March 30, 2023

The Honorable Frank Hornstein Chair, House Transportation Finance and Policy Committee

Dear Chair Hornstein:

As members of the Transportation Advocacy Coalition (TAC) – a coalition of labor and business interests – we write in support of provisions in the delete-all amendment to HF2887 (Hornstein), the House transportation omnibus bill. With competing demands for state funds, infrastructure is often neglected, which has resulted in an aged transportation network across the state. This legislation proposes long-needed, sustainable investments in our transportation infrastructure across the state, ensuring that our state's individuals, families and businesses can move in more safe, efficient ways.

We would like to highlight three specific investments in HF2887 that we support:

- 1. 100% dedication of the statewide auto parts sales tax to the Highway User Tax Distribution Fund, after its initial phase-in period. Doing so helps create a stable, consistent funding stream for the maintenance of road and bridge infrastructure, which allows for better planning and future investment.
- 2. We also support the proposed \$214 million to match federal discretionary dollars made available through the Infrastructure Investment and Jobs Act. This investment will position Minnesota strongly as it competes with other states for infrastructure projects.
- 3. Our coalition greatly appreciates the proposed \$218 million over the next biennium in additional trunk highway bonds. This bonding capacity is an important element of financing construction, improvement and maintenance projects for our state's trunk highway system that many depend on for the safe movement of people, goods and services.

As you continue work on this bill, we ask for your consideration of policy changes that would increase the contribution of electric vehicles. We know that these vehicles impact our infrastructure; however, they are not contributing to our infrastructure on par with gas-powered vehicles. We appreciate creative solutions that have been brought forward to rectify this and encourage your committee to continue to evaluate their viability.

The provisions highlighted above present a rare opportunity for legislators to increase investment in Minnesota's transportation infrastructure while also transitioning to a more sustainable funding mechanism for the future. This is a win-win-win for our state's hard-working men and women, our businesses that depend on reliable roadways, and the safety of our families traveling on the roadways.

TAC is in support of these provisions and appreciates the committee's consideration.

Sincerely,

Laura Ziegler, Associated General Contractors of Minnesota Jason George, IUOE Local 49 Bentley Graves, Minnesota Chamber of Commerce Abby Loesch, Minnesota Business Partnership Adam Duininck, North Central States Regional Council of Carpenters Abbey Bryduck, Minnesota Asphalt Paving Association Matt Zeller, Concrete Paving Association of Minnesota