



Minnesota
Shared Mobility
Collaborative

Shared Mobility Provisions in the 2023 Transportation Bill

Omnibus Transportation Bill Overview

- Chapter 68 was signed into law on May 24, 2023
- The law contains numerous funding and policy provisions that affect shared mobility, including:
 - New statutory definitions
 - New sources of revenue
 - Direct appropriations, rebates, and tax relief for shared mobility modes
 - Climate mitigation requirements and other policy changes

Statutory Definitions

- Electric-assisted bicycle
- Micromobility device
- Micromobility facilities
- Shared electric vehicle facility



Image: Metro Transit

Funding – Regional Sales Tax

- A 0.75% sales tax is imposed within the seven-county metropolitan region.
 - 83% of revenue is allocated to the Metropolitan Council
 - 17% is allocated to the seven counties in the region.
- The Metropolitan Council
 - Must use 5% of their share for active transportation
 - Must use 95% of their share for transit system purposes.
 - The Council is directed to make specific grants to suburban transit providers for their microtransit service (next slide)

Funding – Microtransit

- The regional sales tax must pay for:
 - SouthWest Transit:
 - \$3M for vehicle, infrastructure, and capital costs
 - Maple Grove Transit:
 - \$200K for vehicle costs
 - MN Valley Transit Authority:
 - \$2.3M for vehicles
 - \$3.5M for infrastructure and capital costs

Funding – Regional Sales Tax

- Counties must use their portion of the sales tax revenue for:
 - Transit purposes (e.g. microtransit)
 - Complete streets projects
 - Activities that mitigate climate impacts of other transportation projects (e.g. shared mobility operations and infrastructure)



Image: Metro Transit

Funding – MVST Increase

- The Motor Vehicle Sales Tax (MVST) rate has been increased to 6.875%
- The distribution formula for these revenues is now:
 - 60% to the HUTDF
 - 34.4% for transit in the metropolitan region
 - 5.7% for Greater MN Transit



Image: Metro Transit

Funding – Retail Delivery Fee

- \$0.50 fee imposed on retail deliveries over \$100
- Several exemptions included in the legislation
- Funds are deposited into the Transportation Advancement Account (TAA)
- Estimated to generate \$59 million in FY25



Image: Danielle Elkins

Funding – Transportation Advancement Account (TAA)

- Revenue comes from the retail delivery fee and a portion of the tax on auto parts
- Includes an allocation for cities over 5,000 in population with flexibility to spend on any transportation purpose, including shared mobility
- Other recipients of TAA funds include counties, small cities, townships, and a food delivery support account

Tax Exemption for nonprofit carsharing

- Minnesota Statutes 2022, § 297A.64 has been amended to exempt nonprofit carshare providers from the 9.2% tax on rental cars.
- Companies impacted includes Evie Carshare and HOURCAR



Appropriations

- City of Rochester, Demand Transit Service using electric transit vehicles (\$250,000)
- Electric assisted bicycle rebate (\$4 million)
- Rice Street Capitol Area Redesign and Mobility Hub (\$25 million)
- New state fund to support carsharing in disadvantaged communities (\$500,000)

Right of Way Uses

- Advertising, public art, and informational signage is allowed on micromobility facilities and shared electric vehicle facilities if certain conditions are met.



Image: Meredith Klekotka

Greenhouse Gas Mitigation Policy

- Law requires a transportation GHG emissions impact assessment for major trunk highway construction or reconstruction projects.
- Mitigating actions are required to offset a project's climate impacts if projects don't meet state GHG emissions targets or VMT reduction targets.
- Examples of shared mobility mitigation actions:
 - Transit expansion and service improvements
 - Micromobility infrastructure and service
 - Transportation demand management

GHG Emissions Impact Mitigation Working Group

- MnDOT directed to convene a working group to:
 - Assist with the development of a process for GHG impact assessment
 - Develop an impact mitigation plan
 - Consider funding options for mitigation activities
 - Consider alternative mitigation options



Post-COVID Public Transportation Study

- Metropolitan Council is directed to pay for the UMN's Center for Transportation Studies (CTS) to examine public transportation after the COVID-19 pandemic.
- Due to the legislature October 1, 2024



Image: Metro Transit

Links/Resources

[Chapter 68](#)


[Budget Tracking Spreadsheet](#)

[Bike MN info on e-bike rebate program](#)

[Metropolitan Council's Session Review](#)

[MnDOT Electric Vehicle Infrastructure Plan](#)





Thank you!
For more information, please visit
mnsharedmobility.org

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