



April 8, 2025

**Re: HF 2801 – Aid Penalty Forgiveness provided to the city of Alpha**

Chair Davids, Chair Gomez, and members of the House Taxes Committee:

The League of Minnesota Cities appreciates the opportunity to comment on HF 2801. We thank the author, Rep Fogelman, for her work on this issue. The League supports this legislation and asks for its inclusion in the committee's omnibus tax bill.

The League works closely with cities and the Office of the State Auditor (OSA) to help cities come into compliance with financial reporting requirements so that cities are able to receive their local government aid (LGA) payments on time. While it is an important tool to ensure local governments are filing these reports, it is also an extremely important funding source for cities and allows them to fund critical services.

In 2022 the city of Alpha was unable to meet the financial reporting requirements needed to receive their LGA payments in 2023. The city did come into compliance in 2023 for its 2024 aid payment.

Thank you for your time and attention to this important issue.

Sincerely,

A handwritten signature in black ink that reads "Beth Johnston". The signature is written in a cursive, flowing style.

Beth Johnston  
Intergovernmental Relations Representative  
League of Minnesota Cities