March 20, 2023

Representative Frank Hornstein Chair, House Transportation Finance and Policy Committee 563 State Office Building Saint Paul, MN 55155

Chair Hornstein,

As members of the Transportation Advocacy Coalition (TAC), we write in support of HF1012 (Petersburg) to allocate the entirety of the auto parts sales tax to the transportation infrastructure needs of the state, small cities and towns.

TAC includes business and labor organizations united to advocate for meaningful investments in Minnesota's transportation network. We know that despite significant appropriations over the last 15 years, needs still remain. The budget surplus presents a generational opportunity to make some common-sense yet transformational investments that will better position funding streams to sustain our state's infrastructure.

We thank the Legislature for its action earlier this session appropriating to MnDOT the first tranche of increased federal funding through the Infrastructure Investment and Jobs Act (IIJA). The \$315 million will provide immediate opportunities to advance infrastructure projects around the state. While the release of these funds to MnDOT by the Legislature was both helpful and long overdue, more work remains to be done this Legislative session.

Making sensible changes like that proposed in HF1012 are important during these times of surplus when lawmakers are not faced with immediate budget challenges that pit transportation against other important budget priorities. Once made, this change will better leverage auto parts sales tax receipts long-term to be reinvested in our roads and bridges.

On this and many other transportation issues, our coalition stands ready to be a resource to you and your colleagues as you consider ways to build a safe, robust, and secure transportation system. We appreciate the committee's consideration of HF1012 and strongly encourage your support.

Sincerely,

Jason George IOUE Local 49

Adam Duininck North Central States Regional Council of Carpenters

Gavin Hanson Minnesota Business Partnership

cc: Representative John Petersburg

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Matt Zeller Concrete Paving Association of Minnesota