange projects that are being planned to mitigate known safety issues from GHG and VMT assessment.*

TIMELINE FOR THE LEGISLATIVE PROCESS



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If you have a platform amendment that you'd like to submit, we are asking members to complete the [AMC Policy Platform Amendment Proposal Form](#).

One form is required for each proposed amendment, **please submit forms to AMC staff by November 3rd!**

We will take final action on the platform at our December meeting. Committees may meet prior to our Annual Conference for additional presentations and/or discussions.

The priority items we discussed today may be further revised/clarified during a future policy coordinating committee. After approval, priorities will be voted on during AMC District Meetings in October–November.

The AMC Board will select the final list of legislative priorities in December.



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Policy Process Review



Why

AMC 2022 Board identified strategic goal

Goals:

- Identify opportunities to strengthen AMC's policy and lobbying efforts
- Identify opportunities to increase member engagement
- Identify different approaches to the policy platform and priority process.



How:

- Informal Feedback
- Engagement with Policy Committee Chairs and AMC leadership
 - Surveys
- Staff Engagement
 - Other?



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Questions?

Emily Murray, Matt Cook
and Angie Thies



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THANK YOU!

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