Chair Paul Marquart House Taxes Committee 597 State Office Building 75 Rev. Dr. Martin Luther King Jr. Blvd. St. Paul, MN 55155 Chair Carla Nelson Senate Taxes Committee 3235 Minnesota Senate Building 95 University Avenue West St. Paul, MN 55155

RE: Taxes Omnibus, HF 3669 May 16, 2022

Dear Chair Marquart, Chair Nelson, and members of the Conference Committee:

As the Conference Committee works to produce a final Tax bill, we write to highlight and express our support for an important provision that would create a local government aid program in the Department of Revenue to provide funding for Soil and Water Conservation Districts (SWCDs) from the general fund.

SWCDs provide an essential and historic local government service and are our partners in restoring and protecting Minnesota's waters, habitats, forests, and the resilience of Minnesota's agricultural lands. SWCDs support farmers, foresters, local governments and other landowners to achieve their goals for land and water conservation across the state. They are the "boots on the ground", working with landowners to:

- identify problems,
- provide technical assistance and design solutions,
- connect landowners with financial support, and
- implement conservation projects.

Despite their crucial role, they have lacked a stable, sufficient, and long-term funding source, which has impacted their ability to engage in long-term planning and provide the stability needed to keep their expert staff. This leads to a loss of expertise, relationships, and momentum, while making it difficult to be both strategic and opportunistic in pursuit of conversation goals. Securing their funding through this form of local government aid will increase staff and project stability and efficiency, enhance clean water and healthy soil outcomes, and help SWCDs better leverage federal and other matching dollars to achieve conservation goals.

We thank Chair Paul Marquart and the House Tax and Property Tax committees for their bipartisan support of this provision. We appreciate your committees' further consideration of this provision and recommend the committee endorse the SWCD aid provision.

Thank you for all your work on behalf of Minnesota.

Sincerely,

