

# FACT SHEET | Investing in Roads, Bridges, and Transit

*2015 Budget for a Better Minnesota*

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Governor Dayton's plan would invest \$6 billion over the next ten years to address the state's highway funding deficit, invest \$2.356 billion in local government transportation projects, and provide \$2.92 billion for transit systems across Minnesota. The Governor's proposal would create an estimated 119,000 new jobs, and build the infrastructure necessary to meet the demands of a growing population and an expanding state economy.

## A State of Disrepair

- **Aging Roads and Bridges** – Right now, 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 just the next three years alone, one in five Minnesota roads will pass their useful life. And in the next ten years, nearly 40 percent of our roads will be past their useful life.
- **High Costs for Commuters and Businesses** – Poor roads cost Minnesota motorists \$1.2 billion every year in extra vehicle repairs, and Minnesota businesses spend an extra \$232 million each year on additional freight transportation costs caused by traffic congestion.
- **Stuck in Traffic** – The average Minnesota commuter wastes 34 hours stuck in traffic every year. If no additional investments are made in our transportation systems, by 2025 the average Minnesota commuter will waste an estimated 45 hours stuck in traffic.

## A Real Problem

- **A \$6 Billion Problem** – In 2012, Governor Dayton convened a bipartisan panel of experts, including policymakers, business and labor leaders, Cabinet officials, and city and county officials from across the state. The Transportation Finance Advisory Committee (TFAC) studied the funding needs of Minnesota's transportation systems, concluding that our state faces a \$6 billion state highway transportation funding deficit over the next ten years.
- **No Simple Solution** – Some argue that Minnesota's transportation problems can be solved by finding new efficiencies at MnDOT. We can, should, and have been finding efficiencies. Since 2011, MnDOT has found \$100 million in cost savings, but efficiencies alone will not fill a \$6 billion deficit.
- **Making Minnesota Economically Competitive** – The Twin Cities Metropolitan Area is falling behind other regions when it comes to transit investments. With 800,000 new people expected in the region by 2040, the region needs more transit options to meet the demands of millennials and our aging population and to get more cars off the road.

## A Real Solution

- **A Real Investment** – The Governor's transportation proposal would invest \$6 billion in our state roads and bridges, \$2.356 billion in Minnesota counties, cities, and townships, and \$2.92 billion in our transit systems.
- **Better Corridors of Commerce** – The Governor's proposal would provide an additional \$1.6 billion for the Corridors of Commerce initiative, making targeted investments in key freight routes that are important for business expansions, job creation, and economic development.
- **Better Roads and Bridges** – The Governor's proposal would repair or replace 2,200 miles of roads. It would repair or replace 330 bridges statewide. Over 40 percent of the new revenues raised in the Governor's proposal would be directed to cities, counties, and townships; giving local leaders the resources and flexibility to repair and replace local roads and bridges statewide.

- **Better Transit Options** – The Governor’s proposal would fund 20 new transitways, increase metro area bus service by 27 percent, increase Metro Area transit ridership by an estimated 80 percent, meet 90 percent of all transit needs in Greater Minnesota, and increase transit service in Greater Minnesota by nearly 500,000 hours of service annually.

## Governor Dayton’s Proposal – How It Breaks Down

Road and Bridge Funding Over 10 years	
<p><b>State Funding (Trunk Highway) – \$5.38 billion</b>            \$3.38 billion in new revenue            \$2 billion in trunk highway bonds</p> <p><u>Source:</u> Gross Receipts Tax and Registration Fee</p>	<p><b>County, City, &amp; Township Funding – \$2.356 billion</b>            Direct funding to Counties – \$1.58 billion            Direct funding to Cities – \$490 million            MNDOT funding for Counties and Cities – \$153 million            Townships - \$133 million</p> <p><u>Source:</u> Gross Receipts Tax and Registration Fees</p>
Transit Funding Over 10 years	
<p><b>Twin Cities Metro Area – \$ 2.8 billion</b>  <u>Source:</u> ½ cent sales tax increase in 7-county Metro</p>	<p><b>Greater Minnesota Transit – \$120 million</b>  <u>Source:</u> General Fund</p>
Bike and Pedestrian Funding Over 10 years	
<p><b>Bike and Pedestrian Infrastructure/Safe Routes to Schools - \$ 75 million</b>  <u>Sources:</u> General Fund and ½ cent sales tax increase in 7-county Metro</p>	

## Impact on Minnesotans – By the Numbers

<b>\$15.00</b>	Minnesotans in Greater Minnesota who use our roads and bridges would pay \$15 per month – or 49 cents per day under Governor Dayton’s proposal; in contrast, the average cost to fix a bent rim and get your tires realigned is \$200
<b>\$24.50</b>	Minnesotans in the metropolitan area would pay \$24.50 per month – or 80 cents per day under Governor Dayton’s proposal; in contrast the average cost to replace four tires is \$400
<b>16 cents</b>	The Governor’s proposed gross receipts tax on gasoline would add an additional 16 cents to the price of a gallon of gasoline

## Greater Minnesota Transit Investments – By the Numbers

<b>90 percent</b>	By investing \$120 million, the Governor’s proposal would meet 90 percent of Greater Minnesota’s transit needs by 2025
<b>500,000 hours</b>	The Governor’s proposal would increase transit service in Greater Minnesota by nearly 500,000 hours of service annually

## Twin Cities Metropolitan Area Transit Investments – By the Numbers

<b>85 percent</b>	Governor Dayton’s proposal would increase transit ridership 85 percent from 97 million rides a year to 180 million rides a year
<b>500,000 people</b>	The Governor’s proposed investment would put 500,000 more Twin Cities area residents within a 30 minute commute from work
<b>20 transitways</b>	Governor Dayton’s investment would allow 20 new transitways to be added in the Twin Cities Metropolitan Area; 16 of which would be bus rapid transit