

May 12, 2022

Chair Hornstein and Members of the House Transportation Finance & Policy Committee:

On behalf of the Association of Minnesota Counties (AMC), an organization representing all of Minnesota's 87 counties, we appreciate the opportunity to comment on HF3718 (Hausman) relating to universal transit mobility implementation and its proposed changes to Minnesota Statutes Section 297A.993, County Transportation Sales and Use Tax.

As members may be aware, there are currently 53 counties that have implemented the transportation sales and use tax. AMC thanks the Legislature for giving counties this tool to invest in community transportation needs. At the same time, counties are concerned with the language in HF3718 Section 1 that would require metro counties that contain **any portion** of a transit taxing district to distribute **any available proceeds** to the Metropolitan Council for universal transit mobility implementation.

This provision sets a bad precedent for the Legislature to tell counties how to use their county transportation sales and use tax revenue, removing local control of locally raised tax dollars. At a time when additional funding for the transportation system is needed, counties should not be forced to use their funding for only one option when statute provides five different uses. At a minimum, AMC would suggest this provision include permissive language.

Thank you for considering our concerns with HF3718 and please do not hesitate to contact me if you would like to discuss this further.

Sincerely,

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