

## **Give the Public Its Say In Transportation Funding**

### **Background:**

During the 2017 legislative session, a stopgap transportation funding bill was passed. It directs “a portion” of the sales tax on auto parts to transportation but the funds are not constitutionally dedicated and can be taken away by future legislatures. Additional funds for transportation funding over the current two-year biennium are short term solutions and do not address the state’s long-term transportation funding needs. Once this two-year funding package is complete, the state will still have a \$1.0 billion a year shortfall to just maintain our current system.

We propose passing legislation placing a constitutional question on the ballot for 2018 dedicating 100% of the sales tax on auto parts to transportation funding. Passage of this constitutional amendment will insure that the funding cannot be taken away in the future. By placing the issue on the ballot, the public will have the opportunity to decide for themselves if they support such a measure. Dedicating this tax to transportation would add between \$270-\$300 million annually to the transportation budget. Though it is not enough to address the overall shortfall, it is a step in the right direction. The tax collected on auto parts is directly related to the use of our transportation system and should be constitutionally dedicated to transportation funding similar to the motor vehicle registration fees, gas tax and vehicle sales tax.

ACEC/MN supports a Real Solution for transportation funding that is:

- **LONG-TERM:** A multi-year commitment to consistent funding so that planning, design, and construction of infrastructure can be completed effectively and efficiently.
- **DEDICATED:** Funds are for transportation purposes only.
- **COMPREHENSIVE** and **BALANCED:** Addresses the needs for all modes of transportation in both urban and rural areas.

### **ACEC/MN Position**

The legislature should place a constitutional amendment for the dedication of 100% of the tax on auto parts on the 2018 ballot. We also recommend that the legislature take up further funding options to address the remaining shortfall, including a potential increase in the gas tax, license tab fees and allowing increases in county and city sales taxes to fund transit and transportation construction.

### **Action Requested:**

Contact your legislators and explain the value of investing in our transportation infrastructure. Encourage them to find long-term funding solutions for the state’s transportation needs.

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