FACT SHEET | Fixing Aging Roads and Bridges

An Opportunity Agenda for a Better Minnesota

Minnesota's roads and bridges are in worse shape than ever before. More than half of Minnesota's roads are more than 50 years old, and 40 percent of the state's bridges are more than 40 years old. In the next three years, one in five Minnesota roads will pass their useful life, making it increasingly difficult for Minnesota businesses to move their goods to market and for Minnesotans to commute. With Minnesota's population expected to hit 6.2 million and the Twin Cities projected to add 800,000 residents by 2040, the need for a long-term, transportation solution is clear. Governor Dayton's Opportunity Agenda would provide hardworking Minnesota taxpayers a better commute from work and school for about \$3.50 a week.

Driving Minnesota Forward

Transportation infrastructure drives economic growth and opportunity. That's why the Governor Dayton's Opportunity Agenda includes a statewide transportation plan that works for all Minnesotans, everywhere in Minnesota.

- Investing in Roads and Bridges Governor Dayton's transportation solution would repair or replace 1,700 miles of roads and 235 bridges statewide. The plan originally would have funded improvements to 2,200 miles, but deteriorating roads and continued legislative inaction means that repair and replacement costs have become more expensive. The Dayton Plan also would give local leaders the resources and flexibility to repair and replace local roads and bridges in their communities by directing over 40 percent of the new revenues to cities, counties, and townships.
- Transit for Growing Economies Greater Minnesota seniors, commuters, and students are expected to take an additional 4.3 million transit trips every year by 2040. To grow our regional centers and support opportunity, the plan would add 500,000 additional hours of service annually in Greater Minnesota meeting 90 percent of the need. In addition, the Twin Cities are expected to add 800,000 residents and 550,000 new jobs by 2040. Governor Dayton's Opportunity Agenda would invest in additional bus rapid transit and light rail transit lines connecting hardworking Minnesotans with new opportunities.
- Improving Rail Safety and Reducing Delays Every day, trains carrying oil and other hazardous materials pass through Minnesota. These trains present real risks to public safety and our natural resources. That is why Governor Dayton's proposal would make strategic investments in rail safety improvements to improve the safety of Minnesotans living near railway and alleviate traffic for businesses that are backed up by train delays. The Dayton proposal would fund 75 priority railway infrastructure improvements necessary to improve safety and spur Minnesota's economy forward.

Reaching A Common Ground, Common Sense Solution

- An \$18 Billion Problem Minnesota faces an \$18 billion funding gap for state highways over the next two decades that will only get bigger the longer we wait. Governor Dayton is committed to reaching a common ground, common sense solution this year to fund a long-term, comprehensive transportation solution to build a better Minnesota for everyone, everywhere in our state. Some argue that Minnesota's transportation problems can be solved by finding new efficiencies at the Minnesota Department of Transportation. We can, should, and have been finding efficiencies. Since 2011, MnDOT has found \$100 million in cost savings, but efficiencies alone will not fill an \$18 billion deficit.
- **Keeping Minnesota Economically Competitive** The Twin Cities metropolitan area is falling behind competitor regions like Denver and Seattle when it comes to transit investments. With 800,000 new people expected in the Twin Cities region by 2040, the region needs more transit options to meet the demands of millennials and an aging population and to get more cars off the road.
- Sustainable Funding The Dayton Administration will not accept a transportation bill that takes \$400 million per year from the fund that pays for education and healthcare. A real solution cannot use shifts or gimmicks to count money that's already been spent on other key issues. Governor Dayton knows that Minnesotans expect a sustainable solution to our transportation problem that affects us every day.

The Dayton Transportation Plan: How it Works

Governor Dayton has proposed a transportation plan to help bridge the \$18 billion state highway transportation funding gap over the next ten years with dedicated funding for roads and bridges, and increased funding for transit across the state.

New funding for road and bridge construction would be provided by a 6.5 percent sales tax on gasoline, bringing the current 1.25 percent base tax on vehicle registration fees to 1.5 percent, and raising car registration fees by \$10. Governor Dayton would also require MnDOT to spend taxpayer money in an accountable and responsible way, by finding savings of 15 percent for all new revenues, allowing the Department to do \$6 billion of work for \$5.38 billion in new revenue.

The chart below describes how new revenues would be used to address Minnesota's transportation needs.

Road and Bridge Funding Over 10 years

State Funding (Trunk Highway) – \$5.46 billion

\$3.46 billion in new revenue \$2 billion in trunk highway bonds

<u>Source</u>: Gross Receipts Tax and Registration Fees

County, City, & Township Funding – \$2.416 billion

Direct funding to Counties for CSAH roads – \$1.62 billion

Direct funding to Cities for MSAS – \$503 million

MNDOT funding for Counties and Cities (turnbacks) – \$157 million

Townships – \$137 million

Source: Gross Receipts Tax and Registration Fees

ADA project funding for Cities under 5,000 - \$40 million

Direct funding for Cities under 5,000 - \$190 million

Direct funding for large Cities - \$190 million Direct funding for Tribal Roads - \$25 million

<u>Source</u>: Surcharges on registration fees and title transfers

Transit Funding Over 10 years

Twin Cities Metro Area – \$3.0 billion

Source: ½ cent sales tax increase in 7-county Metro

Greater Minnesota Transit – \$120 million

Source: Surcharges on registration fees and title transfers

Bike and Pedestrian Funding Over 10 years

Bike and Pedestrian Infrastructure/Safe Routes to Schools – \$75 million

Sources: Surcharges on registration fees and title transfers, and $\frac{1}{2}$ cent sales tax increase in 7-county Metro