

Greater Minnesota Transit Financing

Minnesota gives operating assistance to numerous transit systems outside the metropolitan area, including systems as large as Duluth and as small as circulating vans in rural counties.

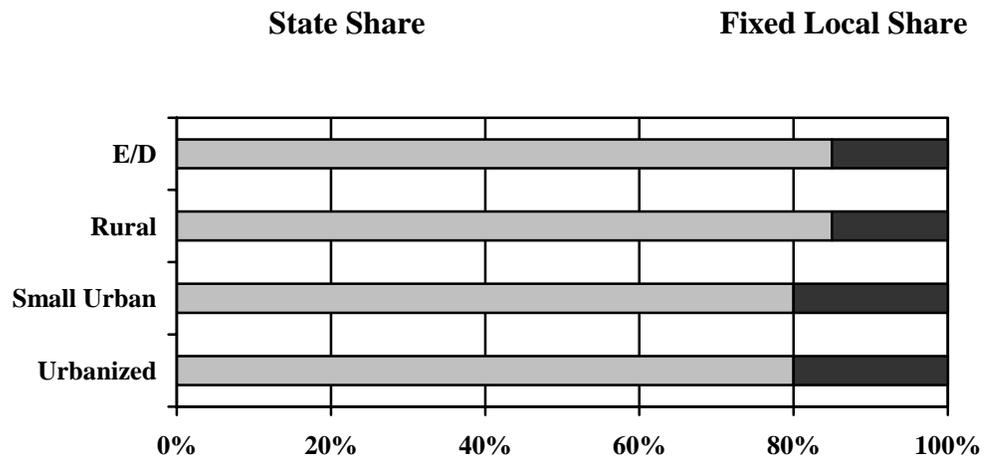
Greater Minnesota transit assistance

The Department of Transportation (MnDOT), through its Office of Transit, provides operating assistance to some 75 transit systems around the state. Systems are put into one of four categories:

Category	Examples
Urbanized	Duluth, Rochester, St. Cloud regular route systems
Small urban	Brainerd, Mankato, Winona, Faribault, Cloquet systems
Rural	Counties, smaller towns, Indian tribes, social service agencies
Elderly/disabled	Demand-responsive services primarily for elderly and disabled in Duluth, Rochester, Moorhead, St. Cloud

Funding formula

Each local system pays a fixed local share of its total operating costs, and the remainder not covered by federal assistance is paid by the state. The fixed local share is either 15 percent or 20 percent depending on the classification of the system.

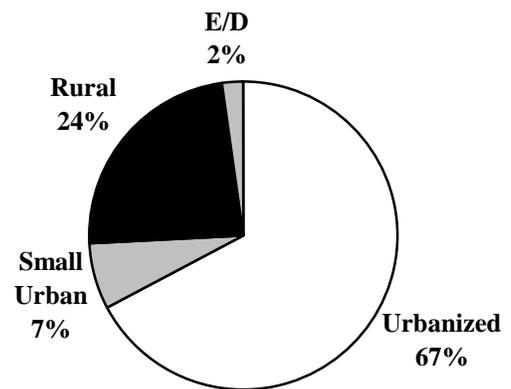


Greater Minnesota ridership is about 9.2 million

Total ridership of Greater Minnesota transit systems in 2003 was about 9.2 million, most of which were in a few urbanized systems. This number has grown only slowly over the past five years, increasing by an average of about 1.5 percent per year.

The MnDOT's Greater Minnesota Transit Plan projects a need for 16.7 million annual trips per year. Current services are projected to meet only about 57 percent of that need, while the plan sets out a goal of meeting 80 percent of the need. The plan recommends that the remaining need be met by greater efficiency in existing systems, coordination with special transportation service such as that provided specifically for the elderly and handicapped, and expanded service from existing and new providers.

Greater MN Transit Ridership 2003



State assistance

State general fund appropriations for Greater Minnesota transit total about \$19.6 million in each year of the 2006-07 biennium. In addition, Greater Minnesota transit will receive about \$8 million each year of the biennium in dedicated revenues from the state motor vehicle sales tax.

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