



April 2, 2024

Dear Chair Hornstein and Members of the Transportation Committee:

Metro Cities, representing the collective interests of cities in the metropolitan area, supports HF 4872 (Brand), which is being heard in the Transportation Committee on Thursday.

Small cities with populations under 5,000 are located throughout the state. Over 50 cities in the seven-county metropolitan region are under 5,000 in population. In 2023, the Legislature established the Transportation Advancement Account (TAA) which distributes revenue from the retail delivery fee and the auto parts sales tax to counties, cities, townships, and a food delivery support account. This change in law provided cities under 5,000, which are not eligible for Municipal State Aid, with reliable funding for street improvement and maintenance projects. Unfortunately, the revenue sources for the Transportation Advancement Account will take time to generate sufficient funding levels for these cities.

The passage of HF 4872 would provide cities under 5,000 with needed transportation funding while the retail delivery fee is implemented, and the auto parts sales tax revenue continues its phased dedication to the Transportation Advancement Account.

Thank you for your consideration of this letter. Please contact me if you have any questions.

Sincerely,

A handwritten signature in black ink that reads 'Mike Lund'.

Mike Lund  
Government Relations Specialist  
Metro Cities