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May 3, 2023

Omnibus Transportation Finance and Policy Conference Committee Minnesota Legislature, State Capitol St. Paul, MN 55155

Dear Conference Committee Members:

On behalf of Minnesota's 1,777 townships, the Minnesota Association of Townships (MAT) asks the Omnibus Transportation Finance and Policy Conference Committee to support township road funding efforts. Townships manage more than 55,500 miles of roads and 6000 bridges, relied upon by over 915,000 township residents, the state's agricultural, logging, and mining industries, sportsmen, etc.

Townships need a minimum of a \$40 million annual increase in the base level of funding just to maintain township roads in their current condition. Townships have been struck with two main challenges in maintaining roads. The first is a small and ever-decreasing allocation of state transportation funding going to townships, and the second is a steady increase in the weights placed on town roads that were never built to carry such weights.

In 2023, Minnesota townships are projected to receive a <u>29% decrease</u> (or \$15 million reduction) in the state HUTDF funding. That means state funding is down to approximately \$37 million for 2023 or <u>\$667</u> dollars per township road mile. To put this in perspective, Wisconsin town roads will receive \$168 million in dedicated, ongoing funding or <u>\$2800</u> per town road mile for their 60,000 miles of roads.

MAT Board President Gary Burdorf testified before the House committees in March and noted his specific township in Sibley County installed drain tile on one of the township roads at the cost of \$90,000 for one mile of road. Even if the legislature allocated an additional \$40 million (or \$720 per road mile), it would barely scratch the surface of what townships require. We ask assistance for townships and fully funding transportation maintenance needs.

In addition, MAT does NOT support reducing the town road account by \$7 million for the benefit of one township. While we applaud any attempt for townships to receive additional funds (offered as an amendment in both the House and Senate), we cannot support having the remaining townships sacrifice their share of dwindling funds for the benefit of one.

We thank the Chair and Committee for their attention to township roads this session, and we ask for your support to resolve this issue for townships this year.

Sincerely

Jeff Krueger, Executive Director Minnesota Association of Townships