



2020 CGMC Policy Positions: Transportation

The CGMC believes that state transportation funding sources—including new state revenues—should be distributed equitably to meet the transportation needs of both Greater Minnesota and the metro area. CGMC supports a comprehensive statewide transportation funding and policy package which includes increased funding for the Highway User Tax Distribution Fund, funding for Corridors of Commerce and non-M.S.A. funding for city streets. We also support funding for Corridors of Commerce and city streets independent of a comprehensive transportation package. Further, CGMC supports the following transportation positions in the 2019 legislative session:

1. Statewide/Balanced Investment

CGMC believes any transportation funding increase must be balanced to address the transportation infrastructure needs of the entire state. CGMC opposes any effort to provide an increased investment for transit in the metropolitan area without an increased investment in highways, roads, bridges, and transit in Greater Minnesota.

2. Constitutional Amendments

Because permanent dedication of general funds for transportation purposes may cause budget deficits which harm other CGMC funding priorities, the CGMC opposes any constitutional amendments which dedicate revenue streams currently paid into the General Fund to the Highway User Tax Distribution Fund. However, if the Legislature does pursue constitutional amendments which dedicate such revenue streams to the Highway User Tax Distribution Fund, the CGMC will insist that a share of the revenue be dedicated to funding city streets.

3. Use of General Fund Revenues for Transportation

Because dedication of general funds for transportation purposes may cause budget deficits which harm other CGMC funding priorities, the CGMC opposes any ongoing dedication of revenue streams currently paid into the General Fund to the constitutionally defined public highway system. This does not prohibit the one-time use of surplus money from the General Fund for programs such as Corridors of Commerce, the Local Road and Local Bridge Improvement Programs, funding for city streets, and others. Funding for city streets outside the constitutional system could be funded from the General Fund, or through redistribution of existing transportation resources, to the extent redistribution does not conflict with other CGMC priorities.

4. Local Funding Tools for City Streets

Under current law, cities do not have the authority to issue a street maintenance or improvement fee, or impose local option sales tax for city streets. CGMC supports efforts by the legislature to provide cities with the local tools they need to keep city streets in a state of good repair, including street improvement districts and a local option sales tax for transportation.

5. State Aid Funding for City Streets

CGMC recognizes the need for additional dedicated funding for city streets. CGMC supports dedicated state funding for city streets outside the constitutional formula. Also, CGMC supports changes to local cost participation policies that would allow more local dollars to go toward city projects, rather than cost sharing in state or county projects.

Support of funding for city streets includes permanent, dedicated funding for the Small Cities Transportation Assistance program established for streets in cities under 5,000.



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6. Project Selection

The CGMC supports a Minnesota Department of Transportation (MnDOT) project selection process which is transparent, fair and criteria driven. If the Legislature does choose to designate specific transportation projects, it must be done on a regionally balanced basis.

7. Funding the Corridors of Commerce Program

CGMC supports long-term funding of the Corridors of Commerce program which funds projects that will build capacity on the state's highway system. CGMC supports allocating at least 50% of Corridors of Commerce funding to projects that serve Greater Minnesota.

CGMC supports at least \$200 million in annual program funding. CGMC also supports the existing \$25 million annual trunk highway cash appropriation for non-bondable project needs, such as right-of-way acquisition, environmental work, and design.

8. Corridors of Commerce Project Selection and Program Eligibility

The CGMC supports modifications to the existing Corridors of Commerce project selection and scoring criteria that reflect the unique dangers and inefficiencies characteristic of 2-lane rural highways, and that are designed to ensure the program fulfills its original intent of making transportation investments that foster economic growth, safety, and efficiency in Greater Minnesota.

The CGMC believes that the Corridors of Commerce program should remain a competitive grant program administered by the Minnesota Department of Transportation in which all projects have an opportunity to compete for Corridors of Commerce program dollars.

CGMC is opposed to any legislation that designates specific projects eligible for the Corridors of Commerce program irrespective of the eligibility criteria set forth in Minn. Stat. § 161.088 Subd. 3-5 (2017).

9. Allocation of State Transportation Dollars

CGMC supports measures to generate additional revenue for transportation projects in Greater Minnesota, including:

- a. Increased gas tax (including indexing)
- b. Debt service fees
- c. A gross receipts tax on motor fuels
- d. Increased Motor Vehicle Sales Tax
- e. Increased vehicle registration taxes
- f. General sales tax increase dedicated to transportation
- g. Value Capture Taxes
- h. Tolling
- i. Congestion Pricing
- j. Mileage and Weight Taxes
- k. Fees on electric vehicles

CGMC supports MVST statutory allocation, which dedicates 60% of funding to highways, 36% to metro transit and 4% to Greater Minnesota transit. However, CGMC would not oppose efforts



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to increase Greater Minnesota's share of the 40% transit dedication. CGMC opposes decreasing the 60% of funding to highways in favor of transit.

CGMC also supports the state's exploration of additional transportation revenue sources that recognize the changes to the auto fleet, such as increased fuel efficiency, electric vehicles and other emerging technologies.

10. Allocation of Bonding Dollars for Roads and Bridges in Greater Minnesota

CGMC supports a bonding appropriation for both the Local Road Improvement and Local Bridge Improvement Program programs designed to help improve, expand and/or replace local roads and bridges in Greater Minnesota. These programs help improve safety, prevent deterioration and provide connections to interregional corridors and other highways. CGMC opposes efforts to earmark bonding dollars appropriated to these programs for specific projects, particularly where those earmarks heavily favor certain regions of the state over others.

11. Allocation of Bonding Dollars for Greater Minnesota Transit Facilities

To address the increasing need and demand in Greater Minnesota for transit and transportation alternatives, CGMC supports bonding for Greater Minnesota transit facilities in the capital investment bill.

12. Highway Construction Bonds

CGMC supports authorization of additional trunk highway bonds to expand and enhance Greater Minnesota roads. At least one-half of all trunk highway bonds appropriated by the legislature should support Greater Minnesota projects.

13. Protect Greater Minnesota Transit

CGMC supports the dedication of Motor Vehicle Lease Tax (MVLT) revenues to Greater Minnesota Transit. CGMC opposes efforts to direct MVLT resources away from Greater Minnesota Transit and supports efforts to increase the share of MVLT proceeds toward Greater Minnesota Transit.

14. Funding the Transportation Economic Development (TED/TEDI) Program

CGMC supports the funding of the MnDOT/DEED collaborative TED/TEDI Program—a competitive grant program to communities for highway improvement and public infrastructure projects that will create jobs and support economic development. CGMC believes program grants must be distributed equitably between Greater Minnesota and the metro area.

15. Public-Private Partnerships

CGMC supports efforts by the Minnesota Department of Transportation to encourage private sector contributions to state and local transportation projects. However, projects with strong private sector support must not be completed at the expense of highway, road and bridge projects either already programmed for construction or designated as safety risks.

16. Transportation Permitting Procedures

Cities must go through an often rigorous permit approval process in order to improve, develop or expand city streets and roads. The CGMC supports efforts by the legislature and governor to improve the regulatory and administrative process for cities when developing or redeveloping



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transportation projects within their communities.

17. State Airports Fund

Airports in Greater Minnesota communities contribute to the economies of their host cities and the state as a whole. These airports must be maintained and developed to meet the needs of local users. Revenues from the State Airports Fund (which comes from the airflight property tax, the aviation fuel tax, and aircraft registration fees) are directed to airport maintenance, construction, and supportive services.

Operational airports are critical to the access and economic success of Greater Minnesota. Airports play a key role in economic growth. The CGMC's position is to increase the state appropriation to the State Airports Fund by \$5 million in the next two years to keep up with rising demand of airport infrastructure costs.

18. Traffic Safety Cameras

The CGMC supports enabling local law enforcement agencies to use traffic safety cameras to regulate traffic laws. Local law enforcement officers should have the express authority to issue citations by mail upon photographic review and confirmation of the identity of the driver and vehicle involved in the traffic violation.

19. Investments in Livability

Recognizing that bicycle and pedestrian-friendly infrastructure enhance a community's quality of life, health and economic vitality, CGMC supports these safety and mobility investments for Greater Minnesota.

20. Metro Transit

Currently, state law requires the state to pay 50% of light rail transit operating losses (cost of operations less federal funding and operating revenue). CGMC supports repealing this requirement and replacing it with language prohibiting the state from paying for the operation of metro area transit which includes existing Metropolitan Transit from the General Fund and prohibiting use of State General Obligation bonds to pay the capital costs of metro area transit. In exchange, CGMC supports the creation or imposition of any metro area revenue sources which will pay for metro transit services and capital costs, including light rail transit, provided this is part of a comprehensive transportation package that also addresses roads and bridges throughout Minnesota.

21. Interregional Rail Systems

The CGMC supports investments in interregional rail systems that connect communities around the state, reduce congestion, and foster economic growth and efficiency in Greater Minnesota.