

# 2017 Legislative Session Review

Presentation to the Transportation Advisory Board  
June 21, 2017



# 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
- Governor signed all omnibus appropriations bills, the tax bill, and the bonding bill

# Transit 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



# Transit 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

# Transit 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

# Transit Policy

## 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



# Transit Projects in 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**

# Regional Transit Capital Bonds

- In the tax bill
- 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.
- 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.



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