

May 3, 2023

Representative Frank Hornstien, Chair
House Transportation
563 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
Saint Paul, MN 55155

Senator Foug Dibble, Chair
Senate Transportation
3107 Minnesota Senate Building
95 University Avenue W.
Saint Paul, MN 55155

Chair Hornstien, Chair Dibble, and Members of the Transportation Conference Committee:

On behalf of the Minnesota Inter-County Association (MICA), representing fifteen of Minnesota's larger and faster growing counties, including four suburban and eleven in Greater Minnesota, thank you for your work on HF2887 and HF2877-UE.

MICA supports new dedicated statewide revenues for road, bridge, and multimodal infrastructure, including the registration fee, motor vehicle sales tax rate alignment, and delivery fee. In addition, we support dedicating all of the revenue from the auto parts sales tax for transportation purposes and would support an accelerated phase in of that revenue stream. Importantly, we urge conferees to ensure that statewide revenues are fairly allocated to county road and bridges, with at least 29 percent of revenues supporting county transportation needs. Additionally, we:

- Support matching funds to ensure Minnesota can fully leverage federal Infrastructure Investment and Jobs Act funds.
- Support increased funding for the Corridors of Commerce program and urge a mix of the House and Senate approach to ensuring regional balance in how those funds are allocated, including that one-third of the funds be allocated to projects in metro-suburban counties.
- Share the concern of local partners that proposed new Greenhouse Gas Reduction Assessment requirements be modified to ensure critical road safety projects can proceed, funding is available for mitigation efforts, and
- Support language setting in motion a pathway to metropolitan governance reform.
- support the \$45 million one-time general fund appropriation included in the Senate bill for both the Local Road Improvement Program (LRIP) and the Local Bridge Replacement Program (LBRP).

31% of the revenues from the proposed metropolitan area sales tax will be generated in metropolitan suburban counties while existing and currently planned transit lines primarily directly serve other areas of the region and all transit in collar counties requires smooth, safe roads and bridges. We appreciate both chairs' willingness to work with counties to ensure both meaningful geographic balance in the distribution of revenues and flexibility in allowable uses. Specifically, we urge 40% of funds be allocated directly back to the seven-counties for use on local multimodal priorities, as well as other adjustments to better fund road safety needs and moderate regional property tax levies.

Thank you for your willingness to work with counties and for your consideration of the MICA county priorities.



Matt Massman, *Executive Director*
Minnesota Inter-County Association