

Date: June 11, 2026

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

From: Rob Vanasek

Re: Legislative Report

The 2026 Regular Legislative Session came to an orderly end with quite a few members applauding their work as the gavel dropped sine die.

There were low expectations but the closing days and hours saw a \$1.2B bonding bill get finalized after work through the night. A joint Senate and House Capital Investment Committee Hearing late afternoon on the last day walked through the bonding bill agreement projects and numbers. More details follow below.

As final language emerged on the \$254M one-time reduction in tab fees the agree to provisions did include a transfer of General Fund money at the same amount to backfill the Highway User Tax Distribution Fund (HUTDF). This protects existing budgets for interchange, road, bridge and pavement projects.

The global agreement between the four caucuses built the framework to enact a bonding bill and many other individual bills, but large portions of work in other subject areas including transportation did not make the finish line. Unlike two years ago when significant investments were made in Corridors of Commerce and a handful of other major areas, an omnibus transportation bill for finance or policy did not come together as depicted in our last meeting.

Bonding/Capital Investment Bills

HF 2484/Chapter 129 is the Capital Investment Cash Bill (\$28.7M). We were able to insert language that would extend by three years the appropriation for the Corridors of Commerce grant awarded to the improvements along TH 13 in Savage and Burnsville to June 30, 2029.

HF 719/Chapter 130 is the Capital Investment Bonding Bill (\$1.24B) that invests \$177M into transportation projects total, including \$50M for the Local Road Improvement Program—\$3M of which is earmarked for Highway 13, \$25M for the Local Bridge Replacement Program, zero for Corridors of Commerce, zero for pavement, and several significant investments in our priority projects:

- \$6M for I-35 and County Rd 50
- \$3M for Highway 13

- \$1.2M for I-35 and County Rd 2

A new requirement in the bill for local governments is a maintenance/preservation plan for any project they are receiving bonding money for.

Highway 13

Bryant's presentation at our last meeting showed about a \$41M funding gap, which is now down to about a \$38M funding gap. We bought some more time with the extension language of the \$47.5M of Corridors of Commerce in the Cash bill above, but following a lot of work by us, Scott County, Savage, Burnsville and others our legislative champions who were hoping for more came away with \$3M. As reported in May, our project was too big of an ask for this bonding bill and bonding chairs communicated that to us.

I've been in multiple meetings and conversations with many including a few folks from MnDOT and Scott County earlier this week assessing where things landed and next steps. Highway 13 was the Metro District's top priority in this year's bonding cycle. October 14th the Nicollet and 13 project will be let and we'll have a better sense of pricing and the construction gap for the Burnsville (~2/3s)/Savage (~1/3) West Segment by then. Importantly, there remains buy in from MnDOT to build the whole project. It is in the STIP.

We will need more voices advocating for HWY 13 into this fall and the 2027 legislative session.

Although challenging, we are working our connections to folks federally to have the right Member or Members of Congress from Minnesota reach out in support of the application for the \$25M BUILD grant from USDOT. The announcement deadline is coming up on June 28th.

Elections Look Ahead

The entire House (134) and Senate (67) are up for election this fall. It's hard to predict with certainty what the composition of the legislature will be come January 2027. Either party could have a trifecta, although the pundits give an edge to Senator Amy Klobuchar who will face either Speaker Lisa Demuth or GOP endorsed Kendall Qualls in the fall after their August 11th primary.

Now at least 38 of the 201 legislators won't be returning with well over 400 years of combined service and experience retiring. Primary and general elections will up the turnover at the Capitol and some leadership changes in transportation and at the legislative caucus and executive levels are expected.

Of interest in our area: Sen. Eric Pratt, Former Sen. Matt Little, Sen. Matt Klein, and Rep. Kaela Berg are running for Rep. Craig's seat. Former Rep. Hunter Cantrell is running for Berg's seat. Sen. Scott Dibble, Rep. Steve Elkins and Rep. Aisha Gomez are all running unopposed.