

Date: January 13, 2021

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

From: Rob Vanasek

Re: Legislative Report

Every session is different. This one will be extraordinary. All the buildings are off limits to the public at the current time, unless you have an appointment with a Senator, in which case you are escorted to their office. Nearly every meeting is over Zoom, including meetings with legislators, the committee meetings and much of the floor sessions. Public gatherings are not allowed inside.

Most legislators and nearly all staff are working remotely. The Senate is working to get technology in place by February which will allow “hybrid” meetings where the committee members meet in person, but most of the public is required to watch the video feed.

The governor must present his budget to the legislature by the end of the month based on the \$1.3B deficit (\$2.6B if inflation counted) as depicted in the November Economic Forecast. The two-year budget should be balanced and enacted this session based on the February forecast, which hopefully improves the outlook.

House Transportation Committee Changes

Frank Hornstein, Chair

Erin Koegel, Vice Chair

John Petersburg, Republican Lead

The Vice Chair and Republican Lead are not new to the committee but are new to their new committee roles. Our local Representatives, Elkins, Masin, Koznick all remain on the committee. Representative Tabke lost his election.

Senate Transportation Committee Changes

Scott Newman, Chair

John Jasinski, Vice Chair

Scott Dibble, Ranking Minority Lead

No changes in the committee leadership. Senator Jim Carlson remains on the committee. Senator Franzen is no longer on the committee and Senators Hall and Little lost their elections.

Meetings with the Chairs and Governor’s Transportation Staff, Others

In late November and in December, a group of transportation lobbyists met first with Chair Hornstein, then with the governor’s transportation policy advisor Suzanne Sobotka, and finally with Chair Newman. We learned from Hornstein that the latest projections had MnDOT’s 2020-2021 budget mostly whole but a 10-11% shortfall in 2022 totaling

~\$60M. Concerns were expressed to Hornstein (and Newman) on a potential reallocation of the sales tax on auto parts away from transportation and back to the general fund. (There's currently over \$400M in this category.) Hornstein shared that the Speaker still supports a robust transportation bill.

Sobotka was asked how can transportation get more attention from the governor and she advised to continue to build support around a comprehensive transportation bill that focuses on fatalities and safety, engages economic recovery themes, and crosses multiple issue areas, such as sustainability/climate resiliency – think about the rural and urban roads that are flooding more frequently like HWY 19 in Henderson. She mentioned the fiscal cliff facing transit.

Senator Newman was attentive, engaged, and he showed interest assorted proposals to increase transportation funds and asked for several pieces of background.

Finally, Britta and I attended a fundraiser with most of the House Republican Transportation Committee Members just before the election. Representative Torkelson noted:

1. Highway safety is suffering – fatalities are way up year over year
2. Transit is in a very challenged situation right now with ridership way down
3. Good news is car sales (and tax collections on sales that go to the highway fund) are up but the gas tax collections are down
4. MnDOT road construction has been good, but will drop

This session the transportation committees will be forced to wrestle with transit but I don't expect breakthroughs outside of that space yet. Questions remain on whether transportation committees can protect the funding that had been previously projected levels of transportation spending. The legislature will be digesting the governor's budget proposal most of February and working on their plans at the committee level well into March.

May 17: Adjournment at midnight as constitutionally required