



April 28, 2020

Governor Tim Walz  
130 State Capitol  
St. Paul, MN 55155

Speaker Melissa Hortman  
463 State Office Building  
St. Paul, MN 55155

Lt. Governor Peggy Flanagan  
130 State Capitol  
St. Paul, MN 55155

Senate Majority Leader Paul Gazelka  
3113 Senate Office Building  
St. Paul, MN 55155

Senate Minority Leader Susan Kent  
2227 Senate Office Building  
St. Paul, MN 55155

House Minority Leader Kurt Daudt  
267 State Office Building  
St. Paul, MN 55155

Senator Julie Rosen  
Chair, Senate Finance Committee  
2113 Senate Office Building  
St. Paul, MN 55109

Rep. Lyn Carlson  
Chair, House Ways and Means Committee  
479 State Office Building  
St. Paul, MN 55155

Senator Bill Ingebrigtsen  
Chair, Senate Environment Committee  
3105 Senate Office Building  
St. Paul, MN 55155

Representative Rick Hansen  
Chair, House Environment Committee  
545 State Office Building  
St. Paul, MN 55155

Dear Governor Walz and Legislative Leaders:

We need urgent action from the state to abate the 2020 payments into the dry MPCA Clean Fund for 2020, or at least delay the payments until 2021. Minnesota's Dry Cleaners have experienced an unprecedented decline in revenue and further exacerbating our finances is that April and May are the busiest months for many of us.

Many of our businesses have had to close their doors, hopefully temporarily. The revenue loss being experienced is permanent and will not be recaptured. The annual state fees currently charged are a significant annual burden to these businesses and we had already been in discussions with the Environment Chairs about how to provide some relief. COVID-19 impacts have resulted in an extreme hardship for business pay the fees which for businesses with less than 5 employees are \$3,886; for those with 5-10 employees \$4,386 and for more than 10 employees \$15,442.

Impacts of the revenue decline are felt across the state and resulted in the vast majority of business revenues are down for most in the state down anywhere from 70-95%. Even the businesses that are operating delivery services are seeing revenue down 65-80%. The minimum decline is 60% in revenue.

We thank the Governor for declaring dry cleaners as essential business but there is very little demand with business professional staying at home and customers heeding the advise to stay home unless it is necessary to go out.

Like many other of Minnesota's small business, the bills continue to mount, rent is becoming a major issue as landlords and mortgages come due. Loans need to be paid and while some of the cleaners have received aid from the PPP, many have not. It is important to note that the PPP program does not allow our annual fees as an allowable expense.

We are pleading with you to delay the 2020 4<sup>th</sup> quarter payment to December and further to completely abate the 2021 payments or at a minimum reduce them by half and defer the payment until December 2022 to allow us time to earn the revenue. Already we have heard that some cleaners are already exploring bankruptcy as an option due to the massive decline in revenue. The 2021 payments of \$15,442, \$4,386, or even the \$3,000 the state demands now could be the last straw for some of our members running on thin margins.

Respectfully,

A handwritten signature in black ink, appearing to read "Keith Aune".

Keith Aune, President, MCA  
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East Metro Clean'n'Press  
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West St. Paul, MN 55118  
651-450-4759