

April 4, 2023

Chair Olson and Members of the Ways & Means Committee,

Thank you for your support of HF2887, the Omnibus Transportation Bill. Because of continued leadership by the House on transportation funding, we are on the verge of a victory which has been long-delayed.

Those unfamiliar with transportation finance may be tempted to argue that there's no need for <u>ongoing</u> revenue in the context of a surplus of <u>one-time</u> general fund dollars. But, as you know well, transportation is funded separately through dedicated streams. When it comes to transportation, there is no surplus.

We also know that transit specifically is not a system you build and then look at. Transit is a system you must **build and operate**. That means operating <u>by paying drivers</u>, which is the largest operating cost. Paying drivers, which is an <u>ongoing</u> cost, must be funded with <u>ongoing</u> dollars. It's not even legal to pay drivers with bonds. When people suggest we should just continue to hobble along, cobbling together one-time dollars bit by bit, that's the problem. That's what we've been doing for decades when it comes to bus service. That's why "bus neglect" which we discussed on Transit Equity Day is such a problem.

The impacts of state inaction on ongoing funding are real:

- We have been <u>underinvesting</u> on transit compared to our peer regions, putting us a competitive disadvantage generally, and especially when it comes to attracting young workers
- We have been <u>underinvesting</u> compared to the need to address the climate crisis as increases in Vehicle Miles Travelled (VMT) in the metro area have far outstripped increases in population.
- We have been <u>underinvesting</u> compared to the need for equitable access to jobs and opportunity especially for the many Minnesotans who are too young, too old, physically challenged, or economically distressed for whom driving a car is not an option. **The most regressive outcome possible is the status quo.** Even if everyone could drive, effectively

requiring everyone to pay \$9,000 to 10,000 a year to own and operate a car shuts out a lot of people from economic opportunity

It is appropriate to focus the sales tax in the metro area. When it comes to climate-polluting, public-health-damaging increases in Vehicle Miles Traveled, <u>the Metro Area is the problem</u>. Fortunately, the Metro Area is also the solution. If the Legislature is willing to fund Bus Rapid Transit, we can more rapidly build that BRT network across the metro area and secure its many benefits for climate, equity, public health and more.

Finally, by supporting HF2887, you will be investing in proven success. Arterial BRT projects like A Line, C Line and D Line have consistently and cost-effectively <u>increased</u> <u>ridership</u> on their corridors, not just because they are faster and more reliable, but because they are <u>frequent</u>. Those frequencies should be available systemwide, not just on a few corridors. That frequency, most valued by transit riders, can only be provided and maintained with dedicated, <u>ongoing</u> revenue.

Thank you, Chair Olson and members for your support.

Peter Wagenius Sierra Club North Star Chapter Legislative & Political Director