

Date: February 13, 2019

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

From: Rob Vanasek

Re: Legislative Report

A new governor and House majority has marked major changes in the landscape at the Capitol in 2019. Governor Tim Walz has appointed a new Department of Transportation Commissioner, the former President of the Minnesota High Technology Association and former Speaker Margret Anderson Kelliher. Walz has also appointed a new Chair of the Metropolitan Council, former Maplewood Mayor and former State Representative Nora Slawik. The new Speaker of the House, Melissa Hortman, appointed Frank Hornstein, Minneapolis, to chair a newly combined House Transportation Finance and Policy Committee. Finally, Representative Jason Rarick won a special election for Senate increasing the Republican majority in the Senate to 35-32.

The Governor's budget is due out next week on February 19th. His budget will provide a very strong direction for the remainder of the session. Unfortunately a transportation focused bill did not make the top legislative priorities of either the House or Senate. It is likely that the Governor proposes an increased investment in transportation in his budget.

February Economic Forecast is due out on February 28, which is used to set the final overall budget numbers for the next two years. It is widely expected that the forecast will shrink the overall size of the surplus projected in the November Economic Forecast. This could cause the governor to adjust his budget proposal.

Legislative Deadlines

Expect targets for the finance committees to come out around the third week of March due to much later finance committee deadlines than in the past.

Committee Deadlines have been announced:

- March 15th is the First Committee deadline
- March 29th is the Second Committee deadline
- April 12 is the third Committee Deadline, Omnibus Finance Bills must be passed
- April 13-22 is Passover/Easter Legislative Break (members will be in their districts)

New this year: the Governor, Speaker and Senate Majority Leader announced via a joint press conference on Monday that they have "agreed to work on the following objectives:"

- House and Senate will pass all major finance bills and conference committees will be appointed by May 1st
- Fiscal targets will be provided to conference committee chairs by May 6th
- Conference Committee Reports provided to the house of origin by May 13th

The rationale is to provide “an orderly and timely conclusion to the 2019 budget session,” which will be very contentious. Major points of friction will be federal conformity on a tax bill, dealing with the Health Care Access Fund deficit, finding common ground on transportation and transit funding, and a small bonding bill mainly adjusting funding sources for stalled projects named in last year’s bonding bill.

New Transportation Committee Membership in the House

Frank Hornstein, Chair, Minneapolis
Brad Tabke, Vice Chair, Shakopee
Paul Torkelson, Republican Lead, Hanska
Connie Bernardy, New Brighton
Steve Elkins, Bloomington
Alice Hausman, St. Paul
John Heinrich, Anoka
Erin Koegel, Spring Lake Park
Jon Koznick, Lakeville
Sandra Masin, Eagan
Michael Nelson, Brooklyn Park
Tim O’Driscoll, Sartell
John Petersburg, Waseca
Ruth Richardson, Mendota Heights
Linda Runbeck, Circle Pines
Nolan West, Blaine
Dan Wolgamott, St. Cloud
Cheryl Youakim, Hopkins

The House has wrapped up its overviews and pressed ahead on several bills. The hottest bill is the hands free driving bill, which passed out of committee in both chambers. Besides distracted driving, the committees are taking a look at connected and automated vehicles, electric vehicles, and potential new funding for transportation if the governor makes that push.

Corridors of Commerce Funding for 35/494 and 494 Safe

There will be no delays for the 35/494 phase I interchange work or the additional MNPass lanes (and possible phase II of the interchange), which came from 2017 legislative funding, as the legislative language problem only affects the Corridors of Commerce awards that were named in the 2018 bonding bill.

Notable Numbers

11,749 trunk highway miles and 17% have <3years useful life; 1M more people by 2050; Snow and ice removal runs \$98.8/yr; \$6B state highway funding gap next 10yrs; freight traffic to increase by 40% by 2040; vehicle miles traveled to increase by 21.3% by 2040; LRT & BRT ridership is up & bus ridership down slightly; 330 space expansion Apple Valley Transit Station

May 20: Adjournment at midnight as constitutionally required