

February 10th, 2025

Chair Koznick and Members of the House Transportation Committee:

AFSCME Council 5 represents over 43,000 public and private sector workers in Minnesota. Many of our members work at MNDOT, the Metropolitan Council, and in public works departments with counties and municipalities. We advocate for excellence in services for the public, dignity in the workplace, and opportunity and prosperity for all workers.

AFSCME Council 5 opposes House File 5, which would reduce the amount of dedicated revenue going to transportation by tens of millions of dollars annually by eliminating the retail delivery fee and ending the inflationary indexing of the gas tax. These revenue streams are vital in addressing the nearly \$20 billion backlog in road and bridge maintenance, as well as expanding transit options across the state of Minnesota. There are ways to improve efficiency and accountability for road construction, maintenance, and transit projects. However, cutting revenue and shifting what's left away from transit doesn't accomplish that; it punishes the people that rely on transit and hamstring our ability to develop a multimodal transportation system of the future.

We also are strongly opposed to section 4 of the bill, which would allow the subtraction of the full amount on Social Security benefits, regardless of their income. The changes made in the previous biennium increased the subtraction to \$105,380 for married filers, or \$82,190 for single filers for Social Security, which alleviated any tax burden on SSI benefits for all but the top quintile of earners in Minnesota. Fully repealing the tax on Social Security will devastate the General Fund, and become progressively more costly with each passing year, further complicating the budget challenges on the horizon. Minnesota can't afford this giveaway to the wealthy.

AFSCME Council 5 respectfully urges a no vote on House File 5 in committee today.

In Solidarity,

A handwritten signature in black ink that reads "Ethan Vogel".

Ethan Vogel
Legislative Director