



Federal Update – Minnesota Transportation Alliance July 15, 2021

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Federal Transportation Update - Topics

- Current Reauthorization Situation
- Federal Congressional Directed Spending in Minnesota
- MnDOT Reauthorization Priorities
- American Jobs Plan



Surface Transportation Reauthorization

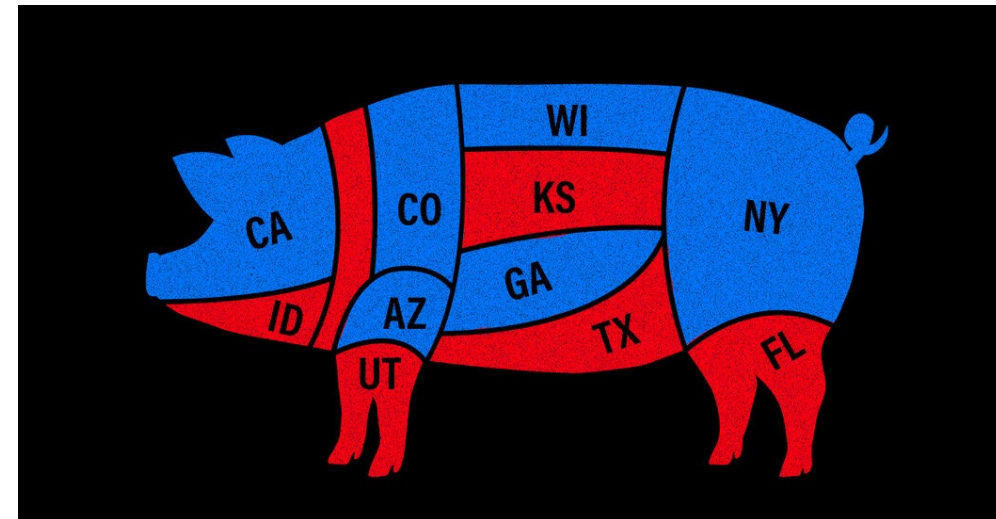
- FAST Act (2016 – present) – ends Sept. 30, 2021
- House T & I bill “INVEST” – passed House in June, 2021
 - New program to stimulate GGG emissions reduction
 - New program to provide more resiliency resources for climate change weather events
 - No new revenue source to “fix” HTF
- Senate EPW “STRA” (highways) bill – May 2021
- Senate Commerce “STIA” (Rail, NHTSA, FMCSA, Research & Innovation, Hazardous Materials) bill – June 2021

Congressionally Directed Spending (Earmarks)

- Appropriations:
 - A big \$4.1 billion boost for passenger rail funding, including the new PRIME passenger rail grant program proposed by the Biden administration. Transit programs would also get \$2 billion more than Biden's budget in the House bill.
 - Community Project Funding: Includes \$427.5 million in earmarked highway and transit projects, and about \$80 million earmarked for airports.
- House Surface Transportation Reauthorization: member designated projects - \$15-\$20 million/member. No equivalent Senate earmark.

Congressionally Directed Spending (Earmarks)

- Local projects
 - 20% local funding match
- Highest project funding request was \$20 million
- Period of time to use money
- Risks for MnDOT
 - Identification of matching funds



MnDOT Reauthorization Priorities

- Timely reauthorization of a five-year, sustainable, formula-based bill, funded by a Highway Trust Fund with the federal gas tax linked to the construction inflation rate.
- Support and endorse state DOTs role to reduce racial and social disparities in transportation including system planning, project planning and development, and the project bidding processes.
- Provide increased federal formula and competitive grant funding for climate mitigation and resilience efforts and prioritize efforts that support our most vulnerable communities

MnDOT Reauthorization Priorities

- Encourage climate action in transportation project selection and development
- Provide funding that will incentivize CAV, EVs, EV charging infrastructure, and low carbon transportation fuels.
- Support safe and accessible transportation for all modes, such as Vision Zero and Complete Streets.
- Provide maximum flexibility in how safety funds are used, to identify and invest in strategies, including public engagement and communications, to support Toward Zero Death (TZD) efforts, and to improve the safety of all road users.

MnDOT Reauthorization Priorities

- Increase and prioritize formula-based funding to the states which optimally balances national goals with state and local decision making.
- Support and ensure state DOTs' ability to harness innovation and technology to achieve a safer and more resilient, efficient, and secure surface transportation system.



Recent Pandemic Relief Funding

- Pandemic Relief (\$900 B) as part of Consolidated Appropriations Act – Dec. 2020
 - \$10 B for State DOTs, \$160 M for Minnesota as revenue backstop
- American Rescue Plan - \$1.9 Trillion, Passed in March 2021 (1st part of Biden's Build Back Better Plan)
- American Jobs Plan – Biden Administration Stimulus plan released in March 2021- Funding to spur economic growth (2nd part of BBB plan)

American Jobs Plan - Funding

- Eight-year, \$2.3 trillion proposal paid for through corporate tax increase
- \$600 Billion for Transportation
 - \$115 B for Roads and Bridges – Fix it Right, New Bridge Program
 - \$85 B(+ \$25 for electrification of diesel buses) – Fix it Right, System Expansion
 - \$80 B for Intercity Rail
 - \$25 B Aviation – Airside, Groundside
 - \$17 B Ports and Waterways

AMERICAN
JOBS PLAN

American Jobs Plan – Funding (cont..)

- \$174 B for Transition to Electric Vehicles - \$160 B for EV rebates
- \$44 B for Advancing Transportation Projects
 - \$25 B for “megaprojects”, plus \$ to retain and expand RAISE (BUILD) & INFRA
- Reconnect Thriving Communities
- \$20 B for Safety – Expand HSIP, “Safe Streets for All”



Appropriations/Infrastructure Funding July Update

- Congressional Democrats announced plans for a \$3.5 trillion budget blueprint, that would advance alongside the \$600 billion bipartisan infrastructure deal.
- Not bi-partisan. Reconciliation would be used to avoid a filibuster
- Includes significant climate change funding
- Pay-fors not identified



- July/August focus
- Will Reauthorization and Infrastructure Plan be separate or connected?
- Post-Reauthorization Bridge Bubble Strategy



Thank you!

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