



# Association of Minnesota Counties

June 17, 2020

Representative Paul Marquart, Chair  
House Tax Committee

Chair Marquart and Members of the House Tax Committee:

On behalf of the Association of Minnesota Counties (AMC), a voluntary association representing all 87 counties, we write to share our concerns with Special Session House File 87 (Her), which establishes the Metropolitan Area Redevelopment Corporation. Our concerns are unrelated to the creation and purpose of the redevelopment corporation, but instead focus on requiring a percentage of the Transportation Sales and Use Tax revenue from the seven metropolitan counties to fund the corporation.

The ability for counties to implement the Transportation Sales and Use Tax has been a beneficial tool utilized by over fifty counties to fund and complete local transportation projects. Because of COVID-19, constitutionally dedicated transportation revenues are currently projected to take an 8% reduction overall in FY 2021, and revenues for the County State Aid Highway Fund are projected to take a 15% reduction in FY 2021. With these projected reductions in state revenues, local transportation funding options – including the Transportation Sales and Use Tax – will be more important than ever for counties to maintain their critical transportation infrastructure.

We appreciate the committee's work to foster economic development and identify and address the adverse impacts of racial discrimination and poverty in the metropolitan area. Thank you for considering our concerns with Special Session House File 87 and for allowing us to provide comments on this legislation.

Sincerely,



Emily Murray, Transportation & Infrastructure Policy Analyst  
*Association of Minnesota Counties*