



2017 Mid-Session Legislative Update

Presentation to MFAC

March 31, 2017

Transportation Financing Proposal - History

- Transportation Finance Advisory Committee (TFAC) Needs
- \$12 billion over 20 years ***just for state roads***
- About \$24B including local roads
- Metro transit was about \$5B



Transportation Financing Proposal – Overall Proposals

Three years ago Governor proposed half cent metro sales tax for transit. Before the 2015 session, added proposal for roads and bridges

The 10 year proposal included:

- 6.5% gross receipts tax - \$4.58B
- Increases in registration taxes - \$1.42B
- \$2.0B in trunk highway bonds
- Half cent increase in the metro sales tax - \$3.0B
- Almost \$2.416B of the above for local roads

Sufficient, reliable, sustainable funding



Transportation Financing Proposal – House

- House Proposal – HF 861 (Torkelson)

General fund transfer - \$3.5B

Trunk Highway Bonds - \$1.3B

Existing funds - \$1.2B



Transportation Financing Proposal – Senate



- Senate proposal

General fund transfer - \$3.6B

Trunk Highway bonds - \$325M

Existing funds - \$1.1B

Transportation Financing Proposals - Transit

- In both House and Senate proposals

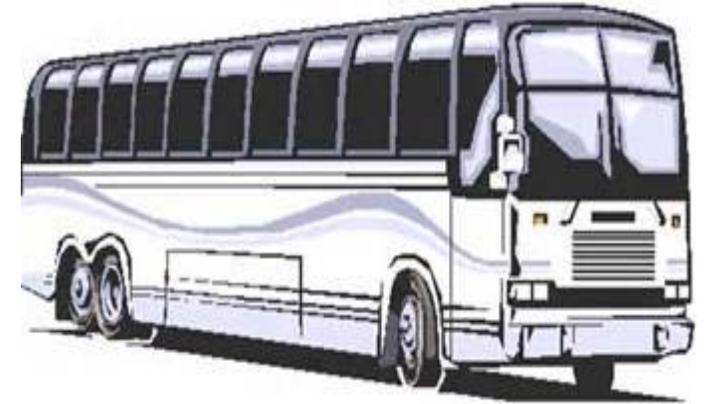
Decreases in transit funding

Eliminate state responsibility for LRT operating costs

Increase costs of right of way

Prohibition on borrowing that uses motor vehicle sales taxes as debt service

Spending prohibition by local government without legislative approval



Governors Transportation Proposal - Not Included

- Funding for the freight office
- Truck permits cleanup
- Additional rail inspectors
- Rail grade crossing safety improvements increase of \$3.75M
- Rail grade crossing improvement program \$32.5M
- Changes to Minnesota Rail Service Improvement program



MnDOT Policy Proposals – Currently Included



- Allowing overweight milk trucks on interstates by permit (FAST Act provision)
- Exemptions for pipeline welding trucks
- “Dimler” exemption removed for holders of CDL learners’ permit
- Yield signs at railroad crossings

Other Policy Included



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- Oil and hazardous materials rail safety program
- Forgiveness of \$4.3 million loan to Minnesota Valley Regional Rail Authority
- Blanket allowance for a 10% overweight increase to single-axle milk trucks
- Overweight permit for trucks hauling construction materials
- Rail quiet zone program

Thank you!

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