



January 17, 2023

Dear Chair Rest and Members, Senate Taxes Committee:

On behalf of the members of the League of Minnesota Cities and the members of Metro Cities, we want to express our joint support for the provisions contained in SF 261-Rest. This bill reflects the deliberations of a workgroup formed last year by the Office of the State Auditor that included representatives of cities, counties, and school districts as well as tax increment financing experts.

The Office of the State Auditor's initiative and the workgroup was a collaborative discussion of several provisions in state statutes governing tax increment financing that were unclear, ambiguous, or confusing. The workgroup met several times to reach consensus on clarifications to the tax increment financing provisions contained in Minn. Stat. § 469.

Our organizations want to thank Senator Rest for authoring the bill, State Auditor Blaha and the staff of the Tax Increment Financing Division of the Office of the State Auditor for convening the workgroup to discuss these issues, and the participants for their input and collaboration.

Thank you for your consideration.

Gary Carlson
League of Minnesota Cities

Patricia Nauman
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