

Courthouse Administrative Services 123 NE 4th Street Grand Rapids, MN 55744-2600 Office (218) 327-7363 Fax (218) 327-2848



March 20, 2023

Senator Ann Rest Chair, Taxes Committee 328 Capital St. Paul, MN 55155

Sent Via Email

RE: Support of SF 1172 – Host Community Transition Aid

Madam Chair and Committee Members,

Thank you for considering this bill that would create a much-needed transition aid program for local governments that will lose significant tax base because of the retirement of large power plants.

Itasca County is home to the Minnesota Power Boswell Energy Plant located in the City of Cohasset. It provides most of the tax base to Cohasset and is the second largest property taxpayer in Itasca County. Through a recent MPCA negotiated decision, we know the latest date coal operations will continue at the power plant – 2035. Even though this may seem like ample time provide for a transition, one can safely assume that replacing this large of tax base will be nigh impossible – as evidenced by the recent decision by Huber to NOT build a plant in Cohasset.

Equally important to replacing the anticipated loss in property tax is finding equitable employment opportunities for any displaced workers. Minnesota Power provides well-paying, family-sustaining employment for our County and we need to continue to invest in our most valued resource – our workforce.

I implore your support of SF 1172 which will provide host communities assistance in the State's energy transition.

Respectfully submitted,

Brett Skyles, Itasca County Administrator