

MCEA Summer Conference Legislative Committee Report

June 16, 2022
MCEA Legislative Committee





Overview

- Regular Session Recap
 - Transportation spotlight: IIJA and Auto Parts Sales Tax
 - Omnibus State Government Finance Bill (includes Transportation)
 - Bonding Bill
 - Other policy bills
- Special Session Update
 - IIJA
 - Bonding Bill



Regular Session Recap

- Split Legislature
- Hybrid logistics
- Historic projected surplus
- Election year/redistricting/retirements
- End of session politics



IIJA

Governor's supplemental budget recommendations included a significant infusion of GF cash for the non-federal match to IIJA funds:

- \$200 million from GF in 2022/2023 to HUTDF for IIJA matching funds
 - \$65 million to CSAH
- \$40 million/year from GF to a separate pot for other modes

February 3 House Transportation Committee hearing on IIJA and its potential for transportation in MN





Auto Parts Sales Tax

House Position (HF3931, Huot)

- 60/40 split, mirrors MVST
- 60 = 53% HUTDF, 4% small cities, 3% town roads
- 40 = 36% metropolitan area transit account, 4% greater MN transit account
- Standalone bill as amended went to the Tax Committee where it stayed

Senate Position (SF3086, Howe)

- 86% HUTDF
 - 7% small cities
 - 7% towns
- Standalone bill passed off the Senate floor with bipartisan support (59-7)
- Provision was added to the Senate side of the Omnibus Transportation Bill

Omnibus State Government Finance Bill

Funding Proposals Comparison



\$360 million from the general fund in FY22-23 and \$486 million in FY24-25

House Position

- \$225m General Fund target
- IJA match: \$30.86m one-time GF appropriation to CSAH
- Federal Funds Local Assistance Program: \$36.8m
- EV infrastructure IJA match
- Active Transportation, \$12.5m

Senate Position

- 100% statutory dedication of the revenue from the auto parts sales tax to transportation
 - 86% HUTDF, 7% small cities, 7% towns
- IJA match money, similar to Walz supplemental budget recommendation
- EV surcharge increase (\$229)

Omnibus State Government Finance Bill

Policy Provisions Comparison



House Position

- Traffic Safety Advisory Council, AMC and MCEA reps
- Highways for Habitat Program
- Corridors of Commerce
- Speed limits in Ramsey County
- **Forest products special permit**
- **LRIP Advisory Committee, adds MAT rep**
- Federal funds local assistance program

Senate Position

- Metro counties LOST report to Legislature
- County responsibility for guideway funding
- Corridors of Commerce
- Weigh limits for towing/recovery vehicles
- MSAS designation/lane reduction
- **Special farm products permit, grass seed**
- **LRIP Advisory Committee, adds MAT rep**
- **Report on status of public land monuments**

Bonding

2022 = Bonding year

\$1.4 billion bonding bill in global agreement

Senate Capital Investment Chair Tom Bakk said the bill would include:

- \$1 billion asset preservation – including roads + bridges
- \$400 million local projects
- \$150 million in GF cash

Unfortunately, no bonding bill introduced before May 23



Other policy bills



- HF2771 (Becker-Finn)/SF4198 (Coleman) Authorizes counties to set speed limits on roads under their jurisdictions without a prior engineering and traffic study or authorization by MnDOT
- HF2854 (Sundin)/SF3751 (Ingebrigtsen) Board of Water and Soil Resources local road wetland replacement program funding provided, and money appropriated
- HF3311 (Ecklund)/SF3509 (Eichorn) Clean Water Act; funding provided for state to assume 404 permitting, report required, and money appropriated
- HF3216 (Frederick)/SF2647 (Coleman) Local road improvement program advisory committee membership amended, adds one member from MN Association of Townships
- HF3317 (Davids) Automated speed enforcement prohibited
- HF3983 (Bernardy) Highway right-of-way mowing practices regulated, and pollinator habitat management provided
- HF4060 (Stephenson)/SF3938 (Hoffman) Motor fuel tax temporary moratorium on imposition established, transfers made, and money appropriated
- SF3996 (Johnson Stewart)/HF4242 (Long) Speed safety camera pilot program establishment and appropriation
- HF4313 (Hansen)/SF4110 (Dibble) Highways for habitat program establishment and appropriation
- HF4456 (Anderson)/SF4037 (Johnson Stewart) Grants appropriation to perpetuate public land survey system monuments and associated data





Special Session Update

- During end of session dynamics, Governor Walz said he would NOT call a special session
- Differences in opinion between the House and Senate majorities
- Initially, the decision was for legislators to go home for a few days and resume discussions after Memorial Day
- Trying to keep the momentum alive
- IJA and Bonding bill key to a special session
- Current rumor is that there won't be a special session before the August Primary (August 9)



Questions?

