The City of/County of \_\_\_\_\_\_\_\_\_\_\_\_\_ urges the legislature and governor to come back together in a special session to pass a capital budget bill along with legislation providing budget authority and matching dollars needed to access federal infrastructure dollars available under the Infrastructure Investment and Jobs Act (IIJA).

Without passage of infrastructure legislation, our (city/county) will not receive state assistance for important road and bridge projects along with other local projects \_(insert projects)\_\_\_\_\_\_\_\_\_\_\_\_\_\_ that will now require either additional local funding or a delay in completing the project that will only increase the cost for taxpayers.

With a historic budget surplus of over $9 billion and federal infrastructure dollars available that require matching funds, we cannot afford to lose this opportunity to make important investments in our community. Other states will capture federal grants through competitive discretionary programs if Minnesota does not have adequate funds to compete and we will continue to lose out in getting the funding assistance we need to complete local projects in a timely manner.

In addition, Minnesota will lose anticipated funds in the August Redistribution. The August Redistribution is an annual process that allows states who demonstrate they can use 100% or more of their annual obligation authority to request additional funds if other states leave funding on the table or other USDOT funded programs go unobligated during the year. MnDOT is historically very successful at demonstrating that it will obligate 100% of the FHWA Formula funds and thus qualifies for FHWA August Redistribution. In 2020, Minnesota received $74 million and in 2021 $66 million in additional federal highway funds through this redistribution. The state could lose up to $100 million this year without the ability to qualify for the 2022 August Redistribution along with other competitive grants.

It's time for the legislature and governor to reach agreement and pass the capital bonding bill that is the focus of even-year sessions and to allow Minnesota to benefit from passage of a transformational federal infrastructure bill.