

Date: July 9, 2015

To: The I-35W Solutions Alliance Board of Directors

From: Rob Vanasek

Re: Legislative Report

The 2015 First Special Session began the day after our last meeting and it's work was completed in a little over 16 hours. A \$373.4 million bonding bill (\$163 in general obligation bonds and \$140 million in trunk highway bonds) was the last bill passed, HF 2 / Chapter 5, and contained the additional \$10 million in general obligation bonds for the 77th Street Underpass in Richfield. The bill passed 96-25 in the House (needed 81 to pass since it was a bonding bill requiring a 60% majority) and 48-18 in the Senate (needed 41 to pass). Governor Dayton signed the bill into law the next day.

A Comprehensive 2016 Transportation Bill?

In the last days of regular session the Senate insisted that without a gas tax increase for transportation, there would be no Senate support for a corresponding tax cut bill.

During special session the Senate Majority Leader made a commitment to the Senate Minority Leader that there would be a tax bill in 2016, irrespective of a comprehensive transportation funding package. The Senate Majority Leader has also made comments since the end of special session suggesting that it is very difficult to pass a gas tax increase in an election year.

In the News

Southwest LRT has made progress in trimming the total cost back on the line and many local communities along the line have pledged additional dollars to bring the proposed line within range of a \$1.74 billion price tag. The Metropolitan Council voted to approve the changes yesterday. The state is short \$151 million for their required \$165 million, 10% match. House Chair Tim Kelly has sent an 8 question letter to the Metropolitan Council challenging the use of a backup option using certificates of participation to meet the state's match. A meeting between Chair Kelly and Metropolitan Council Chair Adam Duininck is next week.

On Sunday, the StarTribune editorial described the legislative outcome on transportation as "A giant step backward." The editorial called for the legislature to raise new money via a comprehensive transportation funding increase for roads and transit. It also points out that since the beginning of the year gas has increased \$.75 per gallon and 12 states passed major funding packages and that 9 of those 12 were republican controlled. Twin Cities taxpayers are said to pay for have of the costs of our road system, the 5th most road mileage of any state, despite having 13% of the road mileage.