



MINNESOTA PUBLIC TRANSIT ASSOCIATION

May 3, 2021

Chair Scott Newman, Senator John Jasinski, Senator Jeff Howe, Senator David Osmek,
Senator Karla Bigham

Chair Frank Hornstein, Representative Erin Koegel, Representative Luke Frederick,
Representative Steve Elkins, Representative John Petersburg

RE: HF1684/SF1159 Omnibus Transportation Budget Bill

The Minnesota Public Transit Association (MPTA) speaks out for transit systems and transit riders all across the State of Minnesota. MPTA advocates for high-quality transit service that is accessible and available to everyone. Our mission is to support transportation alternatives that improve the quality of life for people in communities large and small, urban, suburban and rural. MPTA is the only statewide coalition of transit systems, and transit advocates and we appreciate this opportunity to comment on HF1684, the Omnibus Transportation Budget bill.

As the state recovers from the COVID pandemic, demand for transit service is coming back. In addition to providing transportation to important destinations including medical appointments, jobs, school and other needed trips, transit systems have been instrumental in delivering food in their communities and helping people get to vaccination sites. Minnesotans value their transit systems and their role in keeping people living independently in their own homes and communities.

While federal funding, provided through the passage of COVID relief bills, has allowed transit systems to keep operating and to maintain thousands of jobs in the transit industry, state funding is a critical piece of the funding transit systems need to survive and thrive. Metropolitan Area transit faces a significant funding gap in meeting service demands as well as building out the Bus Rapid Transit network. In Greater Minnesota, transit systems have identified over \$40 million in needs over the next five years to replace buses, build bus garages and increase service hours to adequately serve their communities.

MPTA appreciates the work that has been done in developing and passing the House and Senate versions of HF1684. We would like to stress that the general fund base level of funding for transit in both the Metropolitan Area and Greater Minnesota is critical for the continuity of transit service.

MPTA members support the increase in the motor vehicle sales tax rate to 6.875% contained in the House bill as well as the ½ cent metropolitan area sales tax with revenue dedicated to transit in the metropolitan area. These revenue increases would allow for the development of transit service in Minnesota that is safe, effective, convenient and available for the thousands of Minnesota residents who rely on this service to live their lives and those looking for options to driving. Businesses look for quality transit services in making location decisions.

With additional ongoing revenue into the Highway User Tax Distribution Fund, we support the House language redistributing revenue from the sales tax on auto repair parts so that in FY22-23, 0.5% of the revenue is dedicated to Greater Minnesota transit, increasing to 5% of the available revenue in FY24-25 and subsequent years. This ongoing dedication of funds would increase the stability of funding for Greater Minnesota transit, making planning for future service more effective and reliable.

MPTA appreciates that both the House and Senate bills require the commissioner of management and budget to include in the February and November forecasts a state obligation from the general fund for the annual net costs to the Metropolitan Council for Metro Mobility.

We support language in the Senate bill that requires the Metropolitan Council to distribute federal COVID-19 funds to the replacement service providers (suburban systems) pursuant to the federal urbanized area formula.

Safety on transit vehicles is a major priority for MPTA. We support provisions in the House bill that authorize the Metropolitan Council to issue administrative citations for nonpayment of a transit fare and efforts to increase the presence of ambassadors on transit vehicles to help improve safety.

MPTA strongly supports the authorization in the House language for the Metropolitan Council to issue regional bonds in the amount of \$98,400,000 for capital expenditures.

Again, thank you for your consideration of these issues. Transit systems are working hard to assist communities in recovering from the pandemic and serving vulnerable populations. Transit continues to have strong community support as critical assets that make communities great places to live and work. We appreciate your ongoing support for transit funding as you work to finalize the two-year budget for transportation in Minnesota.

Sincerely,

A handwritten signature in black ink that reads "Ryan I. Daniel". The signature is written in a cursive, slightly slanted style.

Ryan Daniel, St. Cloud Metro Bus
MPTA President