

NEWS ANALYSIS – Metro Council and “allies” say Omnibus Transportation bills could lead to “potentially 40%” in service cuts; CTIB Chair McLaughlin confirms the Legislature could



require the CTIB to “make up the difference” for regular route bus service

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This NEWS ANALYSIS has a link to video of the news conference

Minneapolis 3/29/17 – On Monday March 27th Metro Council Chair Adam Duinick and “allies”, including Counties Transit Improvement Board (“CTIB”) Chair and Hennepin County Commissioner Peter McLaughlin, held a news conference to highlight what Duinick described as the prospect of “devastating and harmful cuts” to regular route bus service. Duinick said: “...we would have to look at potentially 40% reductions to the service of Metro Transit customers... Potentially four out of ten buses could not be on the road...” In a letter to House Transportation Chair Paul Torkelson, Duinick said the House Omnibus Transportation bill includes “...a \$122M [million] reduction to Metro Transit regular route bus...” for the coming two year budget cycle.

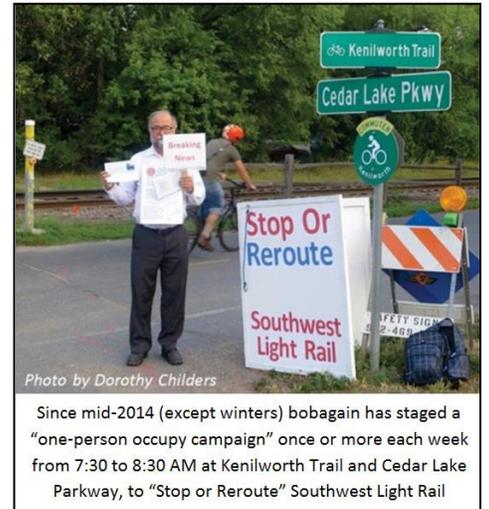


Photo by Dorothy Childers

Since mid-2014 (except winters) bobagain has staged a “one-person occupy campaign” once or more each week from 7:30 to 8:30 AM at Kenilworth Trail and Cedar Lake Parkway, to “Stop or Reroute” Southwest Light Rail

There is a video of the entire news conference on the youtube.com “bobagain channel.”

https://www.youtube.com/watch?v=Vxc_Vo3cKAE&t=1238s

However, it emerged that the Legislature could direct the CTIB to use its funds to cover the regular route bus service operating deficit that the Metro Council currently anticipates.

The enabling law for CTIB is Minnesota Statute 297A.992 – which includes a provision, Subd. 5 (h), added later as an amendment, that directed CTIB spending in a specific way for Fiscal Years 2011 and 2012. That provision states:

“(h) Notwithstanding the provisions of this section except subdivision 6a, of the revenue collected under this section, the joint powers board shall allocate to the Metropolitan Council, in fiscal years 2012 and 2013, an amount not less than 75 percent of the net cost of operations for those transitways that were receiving metropolitan sales tax funds through an operating grant agreement on June 30, 2011.”

During the news conference, at minute 15:04 on the timeline, bobagain began to question Duininck and McLaughlin on the possibility of covering the regular route operating deficit with CTIB money. A transcript of this exchange is at the end of this NEWS RELEASE. The first question was:

bobagain: “*In 2015 the Legislature cut back \$30 million for capital for Southwest and put it to operating for Metro Council and Metro Transit. Why can’t we do the same thing again, and just require CTIB to make up the difference between what you need and what is currently provided for for regular route bus service?*”

Commissioner McLaughlin suggested the underlying problem was the Legislature’s failure to “come up with” ten percent needed to move the Southwest LRT project forward. But bobagain followed up with what emerged as a crucial exchange:

bobagain: “*But hasn’t the Legislature...*” [interrupted]

McLaughlin: “*The idea – the idea that somehow the State’s gonna raid our tax dollars that we raised from our taxpayers for a specific purpose – and we made a promise to those taxpayers... this is gonna be for expansion of the system – it isn’t about garden variety bus service – that’s not what we raised the tax for... Met Council and the State are responsible for that. And we said we’re gonna expand the system, and now they’re trying ‘ta... it’s a common ploy over here... the Republicans like to spend other people’s money... money they didn’t raise... and that’s what they’re doing here.*”

bobagain: “*But hasn’t the CTIB been required to make a specific spending for a one year period in the past, based on Legislation?*”

McLaughlin: “*They have, and we fought that... we fought that.*”

bobagain: “*So it could be done again.*” [Stated as a fact, not as a question]

McLaughlin: “*Oh, they... you know, they can do all sorts of high handed things that really aren’t right.*”

The House is reported to be considering a “CTIB amendment” that could fill any anticipated Metro Transit Regular Route funding gap by doing something similar to the Subd. 5 (h) process that McLaughlin acknowledged has been done before.

Of course, bobagain wasn’t at the Monday news conference to debate anyone, but rather as a “Candidate-Journalist” functioning in “journalist mode” – there to get crucial facts and information on the table. McLaughlin suggests that filling the regular route bus deficit would be in the category of: “... *high handed things that really aren’t right.*” However, Statute 297A.992 states: “The taxes authorized are to fund transportation improvements as specified in this section,...” Statute 297A.992, part of “...this section,...”

specifically provides for “... operating assistance for transitways...” – Subd. 5 (h) simply increased the percentage provided for “operating assistance” to 75% for a two year period. That use of money is consistent with the original stated purpose of the tax: “... transportation improvements...”. Of course, if the CTIB covered up to 100% of the net operating deficit of existing LRT lines for some or all of the coming biennium, that itself wouldn’t be “... garden variety bus service,...” a phrase McLaughlin used in his reply to bobagain. But it would free up other General Fund dollars to pay for that needed “... garden variety bus service.” Based on these facts, it is difficult to determine why Commissioner McLaughlin believes preventing a severe cut to the Metro Transit operating budget by using tax money that is already available, for a purpose, “...operating assistance for transitways,...” that was explicitly identified in the original legislation, should be categorized as among: “... *high handed things that really aren’t right.*”

A written request has been made to the CTIB for their current balance sheet – based on recent presentations at their meetings it is believed they have more than sufficient resources to fully cover any anticipated deficit for regular bus route operations in the coming biennium.

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Following is a transcript of bobagain’s questions and answers from Duininck and McLaughlin – this starts at 15:04 on the video timeline:

bobagain: “In 2015 the Legislature cut back \$30 million for capital for Southwest and put it to operating for Metro Council and Metro Transit. Why can’t we do the same thing again, and just require CTIB to make the difference between what you need and what is currently provided for for regular route bus service?”

Duininck: “I like to remind every group that I’m in front of, especially talking about Southwest, this is not about Southwest, this is about the entire system that we provide. But, specific to that project, the Legislature has funded Southwest going back to 2009, across two Governor’s administrations; they’ve been participating in the process all along; we’ve engaged them as much as we possibly can. But to your question about using those funds – those funds are imposed by a local unit of government, with their own taxing authority, and in partnership with the Council we have a plan to expand and enhance the transit network as it exists today. If that plan were to change, that would have to involve the input of Hennepin County, Ramsey County, and the other CTIB Counties.”

McLaughlin: “Let me just say, the Legislature didn’t impose that tax. We did. Five Counties. And it was meant, it was designed to expand the transit system. We lowered the State’s share of investment in these transitways -- whether it be the Orange Line busway, the Gateway busway, or the LRT projects – we lowered

the State's share from thirty three percent down to ten... [moves hands to illustrate a smaller gap] and the state... [claps hands] we keep running into that wall... the state can't come up with that, even though we've stepped forward, and we're ready to move forward."

bobagain: "But hasn't the Legislature..." [interrupted]

McLaughlin: "The idea – the idea that somehow the State's gonna raid our tax dollars that we raised from our taxpayers for a specific purpose – and we made a promise to those taxpayers... this is gonna be for expansion of the system – it isn't about garden variety bus service – that's not what we raised the tax for... Met Council and the State are responsible for that. And we said we're gonna expand the system, and now they're trying 'ta... it's a common ploy over here... the Republicans like to spend other people's money... money they didn't raise... and that's what they're doing here."

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