

April 17, 2024

Chair Rest and members of the Senate Taxes Committee:

I serve as Itasca County Commissioner for District 3, and as Chair of the Itasca County Board. While I greatly appreciate Senator Hauschild's work and leadership for our region, I submit this letter to express my concerns about Senate File 5435. The level of spending in this bill could put crucial economic development resources for Northern Minnesota at risk. Moreover, the appropriations allocated by the bill lack geographic balance, and risk undermining the spirit of regional collaboration that the Iron Range needs.

My primary concern is that the bill commits such a substantial portion of resources from taconite production tax revenues toward the issuance of revenue bonds on associated debt service that it will over-commit and put at risk the funds available to the Iron Range Resources and Rehabilitation Board (IRRRB) that are used to support economic development throughout the agency's entire service area.

Expenditures this substantial call for more input from regional stakeholders. With this bill moving on the schedule it has, there has not been time for those discussions to take place. Moreover, the structure of this bill appears to work around the traditional structure of IRRRB projects, which involves the commissioner and an advisory board process by which projects are considered.

With questions, please feel free to reach out to me at john.johnson@co.itasca.mn.us or (218) 259-3529.

Sincerely,

John Johnson
County Commissioner, District 3
Itasca County Board Chair