



May 2, 2022

Senator Weber and members of the Senate Property Tax Subcommittee,

On behalf of the Coalition of Greater Minnesota Cities (CGMC), I am writing to express our extreme disappointment the Senate Property Tax Subcommittee is wrapping up its work for the year without addressing either an increase in the appropriation for local government aid (LGA) or needed updates to the LGA formula.

By any measure the LGA program and appropriation has not kept up with city needs. From 2009 to 2021 LGA has only seen a 16% increase compared to a 27% rise in inflation. That does not account for more recent increases in inflation that with each passing day makes it more and more difficult for cities to provide the public safety, core infrastructure, libraries, parks and recreation, and other services that our residents and businesses rely on without contemplating significant property tax increases or services cuts.

This year two bills, SF3871 (Klein) and SF3576 (Bakk), were introduced that would have gone a long way to restrain property taxes and support communities across the state as they continue to recover from the economic disruptions of the COVID-19 Pandemic. Unfortunately, neither bill was granted a hearing.

An increase in the LGA appropriation, as well as needed updates to the LGA formula, remain among the highest priorities for the CGMC for the remainder of the session. As the legislature works to prioritize the use of our state's historic surplus, we will continue to press for the legislature to support cities across the state, especially in Greater Minnesota, through a common-sense investment in local government aid.

Sincerely,

Bradley Peterson
Executive Director, Coalition of Greater MN Cities