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Paltry LGA funding upsets Greater Minnesota leaders

ST. PAUL—City leaders in Greater Minnesota are voicing frustration with their legislators this week after the Tax Conference Committee unveiled a tax bill proposal that fails to adequately invest in rural communities.

The tax plan, released Monday night by the joint House and Senate conference committee, includes a meager \$6 million increase in Local Government Aid (LGA) funding for 2018. Because it is just a one-time, one-year increase, LGA would revert back to its current funding level in 2019. City leaders argue this low amount does little to address their cities' growing needs and is especially unacceptable given the state's current solid financial footing.

“Greater Minnesota is once again left out and left behind in the tax bill,” said Sara Carlson, mayor of Alexandria and president of the Coalition of Greater Minnesota Cities (CGMC). “With a \$1.65 billion budget surplus and in the context of a \$1.15 billion tax plan, the Legislature can and should do better for LGA.”

An LGA increase is the number one priority for the CGMC this legislative session. The organization is advocating for a \$45.5 million increase for the 2018-19 biennium, the amount needed to bring the program back to its 2002 funding level. Since the Legislature has not passed an LGA increase in the past two years, the token \$6 million bump in this year's conference committee tax proposal would not even begin to cover a basic inflationary increase.

“Rural Minnesotans and Greater Minnesota cities should be and will be upset if this LGA situation is not rectified,” Carlson said. “LGA is essential to keeping our communities healthy and our property taxes down. With just over two weeks left in session, now is the time to speak up and let our legislators know that LGA is too important to be ignored. Before the session ends, the Legislature and Governor must come to an agreement on a significant permanent increase.”

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The Coalition of Greater Minnesota Cities is a nonprofit, nonpartisan advocacy organization representing 90 cities outside of the Twin Cities metropolitan area. The Coalition educates legislators about issues important to Greater Minnesota. Visit the CGMC online at greatermncities.org.