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March 1, 2023

Representative Dave Lislegard, Chair House Property Tax Division 451 State Office Building Saint Paul, MN 55155

Chair Lislegard and Members of the House Property Tax Division,

The Minnesota Inter-County Association (MICA) represents fifteen of Minnesota's larger and faster growing counties, including four suburban and eleven Greater Minnesota counties.

Thank you for the opportunity to share our continued support for legislation that promotes affordable homeownership and housing stability through a combination of direct state property tax refund programs, state aids, and a strong tax base. Consistent with those goals, we encourage the Committee's inclusion of the following proposals in the Property Tax Division report:

- **HF 1727 (Wolgamott)** increasing the income eligibility threshold for persons 65 years of age or older to qualify for the Senior Deferral Program, as well as reducing from 15 to 5 years the number of years a senior has to have lived in the home to qualify. These changes will help more seniors on fixed incomes remain in their homes.
- HF 1221 (Lee) supports affordable and stable homeownership by eliminating a statutorily set floor of 10% on the interest rate charged on delinquent property taxes and repurchase contracts. That 10% floor has been well above where interest rates have been in many years, and allowing for a lower floor will make it more likely that willing homeowners facing financial struggles will be able to repay past due property taxes. The proposed language would allow for a different interest rate to assessed from county to county.

Again, thank you for your consideration and support for property tax relief and the work that counties undertake in partnership with the state.

Matt Massman, Executive Director Minnesota Inter-County Association