



March 31, 2025

The Honorable Jon Koznick, Co-Chair
The Honorable Erin Koegel, Co-Chair
Transportation Finance and Policy Committee
Minnesota House of Representatives
Centennial Office Building
St Paul, MN 55155

RE: HF 1774 and HF 2606

Honorable Co-Chairs:

Thank you for your efforts to bring greater clarity to the application of Minnesota's retail delivery fee, particularly as it may or may not pertain to construction materials.

Many bulk materials are brought together to produce asphalt and concrete used in the construction of our state's infrastructure. Applying the delivery fee to deliveries of these materials is redundant to the extreme and incurs costs on construction and maintenance projects that could further limit our collective ability to provide the greatest possible efficiencies for the benefit of the state's taxpayers.

We support both HF 1774 and HF 2606 as a means of clarification and preservation of the affordability of construction materials. **Furthermore, we would suggest exclusion of both liquid and powder binders from the delivery fee.** Binders are used in bulk for the production of both concrete and asphalt. Delivery fees on bulk items, like binders and aggregates, could result in double taxation.

Our organizations are committed to serving the needs of our industries and the people of Minnesota. It would seem that the delivery fee was not intended to impact public infrastructure, affordable housing, or many of the other collectively beneficial projects supplied by our bulk materials. Clarifications, like those provided by HF 1774 and HF 2606 are necessary for the most efficient provision of important construction and maintenance projects.

Sincerely,

A handwritten signature in black ink, appearing to read "John C. Cunningham".

John C. Cunningham
Executive Director, ARM of MN

A handwritten signature in black ink, appearing to read "Abigail C. Bryduck".

Abigail C. Bryduck
Executive Director, MAPA