

Failure is Not an Option

The Urgent Need to Grow and Diversify Minnesota's Transportation Funding Sources



NorthStar
POLICY ACTION

Failure is Not an Option

THE URGENT NEED TO GROW AND DIVERSIFY MINNESOTA'S TRANSPORTATION FUNDING SOURCES

EXECUTIVE SUMMARY

Despite Minnesota having \$12.5 billion in one time money and a structural general fund surplus of \$6 billion, **there is no surplus in transportation funding**. This report details decades of declining revenue from dedicated funding sources of transportation infrastructure, describes how that has left our infrastructure in a state of disrepair, and makes the case for a diversified and sustainable transportation funding package.

DECLINING REVENUE:

- ◆ Minnesota is facing a \$30 billion funding shortfall over the next 20 years just to maintain our current system of state and county highways, city streets, town roads, bridges and transit.
- ◆ Nearly all funding for Minnesota's state and county highways and bridges is received from constitutionally dedicated revenue sources, all of which are raising less revenue than forecast.
- ◆ The gas tax and debt surcharge hasn't been increased since the aftermath of the I-35W bridge collapse, and it hasn't kept pace with inflation.

INCREASING NEEDS:

- ◆ Minnesota has thousands of miles of roads in poor condition, more than 600 structurally deficient bridges, and transit systems across the state in dire fiscal condition.
- ◆ The American Society of Civil Engineers (ASCE) 2022 Infrastructure Report Card graded our roads a 'D+', bridges a 'C' and transit a 'C-'.

- ◆ There are 874 bridges in poor condition, 1,400 bridges with reduced or substandard load capacity and over 600 structurally deficient bridges.
- ◆ According to MnDOT's 2022 Local Bridge Replacement Program Report, we need to be replacing 320 bridges per year and funding only allows the replacement of 100-200 bridges per year.
- ◆ The Metropolitan Council is facing a nearly \$300 million fiscal cliff and rural transit agencies face a \$167 million funding gap between projected revenues and projected needs.

A DIVERSIFIED AND SUSTAINABLE TRANSPORTATION FUNDING SYSTEM:

- ◆ We propose new dedicated revenue streams to clear Minnesota's backlog of transportation projects and keep up with future demands.
- ◆ A 75 cent fee on retail delivery orders is a new and innovative way to diversify transportation revenue to make up for the increased wear and tear from delivery vehicles.
- ◆ By kicking the can down the road, policy makers have left our infrastructure in a dire state. Now is the time for policy makers to do the responsible thing and pay for our infrastructure needs through user fees like the delivery fee.

INTRODUCTION

Despite Minnesota having \$12.5 billion in one time money and a structural general fund surplus of \$6 billion, **there is no surplus in transportation funding.**

Minnesota is facing a \$30 billion funding shortfall over the next 20 years just to maintain our current system of state highways, city streets, town roads, bridges and transit. Transportation receives less than one percent of general funds. Nearly all funding (92 percent) for Minnesota's state highways and bridges is received from constitutionally dedicated revenue sources: the state motor vehicle fuel tax (gas tax), state motor vehicle registration tax (license tab fees) and state motor vehicle sales tax (MVST). All three constitutionally dedicated revenue sources are raising less revenue than forecast.¹

For local governments, the property tax – not transportation user fees – provide the majority of funding for local transportation. With no major increase in state funds in recent years, local governments have had to increase local taxes, including local sales taxes that now help to fund state trunk highway projects. In 2023, counties and cities received less funding from the state highway trust fund than they received in 2022.

Beginning in 2025, gas tax revenues are expected to decrease by approximately one to two percent per year.² The remaining funding (8 percent) for state highways and bridges comes from state sales

taxes, a majority of which comes from the statutorily dedicated sales tax on auto parts and repairs. This funding source is also losing value due to inflation. Under current law, a fixed portion (\$145.6 million annually) of the sales taxes on auto parts and repairs is credited to the Highway User Tax Distribution Fund (HUDTF). When this law was fully phased in in 2020, this portion accounted for 55 percent of the sales tax collected. Today, \$145.6 million accounts for only 43 percent of the sales tax collected annually.³

The gas tax is currently Minnesota's top dedicated funding source for maintaining our current system of state and county highways and bridges (35 percent), followed by license tab fees (32 percent) and MVST (25 percent). Lawmakers have not increased the gas tax since 2008 when, in response to the I-35W bridge collapse, they overrode a gubernatorial veto of a 5 cent per gallon increase and 3.5 cent per gallon gas tax debt surcharge phased in over the next four years.⁴

The gas tax and debt service surcharge was fully phased in by 2012 for a total of 28.5 cents per gallon (25 cent gas tax and 3.5 cent surcharge).⁵ The state's present gas tax is not tied to inflation and has steadily lost value since 2012. Had lawmakers indexed the gas tax and debt service surcharge to inflation, it would be 37.8 cents today. Prior to 2008, lawmakers had not raised the gas tax since 1988.

¹ Sam Brown. MnDOT November 2022 Forecast Update (St. Paul: 2022), https://www.senate.mn/committees/2023-2024/3132_Committee_on_Transportation/MnDOT%20Overview.pdf.

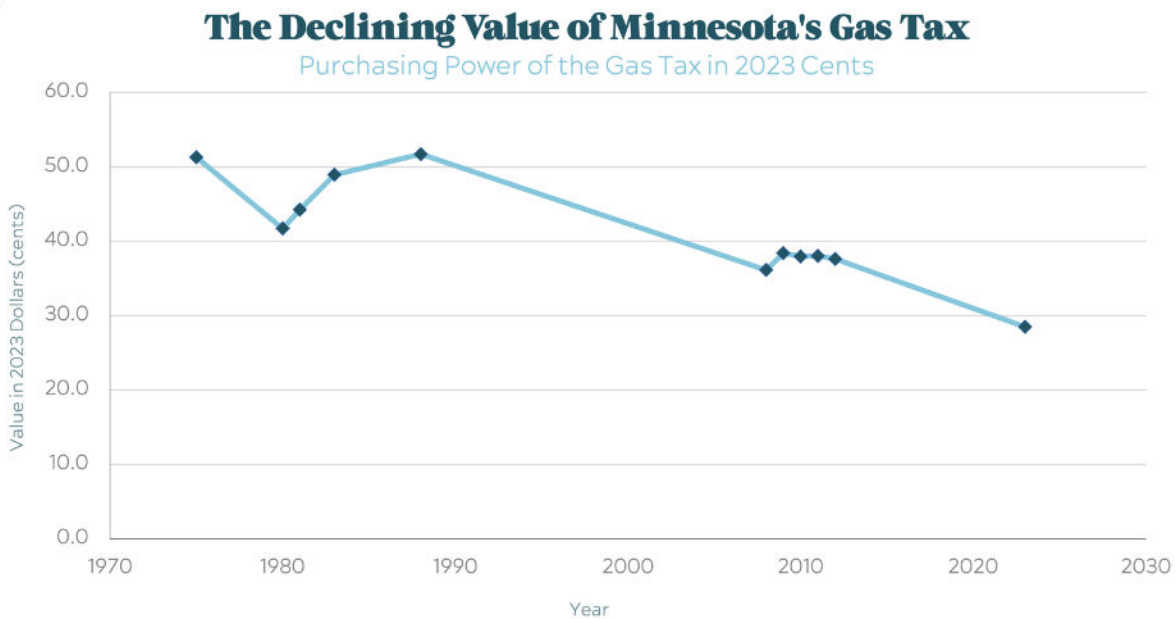
² Ibid.

³ "Transportation Funds Forecast February 2023." MN Department of Transportation. Accessed May 8, 2023. https://edocs-public.dot.state.mn.us/edocs_public/DMResultSet/download?docId=29716267.

⁴ Ibid

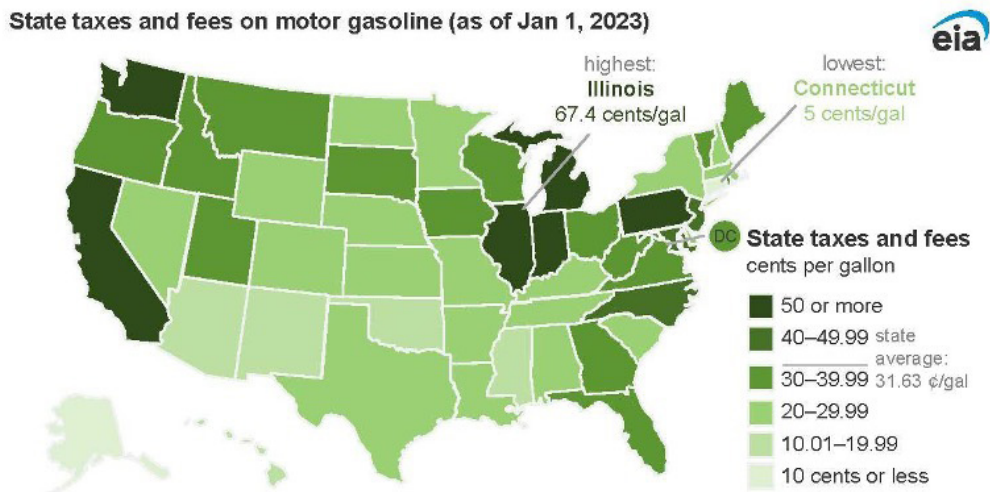
⁵ MnDOT, "History of Mn/DOT Revenue Changes," <http://www.dot.state.mn.us/about/pdfs/historychart.pdf> (accessed May 2, 2023).

GRAPH 1: GAS TAX VALUE



Minnesota has failed to maintain revenue levels to meet the state's transportation funding needs. Meanwhile, since 2013, 33 states and the District of Columbia have increased their gas taxes.⁶

IMAGE 1: COMPARATIVE GAS TAX



Data source: U.S. Energy Information Administration, *federal and state motor fuels taxes table*

Note: As the gasoline tax rate in Connecticut gradually increases, Alaska will become the lowest gasoline tax state effective February 1, 2023.⁷

⁶ National Conference of State Legislatures, “Recent Legislative Action Likely to Change Gas Taxes,” April 24, 2023, <https://www.ncsl.org/transportation/recent-legislative-actions-likely-to-change-gas-taxes> (accessed May 5, 2023).

⁷ Detailed discussion of national gas tax rates from the U.S. Energy Information Administration available here: <https://www.eia.gov/todayinenergy/detail.php?id=55619>.

Minnesota is falling behind many other Midwestern states and failing to keep up with growing transportation funding needs. Minnesota lawmakers need to find innovative and sustainable ways to meet our funding needs.

SECTION 1: A CLOSER LOOK AT OUR DETERIORATING INFRASTRUCTURE

Minnesota's crumbling and inadequate infrastructure is leaving many communities and families behind and putting our safety at risk. Minnesota has thousands of miles of roads in poor condition, more than 600 structurally deficient bridges, and transit systems across the state in dire fiscal condition. The American Society of Civil Engineers (ASCE) 2022 Infrastructure Report Card graded our roads a 'D+', bridges a 'C' and transit a 'C-'.⁸ The report card estimated that poor road conditions cost the average motorist \$543 due to fuel inefficiency on crowded roadways and the damage caused by driving on subpar streets.⁹ Potholes as far as the eye can see are only the tip of the iceberg. Our crumbling roads and bridges and inadequate transit system are a growing threat to our safety, health and prosperity.

8 Katie Zadrozny (Report Card Chair), 2022 Report Card for Minnesota's Infrastructure (American Society of Civil Engineers, 2023), https://infrastructurereportcard.org/wp-content/uploads/2016/10/MN_IRC_2022-report_7.21.22-FINAL.pdf.

9 American Society of Civil Engineers, Minnesota 2022 Report (2023), under bridge score drop-down, <https://infrastructurereportcard.org/state-item/Minnesota/>.

1.1 CRUMBLING ROADS

Minnesota roads are in dismal condition. We have the fourth-highest number of roadway miles in the U.S.¹⁰ We have built out an extensive network of public roadways to provide critical infrastructure for all Minnesotans, but we have failed to maintain our network. The ASCE rate Minnesota roads a D+.¹¹



POOR: AT RISK

The infrastructure is in poor to fair condition and mostly below standard, with many elements approaching the end of their service life. A large portion of the system exhibits significant deterioration. Condition and capacity are of significant concern with strong risk of failure.

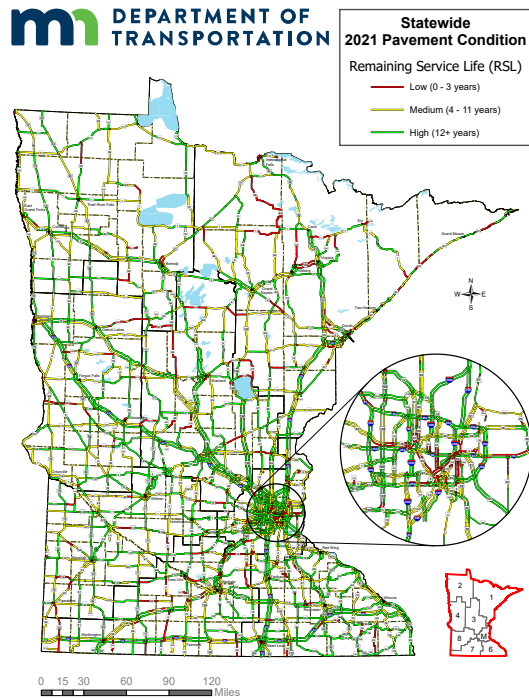
The ASCE assessment is corroborated by both survey data from county engineers assessing the condition of county, city, and township roads and by Minnesota Department of Transportation (MnDOT) analysis. Nearly two in three city and county engineers indicated that their roadways were in "mediocre" or "poor" condition in a 2021 survey.¹² MnDOT also deems a significant number of trunk highway roads as having a "low" remaining service life indicating significant deterioration in roadway conditions.

¹⁰ Ibid.

¹¹ Katie Zadrozny (Report Card Chair), 2022 Report Card for Minnesota's Infrastructure (American Society of Civil Engineers, 2023), 8, https://infrastructurereportcard.org/wp-content/uploads/2016/10/MN_IRC_2022-report_7.21.22-FINAL.pdf.

¹² Katie Zadrozny (Report Card Chair), 2022 Report Card for Minnesota's Infrastructure (American Society of Civil Engineers, 2023), 67, https://infrastructurereportcard.org/wp-content/uploads/2016/10/MN_IRC_2022-report_7.21.22-FINAL.pdf.

IMAGE 2: MINNESOTA PAVEMENT CONDITION



Source: Minnesota Department of Transportation

Not only are Minnesota roads in poor condition increasing the likelihood of vehicle damage, but Twin Cities drivers also face significant congestion.

"An analysis of 300 urban areas across the U.S. found that one of Minnesota's urban areas, the Twin Cities, has the 18th-worst level of traffic congestion of all urban areas in the U.S. In 2019, the average driver in the Twin Cities spent 59 peak hours in congestion, averaging a cost of \$1,119 per driver. These financial losses total more than \$2.3 billion due to congestion in just one area that year. The pandemic provided a historic traffic hiatus, but preliminary 2021 data shows that the pause didn't last long. Traffic congestion remains an issue for Minnesotans, primarily in the Twin Cities."¹³

¹³ Katie Zadrozny (Report Card Chair), 2022 Report Card for Minnesota's Infrastructure (American Society of Civil Engineers, 2023), 68, https://infrastructurereportcard.org/wp-content/uploads/2016/10/MN_IRC_2022-report_7.21.22-FINAL.pdf.

With the population of the seven-county metro region expected to gain 630,000 new residents by 2050,¹⁴ congestion will worsen. This level of congestion is not only a problem at the individual level, but it hinders overall economic growth by impairing productivity and slowing the transfer of goods to market.

1.2 STRUCTURALLY DEFICIENT BRIDGES

There are 874 bridges in poor condition out of a total of approximately 15,192 bridges in Minnesota. These bridges are owned by an array of counties, cities and other local governments. In addition to the 874 bridges rated in poor condition, there are 1,400 bridges with reduced or substandard load capacity and over 600 "structurally deficient" bridges.¹⁵

Minnesotans are all too familiar with the tragic consequences of poor bridge maintenance. The federal government rated the I-35W bridge as "structurally deficient" in the early 1990s "citing significant corrosion in its bearings." Additionally, a 2005 analysis again found that the bridge was "structurally deficient, giving it a 50 on a scale of 100 for structural stability."¹⁶

The I-35W bridge collapsed in the midst of rush hour on August 1, 2007. The collapse tragically killed 13 and injured 145. It was a stark reminder of the critical need to invest in our transportation infrastructure.

¹⁴ Metropolitan Council, *Pandemic and Decline in Migration Result in Changes to Forecasted Regional Growth* (April 17, 2023), <https://metro council.org/News-Events/Communities/Newsletters/Forecast-2023.aspx>.

¹⁵ Katie Zadrozny (Report Card Chair), 2022 Report Card for Minnesota's Infrastructure (American Society of Civil Engineers, 2023), 20, https://infrastructurereportcard.org/wp-content/uploads/2016/10/MN_IRC_2022-report_7.21.22-FINAL.pdf.

¹⁶ Elizabeth Stawicki, "Why did the bridge collapse?" Minnesota Public Radio, August 2, 2007, <https://www.mprnews.org/story/2007/08/02/inspection> (accessed April 4, 2023).

The Federal Highway Administration (FHWA) has identified 602 structurally deficient bridges in Minnesota out of their analysis of the more limited list of 13,497 bridges.¹⁷ A structurally deficient bridge is “one whose components may have deteriorated or have been damaged, resulting in restrictions on its use.”¹⁸

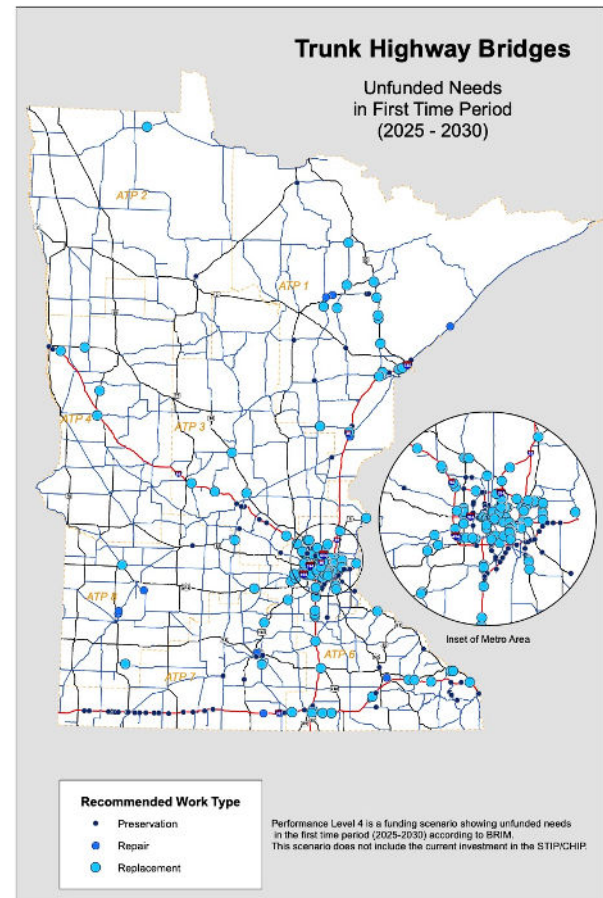
IMAGE 3: BRIDGE DETERIORATION



Ramsey County Bridge

Unfunded bridge repair needs are widely distributed both geographically and across all bridge types in Minnesota.¹⁹ Image 4, Trunk Highway Bridges, provides a clear visual representation of the scale and distribution of unfunded bridge repair needs in Minnesota.

IMAGE 4: TRUNK HIGHWAY BRIDGES



Source: MnDOT

The number of structurally deficient bridges and the share of crossings on structurally deficient bridge routes is especially acute in rural Minnesota.

¹⁷ American Road & Transportation Builders Association, National Bridge Inventory: Minnesota (Washington DC, 2023), <https://artbabridgereport.org/state/profile/MN>.

¹⁸ Hollaway, L. C. “A review of the present and future utilisation of FRP composites in the civil infrastructure with reference to their important in-service properties.” *Construction and building materials* 24, no. 12 (2010): 2419-2445.

¹⁹ American Road & Transportation Builders Association, National Bridge Inventory: Minnesota (Washington DC, 2023), <https://artbabridgereport.org/state/profile/MN>.

TABLE 1: STRUCTURALLY DEFICIENT BRIDGES IN RURAL AREAS

Type of Bridge	Number of Bridges	Daily Crossings on All Bridges	Number of Structurally Deficient Bridges	Daily Crossings on Structurally Deficient Bridges	Percentage of Crossings on Structurally Deficient Bridges
Rural Interstate	220	2,319,601	9	89,105	3.8%
Rural arterial	627	3,358,540	13	70,439	2.1%
Rural minor arterial	1,037	2,389,537	24	44,223	1.9%
Rural major collector	1,892	1,589,118	80	63,005	4.0%
Rural minor collector	1,318	398,073	74	24,712	6.2%
Rural local road	5,602	410,895	293	18,837	4.6%
Total	10,696	10,465,764	493	310,321	3.8%

The share of crossing on structurally deficient bridges is also concerning in urban areas.

TABLE 2: STRUCTURALLY DEFICIENT BRIDGES IN URBAN AREAS

Type of Bridge	Number of Bridges	Daily Crossings on All Bridges	Number of Structurally Deficient Bridges	Daily Crossings on Structurally Deficient Bridges	Percentage of Crossings on Structurally Deficient Bridges
Urban Interstate	514	18,000,102	11	270,571	1.5%
Urban freeway/expressway	323	11,321,608	6	217,500	1.9%
Urban other principal arterial	282	4,814,767	14	232,671	4.8%
Urban minor arterial	765	9,482,318	33	344,485	3.6%
Urban collector	518	2,136,648	21	85,048	4.0%
Urban local road	399	660,504	24	36,820	5.6%
Total	2,801	46,415,947	109	1,187,095	2.6%

There are nearly 1.5 million daily crossings on structurally deficient bridges in Minnesota. The most traveled structurally deficient bridges in Minnesota are in Anoka, Dakota, Hennepin and Ramsey counties, and two bridges on Highway 14 in Mankato.²⁰

²⁰ American Road & Transportation Builders Association, National Bridge Inventory: Minnesota (Washington DC, 2023), <https://artbbridgereport.org/state/profile/MN>.

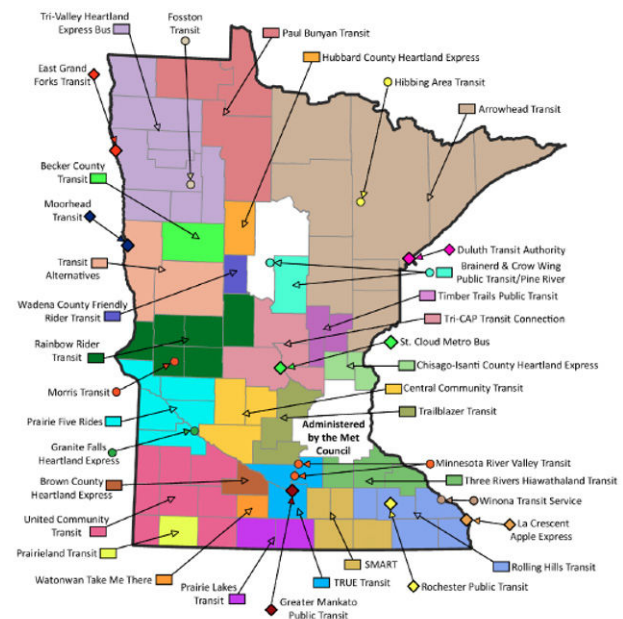
According to MnDOT’s 2022 Local Bridge Replacement Program Report, we need to be replacing 320 bridges per year and funding only allows the replacement of 100–200 bridges per year.²¹

This is unacceptable. Lawmakers have a duty to ensure the health and safety of all Minnesotans. The failure to adequately fund our critical bridge infrastructure is exposing all Minnesotans to dangerously high levels of risk.

1.3 INADEQUATE TRANSIT

An efficient, reliable and accessible transit system is a critical means to connect people to opportunities, ease congestion and reduce pollution. According to ASCE, “Approximately 92 million rides in the Twin Cities and 12 million rides in Greater Minnesota are taken each year across more than 50 public transit systems.”²² Many of these riders are daily commuters, seniors and young people. They rely on consistent service to get to work, to appointments or to school.

IMAGE 5: GREATER MINNESOTA PUBLIC TRANSIT AGENCIES



Source: Minnesota Department of Transportation²³

Unfortunately, transit systems across the state face significant funding shortfalls. For example, the Metropolitan Council is facing a nearly \$300 million fiscal cliff. Metro Transit has been surviving for the last few years on one time cash infusions tied to federal pandemic relief bills. Urban bus service depends on the MVST, which is projected to fall \$121.4 million short of what it was projected to bring in over the next four years.²⁴ And rural transit agencies face a \$167 million funding gap over the next 20 years between projected revenues and projected needs.²⁵

21 Minnesota Department of Transportation, Local Bridge Replacement Program – State of the Program (St. Paul, Minnesota: MnDOT, 2023), https://edocs-public.dot.state.mn.us/edocs_public/DMResultSet/download?docId=17916669.

22 Katie Zadrozny (Report Card Chair), 2022 Report Card for Minnesota’s Infrastructure (American Society of Civil Engineers, 2023), 73, https://infrastructurereportcard.org/wp-content/uploads/2016/10/MN_IRC_2022-report_7.21.22-FINAL.pdf.

23 Katie Zadrozny (Report Card Chair), 2022 Report Card for Minnesota’s Infrastructure (American Society of Civil Engineers, 2023), 74, https://infrastructurereportcard.org/wp-content/uploads/2016/10/MN_IRC_2022-report_7.21.22-FINAL.pdf.

24 Peter Callaghan, “What surplus? Budget picture not so rosy for Minnesota transportation,” MinnPost, January 19, 2023, <https://www.minnpost.com/state-government/2023/01/what-surplus-budget-picture-not-so-rosy-for-minnesota-transportation/>.

25 Katie Zadrozny (Report Card Chair), 2022 Report Card for Minnesota’s Infrastructure (American Society of Civil Engineers, 2023), 73, https://infrastructurereportcard.org/wp-content/uploads/2016/10/MN_IRC_2022-report_7.21.22-FINAL.pdf.

The ability to maintain this grade is in jeopardy due to deep structural deficits across our transit system. Overall, our transit system is graded a C-.²⁶



MEDIOCRE: REQUIRES ATTENTION

The infrastructure in the system or network is in fair to good condition; it shows general signs of deterioration and requires attention.

Some elements exhibit significant deficiencies in conditions and functionality, with increasing vulnerability to risk.

Despite dire financial challenges across rural and urban areas, Minnesota's overall transit system is widely utilized. Metro Transit is the largest transit provider, accounting for approximately 80 percent of all statewide ridership in 2018.²⁷ Ridership was robust and growing quickly pre-pandemic. There were nearly 35.9 million transit rides provided by Metro Transit and Suburban Transit Providers in 2021 and 1.8 million rides for people with disabilities on Metro Mobility in 2021.²⁸ Rural transit usage has also historically been robust.

For example, "Transit ridership in Greater Minnesota in 2014 reached a record high of 12 million rides, and service hours peaking at 1.4 million hours in 2016."²⁹ While transit ridership declined significantly during the pandemic, a return to work and play on transit systems is driving a ridership recovery.

In February, 2023, the Metropolitan Council reported a 17 percent increase in ridership from 2021 to 2022.³⁰ This was a significant increase in ridership and a positive sign for robust growth in 2023. Despite signs of recovery, transit systems across the state face significant funding shortfalls.

SECTION 2: A DIVERSIFIED AND SUSTAINABLE TRANSPORTATION FUNDING SYSTEM

Minnesota needs new long-term dedicated revenue to help catch up and keep up our roads, bridges and transit. The Legislature can start by dedicating \$1 billion in new revenue for roads and bridges per year and \$500 million in new revenue for transit per year.

²⁶ Ibid.

²⁷ Ibid, 73.

²⁸ Ibid, 1.

²⁹ Ibid, 75.

³⁰ Metropolitan Council, "Transit Ridership Increased by 17% in 2022," February 27, 2023, <https://metro council.org/News-Events/Transportation/Newsletters/Transit-ridership-2022.aspx> (access May 4, 2023).

The best path to fill our dedicated funding sources for roads, bridges and transit is through a diversified approach. The following revenue sources are all viable options to fill our funding gaps:

TABLE 3: FUNDING OPTION 1

Road and Bridge Funding Options		
Additional Revenue Source	Estimated revenue per year	Total over 20 years
Dedicating 100% of the sales tax on auto parts and repairs to transportation	\$204.5 million	\$4.1 billion
Increasing license tab fees	\$175.1 million	\$3.5 billion
Adjusting the Motor Vehicle Sales Tax (MVST) from 6.5% to 6.875% (60% of additional revenue)	\$34.6 million	\$692 million
Dedicating a 75 cent fee on retail delivery orders	\$192.5 million	\$3.9 billion
Dedicating one-sixth of a .75% Metro sales tax increase (remainder dedicated to transit)	\$92.9 million	\$1.9 billion
Indexing the gas tax to inflation, such as the Highway Construction Cost Index	\$2.2 million	\$44 million
Increasing the annual electric vehicle fee from \$75 to \$150 or more	\$1.5 million	\$30 million
TOTAL	\$703.4 million	\$14.1 billion
Transit Funding Options		
Increasing the Motor Vehicle Sales Tax (MVST) from 6.5% to 6.875% (40% of additional revenue)	\$23.1 million	\$462 million
Dedicating five-sixths of a .75% Metro sales tax increase (remainder dedicated to highways and active transportation)	\$464.5 million	\$9.3 billion
TOTAL	\$487.6 million	\$9.8 billion
Total combined (roads, bridges and transit)	\$1.2 billion	\$23.8 billion

Most of the above funding options have been proposed to help meet Minnesota's substantial transportation funding shortfalls. If lawmakers cannot agree on one or more of these revenue options, they could increase the gas tax and/or debt service surcharge, which is currently 28.5

cents per gallon combined. For example, raising the gas tax 10 cents would raise \$320 million per year. The problem is, the value of the gas tax is expected to decline one to two percent per year starting in 2025.

TABLE 4: FUNDING OPTION 2

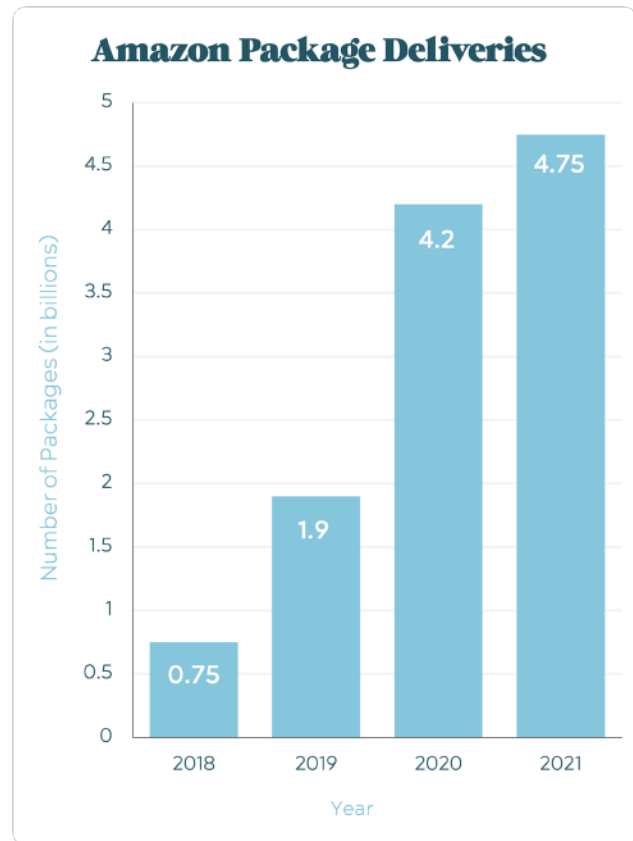
Gas Tax Funding Options		
Gas Tax Increase Options	Gas Tax Revenue Year 1	Total Revenue over 20 years
1 cent	\$32 million	\$640 million
10 cent	\$320 million	\$6.4 billion
15 cent	\$480 million	\$9.6 billion
20 cent	\$640 million	\$12.8 billion
25 cent	\$800 million	\$16 billion

Most of the proposed road and bridge funding sources are a transportation user fee. Because the gas tax is projected to decline in value, we need to identify new sources of revenue that accurately reflect how our transportation system is being used. The delivery fee is a perfect example of this. Retail deliveries dramatically increased during the pandemic, and kept increasing even as restrictions on social gathering and travel ended.³¹

A delivery fee is a new and innovative way to diversify road and bridge funding sources for the future. The fee makes sense considering the wear-and-tear that delivery trucks are causing to our infrastructure and understanding that, as consumers, the alternative to deliveries would mean spending more time and money going to the store.

Companies like Amazon and DoorDash rely on roads and bridges, and they should help pay for the maintenance of that infrastructure. Amazon deliveries have skyrocketed since the start of the pandemic.

³¹ Kabir Ahuja, Vishwa Chandra, Victoria Lord, and Curtis Peens, "Ordering in: The rapid evolution of food delivery," McKinsey & Company, September 22, 2021. <https://www.mckinsey.com/industries/technology-media-and-telecommunications/our-insights/ordering-in-the-rapid-evolution-of-food-delivery> (accessed April 24, 2023).

GRAPH 2: NATIONAL AMAZON DELIVERIES ³²

Amazon package deliveries increased by nearly 533 percent between 2018 to 2021. While the company is contributing to transportation maintenance through the gas tax, their contribution will likely substantially decrease in coming years. Amazon plans to have 100,000 electric delivery vans on the roads by 2030.³³ Those vans will contribute nothing in the gas tax, even though they will be heavier and cause more damage to roads and bridges than the current delivery fleet, and far more than

³² Martin Placek, "Packages delivered by Amazon Logistics in the U.S. 2018-2021," Statista, November 21, 2022, <https://www.statista.com/statistics/1178979/amazon-logistics-package-volume-united-states/#statisticContainer> (accessed May 2, 2023).

³³ Amazon, "Everything you need to know about Amazon's electric delivery vans from Rivian," March 30, 2023. <https://www.aboutamazon.com/news/transportation/everything-you-need-to-know-about-amazons-electric-delivery-vans-from-rivian> (accessed April 22, 2023).

personal vehicles.³⁴ The electrification of the transportation sector is a very good trend in almost every way, but it will have consequences for funding sources that we cannot ignore.

Now is the time to fix, catch up and keep up our roads, bridges and transit. This report illustrates the urgent need to grow and diversify Minnesota's transportation funding sources. Our state leaders have a duty and opportunity to build a safer, cleaner and more fair multimodal transportation system that helps connect all Minnesotans to opportunities.

August 1, 2023 is the sixteenth anniversary of the I-35W bridge collapse. That tragedy spurred lawmakers to pass new long term and dedicated funding for infrastructure repairs. Years of inaction have put our infrastructure at risk once again. State leaders should act before another tragedy forces their hand. Failure is not an option.

³⁴ Mark Pittman, "Electric Vehicles And The Impact On Infrastructure," Forbes, December 29, 2022. <https://www.forbes.com/sites/forbestechcouncil/2022/12/29/electric-vehicles-and-the-impact-on-infrastructure/?sh=6ceb14df1835> (accessed April 24, 2023).

