

# 2017 Legislative Session Review

Metropolitan Council



# 2017 Legislative Session

- \$1.65 billion surplus to start the session
- House, Senate, and Governor had different priorities
  - Governor proposed increases to E-12 Education Funding
  - House and Senate proposed tax cuts and credits
  - Agreed on need for transportation bill; disagreed on funding mechanism

# 2017 Legislative Session

- Only 5 of 10 budget bills had been passed by the last night of session, with the largest budget areas still outstanding
- Agreement was reached to call a special session with under an hour to go before the midnight constitutional adjournment deadline
- Governor called special session to start at 12:01 a.m. on May 23

# 2017 Legislative Session

- Scheduled to last one day, the special session ended four days later
- 8 bills were passed during the special session
  - Remaining budget bills, bonding bill, tax bill, and a labor standards preemption bill
- The Governor has signed all omnibus appropriations bills, the tax bill, and the bonding bill

# Transportation Finance

The transportation bill passed in the special session provides:

- Base level funding PLUS \$70 million in additional one-time funding in the FY2018-2019 biennium
- \$1 million in FY2018 for a “suburb to suburb demonstration project”
- \$211,000 for preparation of an enhanced transit finance report

# Transportation Policy

- Additional financial assistance (0.35% of MVST revenues) passed through to suburban/opt-out providers in FY18-19
- Eliminates state's 50% share of net operating costs for Southwest LRT
- Prohibits the Council from issuing certificates of participation backed by MVST for LRT projects
- Expands and renames required components of the fixed guideway report
- Provides liability language for shared right-of-way along the Southwest LRT line

# Transportation Policy

- Establishes a Metro Mobility Task Force to identify options and methods to increase program effectiveness and explore partnering with transportation network companies and taxi service
- Eliminates public service corporation exemptions for light rail and bus rapid transit projects in eminent domain law
- Requires the Council to implement a plan to prevent vibration impacts of SWLRT to the Calhoun Isles property
- Allows an administrative law judge to consider the reasonableness of a system plan in a contested case hearing

# Transportation Policy

- Provides in law that the area of Oak Grove that was the subject of an ALJ decision is designated “rural residential”
- **NOT INCLUDED in the final bill:**
- Metropolitan Council governance restructuring
- Prohibitions on local units of government and the Council from spending any money to plan, design, engineer, or construct light rail projects
- Additional opt-out/replacement bus service cities
- Retroactive alternatives and benefits analysis for LRT projects already underway

# Bonding Bill

- The bonding bill includes:
  - **\$12.1** million for the **Orange Line** bus rapid transit project
  - **\$8.75** million for the **Mall of America Transit Station**
  - **\$5** million for **Metropolitan Regional Parks**
  - **\$3.739** million for the municipal **Inflow & Infiltration Grant Program**
  - Pass-through grants for Como Zoo; West St. Paul Greenway project; and a multiuse path around White Bear Lake

# Tax Bill

- **Regional Transit Capital Bonds**
  - Authorizes the Council to issue **\$82.1 million** in RTC bonds in 2017 and **\$43.9 million** in 2018.
  - Bond proceeds are used for replacement buses and capital improvements for the regional public transit system.
  - The 2017 amount represents the total of 2016 and 2017 authorizations that were included in the 2016 tax bill that was vetoed.
  - Language attached to the authorization in the bill prohibits the RTC bond proceeds from being used to fund a new or expand an existing light rail line.

# Regional Park System

- **Omnibus Environment Bill**
  - **\$8.54 million** each year (**\$17.08 million** for the biennium) for parks operations and maintenance; distributed to the 10 implementing agencies
- **Legacy Parks & Trails Fund**
  - **\$16.584 million** in FY2018 and **\$18.891 million** in FY2019 for regional parks projects selected by the elected boards of the implementing agencies
- **LCCMR Bill**
  - **\$1.5 million** for land acquisition from Environment & Natural Resources Trust Fund
  - Deadline extended for remainder of 2014 appropriation that would have expired June 30, 2017

# Water

## Clean Water Fund

- **\$950,000** each year for projects to address emerging drinking water supply threats
- A proposal for \$250,000/year for the water demand reduction grant program was NOT included in the final Legacy bill agreement

## Omnibus Environment Bill

- \$300,000 to the PCA for a grant to the Council for infrastructure to support a waste-to-biofuel project

# Proposals **not** passed

- Metropolitan Council governance changes
  - Senate passed a governance restructuring bill, and provision was also included in vetoed omnibus transportation bill
- Policy language in omnibus transportation bill to restrict and/or prohibit LRT projects
- Housing plans and affordable housing allocations legislative approval requirement
- Increased penalties for interfering with transit (also referred to as the “protester bill”)



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