



March 28th, 2022

Chair Hornstein and House Transportation Finance and Policy Members ~

On behalf of the Minnesota Small Cities (MAOSC), we write today to express our support for Governor Walz's updated transportation recommendations related to MN Small Cities, which would create an ongoing source of revenue for the Small Streets Assistance program. As you know, Minnesota Small Cities are the ONLY public entity that receives NO ongoing support for our transportation infrastructure.

There are currently just over 700 Minnesota small cities – defined as having a population of under 5,000 – that get no dedicated revenue for road infrastructure, despite their constituents paying for transportation funding through other taxes. Without a sustainable funding source, cities find it difficult to accurately budget for road maintenance and repairs and fall behind on needed maintenance and upkeep efforts.

Governor Walz, in his revised budget, has proposed investing \$10 million per year ongoing to be dedicated to the Small Streets Assistance program. While this would not grow with inflation and still falls short of the biennial goal of \$50 million, it does provide a much-needed revenue source to assist with addressing the transportation infrastructure need in MN Small Cities. We reaffirm our agreement to the updated budget and look forward to supporting it this legislative session.

Cap O'Rourke
Executive Director
MN Small Cities