

Date: March 12, 2020

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

From: Rob Vanasek

Re: Legislative Report

Nest Wednesday is “Transportation Day on the Hill” and may be the only major conversation on transportation issues during this year’s session, and it won’t even be at the capitol, but across the street. The theme this year is pushing for a big bonding bill that includes big ticket line items for transportation, but I expect push back from Capitol Investment Chair Murphy and other House members while various Senators make the case for significant bonding for transportation. The Senate will be the driver of any significant transportation discussions.

Scheduled speakers include the Commissioner of MnDOT, the Chair of the Metropolitan Council, Congresswoman Angie Craig, and multiple transportation leaders from the legislature.

I am having conversations with key legislators about the needs in the 35W traffic-shed and our renewed priority project list. There’s interest in our projects from some members and I am working with them to draft legislation that further illustrates our priority projects and the need for transportation funding. There’s potential for a hearing in the House in April that we may be able to participate in.

Bonding Bill

The House Capital Investment Committee has been meeting 2-3 times each week, and although they are hearing a multitude of bills, hardly any have been transportation related. Chair Mary Murphy has stated she currently expects no cash to be available to the committee for the bill.

The committee heard a presentation on the Governor’s bonding recommendations for MnDOT on February 19 from the MnDOT Commissioner and her staff.

In addition to the various local road and bridge recommendations I reported last month, the Department outlined it’s Trunk Highway Bonding recommendations. They presented spending about \$10.5M in the next two years and another \$14M in FY23 to pay debt on an expected \$169M in Trunk Highway bonds in this year’s bonding bill. \$110M of the \$169 would be prioritized for Rail Grade Separation projects, leaving \$59M left for the Facilities Capital Improvement Program, which will construct or renovate multiple truck stations across the state, including in Edina and Jordan.

No funding for Corridors of Commerce was recommended. (A bill was introduced in each chamber last year for \$400M for CoC, SF 2826/HF2837 (Jasinski/Torkelson).) Also

notable, \$800M for high priority bridges were not recommended for funding at this time, but MnDOT is planning to ask for that funding beginning in 2025. One of examples illustrating the needs was the TH 77/HWY 62 interchange in Richfield.

The Senate Capital Investment Committee has met once. In speaking with folks in the Senate, I expect the committee to meet more following the policy and finance committee deadlines later this month.

February Economic Forecast/Covid-19 Impact

Minnesota's budget and economic outlook nudged slightly up since November per the February Economic Forecast released on the 27th of last month.

However, that was released the day before bad news started making headlines concerning public health and the global economy due to the virus that had had been thought to have been contained to China. The governor finalized his supplemental budget plan late last week, but then retooled it due to the worsening economic and public health updates that also precipitated a visit by the Vice President last week to Minnesota. Passage and enactment of a twenty million dollar response preparation bill funding the Department of Health earlier this week may only be the first unexpected hit to the state's coffers.

The pandemic will reduce the likelihood of one-time cash being made available for the bonding bill.

It is possible the Capitol Complex shuts down temporarily depending on the spread of the virus in the state. Many groups have begun to cancel their day at the capitol, but until public health officials advise the various branches of government with authority over the capitol complex otherwise, the capitol remains open if not a little less noisy than usual.