

August 8, 2013

Via Hand Delivery

Representative Kurt Daudt, Minority Leader 267 State Office Building St. Paul, MN 55155 Senator David Hann, Minority Leader 147 State Office Building St. Paul, MN 55155

Dear Minority Leader Daudt and Minority Leader Hann:

As you know, Governor Dayton wishes to call a Special Session for Monday, September 9. The session will be called primarily to provide disaster relief to the eighteen counties included in the federal disaster declaration signed by President Obama on July 25. Preliminary damage assessments determined that the storms caused \$17.8 million in damage and resulted in the largest power outage in Minnesota history.

The Minnesota Legislature has a strong history of providing disaster relief in a timely and bipartisan manner. It appears that a Special Session is needed to provide the state and local match for Federal Emergency Management Agency (FEMA) disaster assistance. Prompt legislative action will enable impacted communities to continue disaster recovery efforts that might otherwise be impeded absent state financial assistance.

The Special Session also provides an opportunity to address an issue impacting the hardworking farmers in our state. Farmers in many parts of the state are experiencing significant hardship due to last year's drought, the extraordinarily long winter, and wet conditions that have limited crop planting and resulted in a shortage of forage. We believe we can provide some relief by repealing the sales tax on farm equipment repair that went into effect on July 1.

We believe that the potential Special Session provides an opportunity to repeal the farm equipment repair sales tax because we can eliminate it without engaging in a divisive fight over how to pay for the tax cut. The Minnesota Department of Revenue estimated a General Fund impact of \$28.6 million in fiscal years 2014 and 2015 for the repeal and there is money remaining on the state's biennial bottom line to absorb this cost.

We request your support in proceeding forward with a Special Session to address FEMA disaster assistance and elimination of the farm equipment repair sales tax. There is strong bipartisan support for both measures. Members of both parties have raised other issues in the context of a possible Special Session. In the interest of delivering timely relief to the communities affected by the recent storms, along with farmers across the state struggling as a result of these and other weather events, we will limit the session to just these two items.

Thank you for your consideration. We look forward to your response.

Sincerely,

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Paul Thissen Speaker of the House

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Thomas Bakk Senate Majority Leader

Cc: Governor Mark Dayton