



February 7, 2022

Dear Members of the House Property Tax Division:

The Association of Minnesota Counties (AMC) —an organization representing the collective interests of all Minnesota’s 87 counties—and the Minnesota Association of County Officers (MACO) write **in support of HF 2800 that would modify the interest rate on delinquent property taxes**. As advocates have pointed out, Minnesota’s delinquency rates have gone unchanged for several years and are not reflective of current market interest rates. AMC and MACO agree that the state’s delinquency rules are in need of review and support recent proposals to allow counties to go below these state-established rates if decided by elected county commissioners or a county auditor who has been assigned these duties by their respective county board. Counties believe this additional flexibility will provide locally elected leaders with enhanced tools to lessen the barriers of home ownership and create a wider path for individuals facing financial hardships to stay in their home.

Our organizations have appreciated the Legislature’s bipartisan interest in combatting Minnesota’s acute housing challenges. As counties have testified on numerous occasions, Minnesota’s current housing crisis has a ripple down effect that is creating poorer education, health, and social outcomes while having disparate impacts on individuals and families across the entire state. Counties firmly believe that housing stability is a first step in creating successful outcomes and promoting self-sufficiency along with having corollary benefits in strengthening local economies. Addressing the housing accessibility/affordability crisis will require state investments along with policy changes. We see HF 2800 as one of these policy mechanisms that will provide additional relief to further limit potential displacement and foreclosures.

We thank Rep. Hertaus for his authorship of this proposal and would be happy to respond to any questions.

Sincerely,

Matt Hilgart, Government Relations Manager
Association of Minnesota Counties

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