

HF2438 – House Omnibus Transportation Budget bill

House Budget Target for Transportation:

FY25-27: \$0 FY28-29: \$0

Cuts from previous/base funding (General Fund)

Cancels:

- 1) \$3,130,000 of appropriation for rail corridor service analysis in St. Cloud
- 2) \$3,250,000 for Advisory Council on Traffic Safety

Delays to FY28:

- 1) \$10,000,000 Amtrak service to Chicago
- 2) \$ 1,833,000 Amtrak federal match

Delays to FY27:

- 1) \$600,000 Highways for Habitat

Delays to FY26:

- 1) \$500,000 for I-94 land bridge planning

Reduces GF appropriation for Greater MN Transit

- 1) \$12,000,000 FY26-27
- 2) \$12,000,000 FY28-29

Reduces GF appropriation for Metropolitan Council Transit operations:

- 1) \$40,000,000 FY26-27
- 2) \$64,908,000 FY28-29

Reduces GF base for Passenger Rail

- 1) 48,940,000 FY28-29

Reduces Active Transportation Transfer

- 1) \$4,000,000 FY26-27
- 2) \$8,000,000 FY28-29

Reduces Passenger Rail Transfer

- 1) \$16,360,000 – FY28-29

Increased Funding

State Roads Operations – TH

- 1) \$37,087,000 – FY26-27
- 2) \$57,056,000 – FY28-29

State Roads Planning and Research – TH

- 1) \$6,000,000 – FY26-27
- 2) \$6,000,000 – FY28-29

State Roads Program Delivery – TH

- 1) \$16,319,000 – FY26-27
- 2) \$19,432,000 – FY28-29

Transportation Project Activity Portal – TH

- 1) 12,700,000 – FY26-27
- 2) \$10,000 – FY28-29

State Road Construction – TH

- 1) \$450,000,000 – FY26-27
- 2) \$350,000,000 – FY28-29

Blatnik Bridge Spending Authority - TH

- 1) \$650,000,000 – FY26

Corridors of Commerce – TH

- 1) \$80,000,000 – FY26-27 (increase of \$20M from base)
- 2) \$50,000,000 – FY28-29

Transportation Economic Development Program

- 1) \$30,000,000 FY26-27

Resilient Pavement Program

- 1) \$50,000,000 FY26-27

Local Roads – CSAH

- 1) \$3,936,000 FY26-27
- 2) \$71,779,000 FY28-29

Local Roads – MSAS

- 1) \$1,034,000 FY26-27
- 2) \$1,366,000 FY28-29

Local Road/Local Bridge program

- 1) \$7,676,000 FY26

DPS – State Patrol – TH

- 1) \$11,410,000 – Operations/Recruitment FY26-27
- 2) \$2,090,000 – Operations/Recruitment FY28-29
- 3) \$5,985,000 – Operating Adjustment FY26-27
- 4) \$7,932,000 – Operating Adjustment FY28-29

*Does not include Governor’s recommendation for spending \$97M from trunk highway fund for State Patrol Headquarters building.

Earmarked Projects

GF – \$48,292,000 – FY26-27

TH - \$57,000,000 – FY26-27

TOTAL –	\$9,872,114,000	FY26-27	\$9,248,653,000	FY28-29
TOTAL GF -	\$ 466,927,000	FY26-27	\$ 380,188,000	FY28-29
TOTAL TH -	\$6,350,745,000	FY26-27	\$5,579,615,000	FY28-29
TOTAL CSAH	\$2,253,835,000	FY26-27	\$2,467,903,000	FY28-29
TOTAL MSAS	\$ 571,161,000	FY26-27	\$ 601,304,000	FY28-29
TOTAL SR	\$ 162,117,000	FY26-27	\$ 162,100,000	FY28-29
TOTAL AIR	\$ 64,736,000	FY26-27	\$ 54,936,000	FY28-29

Policy Highlights

- Increases EV fee from \$75 to \$200
 - Funding is split 80/20 HUTDF/GHG Mitigation Account
- Delays funding for passenger rail
- Provides one-time funding for:
 - Local Road Wetland Replacement program - \$10M
 - Local Roads - \$3.8M
 - Local Bridges - \$3.8M
 - Corridors of Commerce increases - \$30M
 - TED funding - \$30M
 - Resilient Pavement program - \$50M
 - Earmarked projects - \$48.292 GF; \$57M THF – Total: \$105.292M
- Transfers funds from general fund to Trunk Highway Fund (\$66.580M FY28-29) and CSAH (\$66.578M FY28-29)
- Creates a Transportation Projects portal and dashboard that provides comprehensive information on trunk highway projects, project development, studies, assessments and related activity.
- Removes the requirement for GHG emissions/VMT assessment on individual projects. Delays the implementation of the GHG/VMT assessment on a portfolio or program of projects by one year to August 1, 2028 for projects that first enter the STIP for fiscal year 2032.
- Creates the Empowering Small Communities Program.
- Requires a local unit of government to use interest or other investment earnings on a transportation revenue source only for transportation purposes.

- The commissioner must calculate and report the asset sustainability ratio for pavements for each fiscal year.
- The commissioner must submit a report on consolidated local transportation financials to the legislature. The report must include actual allocations or collections for each of the five previous years, balance actuals for each of the five previous years, estimates of the amount to be collected in the next 10 calendar years and the amount to be expended on transportation.
- Creates a Resilient Pavement Program.
- Authorizes Met Council to issue bonds up to \$54.6M FY26 and \$56.2M FY27 for capital expenditures.
- Authorizes the Met Council to loan MnDOT up to \$250M to advance highway construction with one major transitway project.
- The Met Council must perform an analysis of alternate transit in the corridor of the Blue Line LRT project. The Council must conduct an analysis of high-subsidy regular route transit service.
- Requires a review of Met Council forecast practices for Metro Mobility.
- Exempts from the retail delivery fee, a delivery resulting from a retail sale of fuel products purchased by and delivered to a political subdivision or a trade or business; and a retail delivery resulting from a retail sale of road construction materials purchased by and delivered to a political subdivision or a trade or business.