



Transportation Update - June 11, 2021

Special Session Will be Called for June 14

Governor Walz has announced that he will call the legislature back for a special session on June 14th. The duration of the special session is unknown. Legislative leaders have said they would like to have agreement on all of the omnibus budget bills prior to the 14th so that all of the bills can be passed over the course of a few days. However, only 3 working groups have posted agreed-upon spreadsheets and contentious issues remain outstanding.

If the budget for the FY22-23 biennium is not passed by June 30th, state government will shut down. Many observers expect the special session to go down to the wire on June 30th.



For roadway construction projects, impacts will be felt prior to June 30th. MnDOT has indicated that notices will start to go out to contractors on June 16th if no budget has been passed regarding the need to begin making preparations for projects to shut down. Even if lawmakers do get a budget passed at the last minute, disruptions to construction projects could have costly consequences.

Please send a message to the governor, House speaker and Senate majority leader regarding the importance of getting a budget passed as quickly as possible when legislators come back into session on the 14th.

Take 3 minutes to send this [Action Alert](#) and help make a difference for transportation projects all across the state!

Lawmakers have 3 weeks to pass budget as shutdown 'calamity' looms

The threat of a state government shutdown looms larger with each passing day, and very little publicly known progress is being made.

Gov. Tim Walz will call lawmakers into a special session on Monday so he can request a 30-day extension of his emergency powers. He also wants them to pass a new budget into law that day.

"Once we get past the 15th of June, we have contracts that we have to start ramping down that will cost us massive amounts of money," the governor said this week. "It's just not the way to do business to get down to the end."

Political analyst Steven Schier said lawmakers face a more serious deadline to avoid a special session than in other recent years because of a 2017 Minnesota Supreme Court ruling that says courts can no longer order state funding to continue.

Transportation funding could be the most immediately impacted, with **200 state highway projects having to begin preparing to wind down** as the June 30 deadline approaches. The Minnesota Department of Transportation said it had to pay \$35 million in extra payments for disruptions to projects during the 2011 shutdown.

Capital Bonding Bill Under Consideration



In addition to the two-year budget for state government, legislators are working on a capital bonding bill.

Earlier in the session hearings were heard on a number of corrections to the previous bonding bill passed in October of 2020 to ensure that funds could be spent on the items that need funding. In addition, the House Capital Investment Committee heard testimony on funding for new projects and programs.

The Alliance has been lobbying for additional funding for transportation projects in a new capital bonding bill. In addition to the ongoing waiting list of local bridge projects, most of the [425 projects](#) submitted for funding under the [Local Road](#)

[Improvement Program](#) were not able to be funded with the \$75 million in GO bonds that was available.

When the global agreement on budget targets was released, no dollar amount was listed for a capital bonding bill. There is an expectation that some of the state assistance provided by the American Recovery Plan will flow through a capital bonding bill.

Action in Washington, DC

The House Transportation & Infrastructure Committee passed a five-year surface transportation authorization bill with an increase in funding levels of over 50% from the FAST Act.

Next week, the Senate Commerce, Science and Transportation Committee will take up its portion of the reauthorization. The Banking and Urban Affairs Committee has yet to schedule a markup. The Senate EPW Committee has already passed the highway title for the reauthorization.

[Earmarks worth \\$5.7 billion return in highway bill slated for markup this week](#)

The highway bill that the House Transportation and Infrastructure Committee will mark up Wednesday will include \$5.7 billion in earmarks — a little more than one-third of the \$14.9 billion members requested.

Committee Chairman [Peter A. DeFazio](#), D-Ore., released the list of projects that made the cut Monday as his panel prepared for a markup expected to last days on the five-year, \$547 billion surface transportation reauthorization. The details, in a substitute amendment to the original bill, cover 133 pages of a 1,383-page bill.

The bulk of the projects seem to be in the \$1 million to \$5 million range, such as the \$3 million included for work on the H Street Bridge in the District of Columbia. Twenty-five projects would receive \$20 million earmarks, including five in California.

[Minnesota Earmarks](#)

[House panel advances \\$547 billion surface transportation bill](#)

The House Transportation and Infrastructure Committee advanced, 38-26, a five-year, \$547 billion surface transportation bill largely along party lines early Thursday morning.

Two Republicans, [Brian Fitzpatrick](#) of Pennsylvania and [Jenniffer González-Colón](#) of Puerto Rico, supported the bill.

Members had submitted a whopping 229 amendments to the sweeping legislation, which was threaded with provisions aimed at fighting climate change and supporting racial equity in the transportation system. Democrats hope the legislation will become a cornerstone of President Joe Biden's \$2 trillion-plus infrastructure package.

The overall highway bill includes **\$343 billion for roads, bridges and safety; \$109 billion for transit and \$95 billion for freight and passenger rail.**

It dedicates \$8.3 billion for reducing carbon pollution, with an additional \$6.2 billion for mitigation and resiliency improvements aimed at building infrastructure resistant to extreme weather events.

The bill also calls for investing \$3 billion into a program aimed at tearing down or modifying bridges or overpasses that separated Black and Brown communities from their cities.

[DeFazio hopes for a deal down the road on highway bill](#)



With the House Transportation and Infrastructure Committee approving its five-year, \$547 billion surface transportation bill early Thursday, the focus shifts to the Senate, where two committees must now take up their portions of the highway bill.

The Commerce, Science and Transportation Committee is tentatively scheduled to take up its portion of the Senate bill, which includes rail and safety, **next Wednesday June 16**. The committee leadership introduced the [Surface Transportation Investment Act](#) which authorizes \$78 billion over five years for rail and safety programs. The bill provides \$1.2 billion annually for INFRA and \$1.5 billion annually for RAISE grants.

The Banking, Housing and Urban Affairs Committee has yet to schedule a markup of the portion of the bill dealing with transit, which falls under its jurisdiction.

House Transportation and Infrastructure Chair [Peter A. DeFazio](#), D-Ore., said Wednesday he is determined to move the House Democrats' plan through regular order. The House will take up the bill the week of June 28, said Majority Leader [Steny H. Hoyer](#) of Maryland.

But if that bill, which the committee approved by a 38-26 vote, passes the House as expected, DeFazio said he is determined that the bill go through a conference committee with the Senate.



[Bipartisan Senate group reaches infrastructure deal without tax hikes — but leaders still need to sign off](#)

Senators from both parties have reached an infrastructure deal they hope to sell as a plan that can get through Congress with bipartisan support.

A group of 10 Democrats and Republicans struck what they called a “realistic, compromise framework to modernize our nation’s infrastructure and energy technologies,” according to a joint statement released Thursday by Sen. Kyrsten Sinema, D-Ariz. The plan “would be fully paid for and not include tax increases,” the senators added.

Earlier Thursday, Sen. Jon Tester — a Montana Democrat who has joined the negotiations — suggested the funding for the plan could come from multiple sources.

“Part of what I’m concerned about is that maybe what we’re projecting on the numbers, on the pay-fors, because they’re not taxes. They’re fees. They’re funds. They’re different vats of money out there, or pots of money out there, that we can draw out of,” he told MSNBC.

Sen. Joe Manchin, D-W.Va., has insisted he wants to pass a bill with support from both parties. He could hold up a Democratic proposal on his own. Manchin is part of the negotiating group.

Mark Your Calendars
Minnesota Transportation Alliance
Washington, DC Fly-In September 21-23, 2021

Join us in person in Washington, DC as we advocate for a strong five-year surface transportation authorization act and a once-in-a-generation infrastructure package.

This is our opportunity for the largest federal transportation funding package in history. Don't miss out! Join your colleagues and help send a strong message about the importance of infrastructure funding for Minnesota.

[Bipartisan House caucus offers alternative infrastructure plan after Senate GOP talks collapse](#)

The 58-member bipartisan House Problem Solvers Caucus has put together a \$1.25 trillion infrastructure spending framework, including \$761.8 billion in new spending over eight years, to help salvage faltering bipartisan negotiations.

The caucus's proposal comes as President Joe Biden ended his negotiations with a group of Senate Republicans led by West Virginia's [Shelley Moore Capito](#). That Senate GOP group had offered a nearly \$1 trillion infrastructure plan, roughly a third of which was new spending above the "baseline" amount the government would normally spend to sustain current infrastructure.

The caucus's framework includes \$518 billion for highways, roads and safety; \$64 billion for bridges; \$155 billion for transit; \$120 billion for Amtrak and passenger rail; \$41 billion for airports; \$26 billion for waters and ports; and \$25 billion for electric vehicle infrastructure.

The co-chairs of the full caucus, Reps. [Josh Gottheimer](#), D-N.J., and [Brian Fitzpatrick](#), R-Pa., have been separately engaged in talks with a bipartisan group of senators, including Sens. [Bill Cassidy](#), R-La., [Kyrsten Sinema](#), D-Ariz., [Rob Portman](#), R-Ohio, and [Joe Manchin](#) III, D-W.Va.

That group of senators have not yet signed on to the Problem Solvers Caucus framework, but the bicameral group's proposed spending numbers could end up being similar to the Problem Solvers framework, given Gottheimer and Fitzpatrick's involvement. Pay-fors are being negotiated in the bicameral group. It's unclear if the Problem Solvers would release any offsets separate from that.

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