



June 17, 2020

Dear Chair Carlson and Members of the House Ways and Means Committee,

The Association of Minnesota Counties (AMC) and Minnesota Inter-County Association (MICA) urge adoption of the negotiated agreement reflected in HF128/SF47 to distribute \$842 million of federal CARES Act funds to counties and other local governments as anticipated by Congress. We thank Representatives Marquart, Garofalo, and other House members who were instrumental in reaching this agreement.

As the administrative arm of state government, counties have been on the front lines—working in partnership with state government—to keep Minnesotans safe during this pandemic, and now to help Minnesota safely reopen and recover even as the virus continues to spread. In doing so, counties and their local government partners have already realized costs for PPE, public safety personnel costs, paid leave, workers compensation, and costs to remotely continue essential local government services and ensure in-person services can be provided in a safe manner. For counties, even more significant costs are being incurred across multiple functional areas that are largely unique to county government, including: payroll expenses for public health and contact tracing; human service program costs for remote program enrollment, telehealth, housing and food supports, and emergency rental assistance; costs to implement social distancing in corrections and probation services; and even the operation/financial support of hospitals. With reopening, multiple counties have been engaging to provide even more support for individuals and businesses impacted by the crisis, support safe re-opening of court operations, and will likely incur increased elections costs beyond state appropriated, federal HAVA funds. While counties have not realized identical impacts, all counties have similar statutory responsibilities with the expectation that costs will continue to increase proportionately on county services as the economic hardships created by this public health emergency continue to emerge.

HF128/SF47 acknowledges these financial costs and addresses these difficult realities while also providing for collaboration among local governments, and ensuring that unspent funds are returned to the state to help support budget balance if not needed to fund local COVID-related expenses. It is equally important to note that aside from reimbursement for local government expenses, CARES act funds outlined in HF 128 represent a critical lifeline to residents and businesses who have experienced hardship and financial loss as a result of the coronavirus pandemic.

For all these reasons, we strongly support HF128/SF47 and urge members to approve this compromise approach to ensuring vital CARES Act funds are sent out to all Minnesota communities as soon as possible.

Sincerely,

Matt Hilgart, Government Relations Director
Association of Minnesota Counties

Matt Massman, Executive Director
Minnesota Inter-County Association