



Association of Minnesota Counties

March 31, 2022

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

On behalf of the Association of Minnesota Counties (AMC), we appreciate the opportunity to comment on HF3931 (Huot) that would dedicate 100% of the revenue from the sales tax on auto repair parts to transportation.

As a statewide organization, AMC has long advocated for the need for increased transportation funding. One of our top priorities over the past several years is support for a comprehensive transportation funding bill that includes new, dedicated revenue for roads, bridges, and transit. It was only a few years ago that we reversed a long-standing position of opposing general fund dollars to fund transportation due to the fact that there are many other county programs that rely on the general fund. After careful consideration, we reversed that position and supported re-directing revenue collected from the sales tax on auto repair parts as part of a compromise solution to address the dire needs of our transportation infrastructure.

AMC appreciates the DE1 Amendment to HF3931 in that it increases the amount of revenue going to the Highway User Tax Distribution Fund (HUTDF) while also including transit as a recipient of some of this revenue. Counties know that in order to find a solution this year to how this revenue will be divided will require compromise. We urge the Legislature and the governor to work together to find a solution on how to divide this revenue so as to bring additional funding to county highways and bridges through the County State Aid Highway (CSAH) fund while also including transit.

AMC recognizes that each level of our transportation system is in need of additional funding. While this revenue is a step in the right direction, it will not solve the needs of our statewide system. We want to thank Chair Hornstein, Rep. Huot, and all members of the committee for your work on this matter. Thank you for considering our thoughts on the DE1 Amendment to HF3931 and please do not hesitate to contact me if you would like to discuss this further.

Sincerely,



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