



April 10, 2025

RE: HF2438 Omnibus Transportation Budget bill

Dear Co-Chairs Koegel and Koznick and House Transportation Committee Members:

Thank you for the opportunity to comment on HF2438, the Omnibus Transportation Budget bill, on behalf of the member organizations that comprise the Minnesota Transportation Alliance.

We appreciate all of the work done this year by the committee. Our goals for this legislative session are to maintain the funding progress made in 2023 with a major transportation funding package, secure additional bond funding for state and local roads, bridges, transit and other modes and support adjustments to transportation user fees in light of the serious funding challenges on the transportation system.

Alliance members strongly support the increase in the current \$75 electric vehicle fee to \$200. This adjustment puts the fee in line with the fuel tax charged on all other fuels in the State of Minnesota. We also appreciate the recognition that mitigation of any impacts of increased greenhouse gas emissions and vehicle miles traveled from trunk highway projects needs to be paid for with new revenue in the Mitigation Account as opposed to the Highway User Tax Distribution Fund or trunk highway fund.

We appreciate the language that delays the implementation of the greenhouse gas emissions/VMT assessment for one year to allow MnDOT and the Technical Advisory Committee more time to finalize the processes for implementation and the mitigation strategies required. We are not aware of any impact on projects from this one-year delay.

The Alliance appreciates the transfers to the trunk highway fund and the county state aid fund as well as additional one-time funding for the Corridors of Commerce, Resilient Pavement and Transportation Economic Development programs as well as funding for additional roadway projects.

We strongly support the funding for the Local Road Wetland Replacement Program, and the Local Road and Local Bridge programs and encourage additional funding for these critical programs in the capital bonding bill.

Our members are also committed to protecting dollars in the Highway User Tax Distribution Fund for the current statutorily authorized uses and appreciate the decision not to include construction funding for a State Patrol headquarters building from the trunk highway fund.

While we understand the significant budget challenges projected in future years, we do not support the cuts in funding for transit in Greater Minnesota and the operating funds for Metro Transit.

The Alliance appreciates the efforts to improve transparency when it comes to transportation spending, in particular the transportation project activity portal with a fiscal transparency dashboard.

Again, thank you for your work this year and your consideration of these points.

Sincerely,

Margaret Donahoe  
Executive Director