



May 2, 2023

Dear Chairs Dibble and Hornstein and members of the of Transportation Finance and Policy Conference Committee:

The Coalition for Clean Transportation appreciates the opportunity to provide testimony on the following provisions included in the omnibus transportation finance and policy bills:

Support: Authorization and funding to implement the National Electric Vehicle Infrastructure (NEVI) Program

CCT wants to express thanks to the Chair and the committee for providing the required state match to ensure that Minnesota can take full advantage of the program.

Support: Technical Assistance

This appropriation will expand organizational capacity for urban, rural, and tribal communities navigating federal grant applications for critical infrastructure and transportation projects. Investing in technical assistance ensures Minnesota is maximizing historic federal infrastructure investments and addresses systemic and administrative barriers boosting the ability of underinvested communities to navigate and access federal funding.

Support: Funding for Federal Formula and Discretionary Match Requirements

We support the provision of funds dedicated to meeting match requirements for federal formula and discretionary grant programs. We also support the reservation of about half of this funding for local governments seeking funding to meet federal match requirements. This will enable under-resourced areas to be able to compete for federal funding.

Support: Electric Bike Tax Credit

The e-bike credit can provide numerous benefits such as promoting a cleaner environment by reducing climate change pollution, encouraging healthier lifestyles by promoting physical activity, and reducing transportation costs for Minnesota families.

Support: ¾ Cent Metro Sales Tax for Transit, Walking, and Bicycling

This investment results in about \$314 million in new revenue per year for transit after closing the operating deficit. A 1/2 cent sales tax drastically decreases the proposed revenue dedicated to public transit. A ¾ cent investment is critical to quickly build out and maintain the transit system we all need. Investing in public transit reduces disparities BIPOC and low-income communities and for people with disabilities.

Support: Provisions to ensure that MnDOT projects align with Minnesota’s greenhouse gas emissions and vehicle miles traveled (“VMT”) reduction goals and to ensure that land use planning is consistent with our GHG and VMT reduction targets. Minnesota is lucky for the leadership demonstrated by past legislatures and current agency leadership—we have firm, established goals to reduce both

greenhouse gas pollution and VMT. But we need to actually meet those established targets. These measures create an accountability and assessment system for our highest emitting sector.

Broaden Scope of EV Tax and Registration Study:

Revenue from the motor vehicles tax has been steadily declining for years and will continue to do so as emissions standards increase, resulting in more fuel-efficient internal combustion vehicles, and as electric and plug-in hybrid electric vehicles become more mainstream. The highway user tax distribution fund is not adequately funded to maintain Minnesota’s current and planned highway infrastructure, or town and city roads. The decline in revenue from the motor vehicles sales tax due to increased fuel efficiency and the fact that the motor vehicle sales tax has not kept up with inflation is only one factor that is causing this lack of funding. The coalition suggests that the committee takes a systems approach and broadens the scope of the study to review current funding of the entire highway user tax distribution fund and propose solutions to adequately meet the needs of maintaining Minnesota’s highway and city and town road infrastructure, considering anticipated impact of vehicles on the infrastructure itself.

Sincerely,

Coalition for Clean Transportation member organizations

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The Coalition for Clean Transportation works to eliminate Minnesota’s transportation-related climate emissions through the increased adoption and availability of sustainable and equitable electrification options, centering BIPOC and under-resourced communities who disproportionately bear the impact of climate change, air pollution, and experience high rates of mobility injustice. CCT envisions a future where all Minnesotans, from urban to suburban to rural, have equitable access to clean transportation options that promote health and connection for all.

