

Minnesota Inter-County Association

(651)222-8737 | www.mica.org

Sent Via Email

March 16, 2021

Representative Paul Marquart, Chair House Committee on Taxes 597 State Office Building St. Paul, MN 55155 Representative Cheryl Youakim, Chair House Property Tax Division 591 State Office Building St. Paul, MN 55155

Chair Marquart and Chair Youakim:

On behalf of the fifteen members of the Minnesota Inter-County Association (MICA), we support the continued state-county partnership as reflected in HF1914 by appropriating an additional \$50 million for county business relief grants.

County governments have prioritized COVID response since the start of the pandemic, including administering multiple grant efforts to help businesses and non-profits. The funds to award those grants have come from CARES Act dollars, county funds, and the \$114 million of state appropriations under Chapter 2, 7th Special Session of 2020 (Chapter 2). We also appreciate that HF1914 uses the framework set-forth in Chapter 2. Doing so allows individual county grant programs to largely maintain continuity over-time.

Our Association members indicate that most counties received more grant requests than funds available when awarding grant funds earlier this year (Chapter 2). If additional funds are appropriated, we anticipate most counties will use the additional funds to address unmet needs from previous grant solicitations or do so alongwith a supplemental solicitation for additional applicants.

The one distinction between the program parameters set forth in HF1914 and Chapter 2 is on Lines 2.3 and 2.4, where the new relief would be limited to entities that were required to close as a result of Executive Order No. 20-99. In contrast, Chapter 2 allowed grants to be awarded to *any* business or non-profit impacted by *an* executive order related to COVID-19 pandemic. Many counties prioritized businesses and non-profits directly closed by EO 20-99 when setting up their grant relief programs. However, recognizing that the benefit of a locally administered program is the ability tailor the program to unique impacts as they evolve, we respectfully request that you consider adjusting the HF1914 language to use the broader language of Chapter 2.

Depending on the timing of final passage, we recommend a minimum of two months be allowed for awarding of grants once counties have received the funds from the state.

Again, thank you Chair Youakim for introducing this legislation. We welcome the continued partnership with counties to respond to and recover from the COVID pandemic.

Sincerely,

Matt Massman, Executive Director Minnesota Inter-County Association