



# Association of Minnesota Counties

April 25, 2018

Chair Torkelson and Members of the House Transportation Finance Committee:

On behalf of the Association of Minnesota Counties (AMC), we want to share with you our position on HF 4437, proposing an amendment to the Minnesota Constitution to dedicate the revenue from the sales tax on auto parts to the Highway User Tax Distribution Fund (HUTDF).

As an organization that represents all of Minnesota's 87 counties, we have long advocated for the statewide need for increased transportation dollars. Last year, AMC reversed a long-standing position of opposing general fund dollars to fund transportation and supported re-directing revenue collected from the sales taxes on auto parts as part of a compromise solution. We want to thank the committee for its work in passing last year's transportation funding bill.

This past December, AMC amended its platform to include language to support constitutionally dedicating the revenue from the sales tax on auto parts to the HUTDF. Despite the adoption of this language in our platform, the issue did not rise to the level to be included as one of our priority items this legislative session. Some of our counties have raised concerns about constitutionally dedicating this revenue when there are many other county programs that rely on general fund dollars.

We believe it is important for legislators to know not only AMC's position of support for this bill, but the concerns that have been raised by some of our members about the potential consequences of removing significant dollars from the general fund.

Sincerely,



Susan Morris, President  
Association of Minnesota Counties



Julie Ring, Executive Director  
Association of Minnesota Counties