



# Association of Minnesota Counties

February 14, 2022

Dear Chair Weber and Members of the Senate Subcommittee on Property Taxes:

On behalf of the Association of Minnesota Counties (AMC), an association representing all of Minnesota's 87 counties, I submit this letter in support of SF 2793, a bill providing increases to certain Payment In Lieu of Taxes (PILT) categories and providing longer term predictability in annual payments. PILT solvency and sustainability ranked as a top Association priority this year as voted on by over 250 elected county commissioners at our Annual Conference. While not all counties would benefit equally from this particular proposal, AMC membership firmly understands the importance of the PILT program and how certain areas of the state have fallen behind or remained stagnant in compensation over the course of several decades. While AMC stands by the current appraisal methodology used for calculating Acquired Natural Resources Land payments, our membership would agree that certain categories such as DNR-Administered Other Natural Resources Land and County-Administered Other Natural Resources Land should be reevaluated to make sure that counties are receiving adequate compensation for lands taken off of their property tax rolls.

At its core, PILT underscores a commitment by the State of Minnesota to recognize the direct and indirect costs to communities that are home to state land acquisition. PILT payments have grown over the years to reflect the continued and sizable number of acquisitions from the State as well as reflecting the high value of lands taken off tax rolls. In certain regions of Minnesota, state land ownership may be more than 50% of a county's total acres. To this point, PILT is far more than just a local government aid, it represents and provides community solvency. While many PILT acreages provide tangible and intangible benefits to their communities—via recreation, tourism, and land preservation—it is equally the case that many PILT lands require an equal or even greater set of resources to manage than taxable land via solid waste management, law enforcement, and search and rescue costs.

Most importantly, PILT lands represent thousands of acres that cannot be developed to provide a tangible tax base and resources for local communities and future generations. The latter is extremely critical for communities in Greater Minnesota who have large geographic districts with similar service demands of other counties but far less tax base to help pay for said services. For all these reasons, the Association of Minnesota Counties is a strong advocate for further strengthening PILT programs to ensure that land stewardship and state conservation efforts do not come at the cost of community solvency. We thank the Legislature for their continued bipartisan support over this most critical program.

Sincerely,



Commissioner Todd Patzer, Lac qui Parle County  
*President, Association of Minnesota Counties*